

BOARD OF EDUCATION OF THE CITY OF LOS ANGELES
Governing Board of the Los Angeles Unified School District

REGULAR MEETING ORDER OF BUSINESS

333 South Beaudry Avenue, Board Room

1:00 p.m., Tuesday, January 23, 2024

Roll Call

Pledge of Allegiance

Board President's Reports

Labor Partners

Committee Chair Reports

- Charter Committee
- Special Education Committee
- Children and Families in Early Education

Recognition of the 2023 America's Healthiest Schools presented by Kaiser Permanente

Consent Items

Items for action are assigned by the Board at the meeting to be adopted by a single vote. Any item may be pulled off of the consent calendar for further discussion by any Board Member at any time before action is taken.

Superintendent's Reports

General Public Comment (Approximately 4:00 P.M.)

Providing Public Comment

The Board of Education encourages public comment on the items for action on this Regular Board Meeting agenda and all other items related to the District. Any individual wishing to address the Board must register to speak using the Speaker Sign Up website: <https://boardmeeting.lausd.net/speakers>, and indicate whether comments will be provided over the phone or in person. Registration will open 24 hours before the meeting. Each action item will allow for ten (10) speakers, except those items for which a Public Hearing will be held will allow for 15 speakers, and 20 speakers may sign up for general Public Comment.

Each speaker will be allowed a single opportunity to provide comments to the Board, with the exception of public hearings, and shall be given two minutes for their remarks. **Speakers signed up to speak on an agenda item must constrain their remarks specifically to the item or items on the agenda or may be ruled out of order.**

Public comment can be made in-person or by telephone, and members of the public must sign up on-line for either method, as described above. Members of the public can only make remote public comment by calling 1-888-475-4499 (Toll Free) and entering the Meeting ID: **879 7060 8197**.

Speakers addressing items not on the agenda will be heard at approximately 4:00 p.m. Speakers commenting on items on the consent calendar will be heard prior to the Board's consideration of the items, and speakers on items not on the consent calendar will be heard when the item is before the Board.

Speakers who do not register online to provide comments may use the following alternative methods to provide comments to Board Members:

- Email all Board Members at boardmembers@lausd.net;
- Mail comments via US Mail to 333 S. Beaudry Ave., Los Angeles, CA 90017; and
- Leave a voicemail message at 213-443-4472, or fax 213-241-8953. Communications received by 5 p.m. the day before the meeting will be distributed to all Board Members.

Speakers who have registered to provide public comments over the phone need to follow these instructions:

1. Call 1-888-475-4499 (Toll Free) and enter Meeting ID: **879 7060 8197** at the beginning of the meeting.
2. Press #, and then # again when prompted for the Participant ID.
3. Remain on hold until it is your turn to speak.
4. Call in from the same phone number entered on the Speaker Sign Up website. If you call from a private or blocked phone number, we will be unable to identify you.
5. When you receive the signal that your phone has been removed from hold and or unmuted, please press *6 (Star 6) to be brought into the meeting.

Please contact the Board Secretariat at 213-241-7002 if you have any questions.

The Office of the Inspector General would like to remind you that they investigate the misuse of LAUSD funds and resources as well as retaliation for reporting any misconduct. Anyone can make a report via the OIG hotline on their website (<https://www.lausd.org/oig>), by telephone at 213-241-7778, or by emailing inspector.general@lausd.net. Reports are confidential and you can remain anonymous if you wish.

Attending the Meeting

Please note there are three ways members of the public may watch or listen this Regular Board Meeting: (1) online ([Granicus stream](#) or [join the zoom webinar](#)) (2) by telephone by calling 1-888-475-4499 (Toll Free) and entering the Meeting ID: **879 7060 8197**, or (3) in person.

Public Notice of Bargaining Union Initial Proposals

1. [Teamsters Local Union No. 572 \(Unit S\) Initial Bargaining Proposals for 2023 Successor \(UIP-001-23/24\) Initial proposals from collective bargaining representatives are made public before negotiations begin.](#)

New Business for Action

2. [Board of Education Report No. 168 – 23/24](#)
Office of Labor Relations
(California School Employees Association and its Los Angeles Chapter 500 (CSEA) 2023-2026 Memorandum of Understanding (MOU) & Compensation for Confidential District Employees Comparable to CSEA Classifications) Recommends adoption of the 2023-2026 MOU (Attachment A) with CSEA and its Los Angeles Chapter 500. Recommends approval of the attached provision for Compensation for Confidential District Employees Comparable to CSEA Classifications (Attachment B).
3. [Board of Education Report No. 122 – 23/24](#)
Procurement Services Division
(Approval of Procurement Actions) Recommends ratification of the contract actions taken by the Procurement Services Division within delegated authority as listed in Attachment “A” including the approval of award of Professional Service Contracts not exceeding \$250,000: New Contracts; Purchase Orders; Goods and General Services Contracts: Purchase Orders; District Card Transactions; Rental of Facilities; Travel/Conference Attendance; General Stores Distribution Center; and Book/Instructional Material Purchase Orders; and approve Professional Service Contracts (exceeding \$250,000): New Contracts; and Goods and General Services Contracts (exceeding \$250,000): New Contracts as listed in Attachment “B.”
4. [Board of Education Report No. 165 – 23/24](#)
Procurement Services Division
Facilities Services Division
Office of Eco-Sustainability
(Resolution to Make Certain Determinations and Findings pursuant to Government Code Section 4217.10 Et Seq. and for Authorization to Enter into Energy Service Contracts with Ameresco, Inc. and Centrica Business Solutions Services, Inc. for Solar Photovoltaic System Projects at 14 School Sites) Recommends adoption of a Resolution and authorization to execute Agreements, and/or any other reasonable instruments, with Ameresco, Inc. and Centrica Business Solutions Services, Inc. for Solar Photovoltaic System Projects at 14 school sites, as described in Exhibit A. The total estimated 25-year energy costs for the 14 school sites is \$133.5 million; the expected net energy cost savings from on-site electricity generation is approximately \$35.1 million over a 25-year period, as set forth in the Resolution (Exhibit B).

PUBLIC HEARING

5. [Board of Education Report No. 060 – 23/24](#)
Facilities Services Division
(Procurement Services Division – Facilities Contract) Recommends ratification of the Procurement Services Division contract actions taken by Facilities Contracts under delegated authority as listed in Attachment “A” including award of advertised construction contracts; award of job order contract amendments; approval of change orders; completion of contracts; award of informal contracts; award of architectural and engineering contracts; award of professional/technical services amendment; extra services/amendments for architectural and engineering contracts and approve the proposed contracts listed in Attachment B including public safety radio system services contract capacity increase amendment, roofing and waterproofing repair and maintenance services task order contracts and asbestos abatement and lead remediation services task order contracts.
6. [Board of Education Report No. 151 – 23/24](#)
Facilities Services Division
(Define and Approve the Angeles Mesa Elementary School Auditorium Ceiling Replacement Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein) Recommends definition and approval of the Angeles Mesa Elementary School Auditorium Ceiling Replacement Project and amend the Facilities Services Division Strategic Execution Plan to incorporate therein, with a total budget of \$813,711.
7. [Board of Education Report No. 155 – 23/24](#)
Facilities Services Division
(Define and Approve Six Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein) Recommends definition and approval of six Board District Priority and Region Priority projects, as listed in Exhibit A, and amend the Facilities Services Division Strategic Execution Plan to incorporate therein with a total budget of \$790,630.
8. [Board of Education Report No. 159 – 23/24](#)
Accounting and Disbursements Division
(Report of Cash Disbursements) Recommends ratification of cash disbursements totaling \$964,762,337.83, which were made against funds of the District from November 1, 2023, through November 30, 2023.
9. [Board of Education Report No. 160 – 23/24](#)
Accounting and Disbursements Division
(Donations of Money to the District) Recommends approval of donations of money and materials to the District totaling \$620,639.22.
10. [Board of Education Report No. 148 – 23/24](#)
Human Resources Division
(Approval of Routine Personnel Actions) Recommends approval of 3,045 routine personnel actions (including, but not limited to, elections, promotions, transfers, leaves, terminations, separations, permits, and approval of senior management contracts).

11. [Board of Education Report No. 149 – 23/24](#)
Human Resources Division
(Provisional Internship Permits) Recommends approval of the continuing employment of 24 teachers who are employed under the Provisional Internship Permit requirements, allowing the District to continue to staff subject field shortage classrooms.
12. [Board of Education Report No. 118 – 23/24](#)
Information Technology Services
(Amendment to the Information Technology Services Strategic Execution Plan to Approve the School Network Systems Upgrade, Phase 2 Project) Recommends approval of the amendment of the Information Technology Services Strategic Execution Plan to approve the definition, allocate funds, and take the associated actions for the School Network Systems Upgrade, Phase 2 project, as described in Attachments A, B, C, and D1-6.
13. [Board of Education Report No. 134 – 23/24](#)
Information Technology Services
(Amendment to the Information Technology Services Strategic Execution Plan to Approve the Network Infrastructure Modernization Project) Recommends approval of the amendment of the Information Technology Services Strategic Execution Plan to approve the definition, allocate funds, and take the associated action for the Network Infrastructure Modernization project, as described in Attachments A, B, and C.
14. [Board of Education Report No. 135 – 23/24](#)
Information Technology Services
Division of Instruction
Facilities Services Division
(Amendment to the Information Technology Services Strategic Execution Plan to Approve the Intelligent School Network Controls Project) Recommends approval of the amendment of the Information Technology Services Strategic Execution Plan to approve the definition, allocate funds, and take the associated actions for the Intelligent School Network Controls project, as described in Attachments A, B, and C.
15. [Board of Education Report No. 164 – 23/24](#)
Office of the Chief Strategy Officer
Charter Schools Division
(Proposition 39 Charter Facilities Compliance for the 2024-2025 School Year - Finding and Written Statements of Reasons Why Certain Charter Schools Cannot be Accommodated on a Single School Site, and Determination of Necessity to Move) Recommends finding and adopting a written statement of reasons why certain charter schools (as identified in the Attachments hereto) that submitted a Proposition 39 facilities request for the 2024-2025 school year cannot be accommodated on a single school site; and determine it is necessary to move part of certain charter schools' operations to an additional school site pursuant to California Education Code section 47614 and its implementing regulations.

16. [Board of Education Report No. 174 – 23/24](#)**NOT ON CONSENT**

Office of the Chief Business Officer

(Authorization of a Resolution of the Board of Education Approving the Sale and Issuance of Not-to-Exceed \$3 Billion of General Obligation Refunding Bonds (“GO Refunding Bonds”) and the Forms of the Documents Necessary for the Issuance of such Bonds) Recommends approval the attached refunding resolution (Attachment A) in connection with the issuance of GO Refunding Bonds, which will refund all or a portion of the District’s outstanding Federally Taxable Build America Bonds with tax-exempt refunding bonds.

Board Member Resolution for Action17. [Mr. Schmerelson - Remembering and Honoring the Significance of Lunar New Year \(Res-017-23/24\)\(Noticed December 12, 2023\)](#)

Whereas, California Assembly Bill 2596, codified in law in the Code of Civil Procedure in September 2022, recognizes the Lunar New Year, as the date corresponding with the second new moon following the winter solstice, or the third new moon following the winter solstice should an intercalary month intervene, as a state holiday;

Whereas, The Los Angeles Unified School District has a significant Asian American student population;

Whereas, The Lunar New Year is one of the most important holidays celebrated across Asian countries as well as the Asian diaspora;

Whereas, The Lunar New year is one of the most important holidays in China, Vietnam, South Korea, and other Asian countries, and one of the most widely celebrated among Asian Americans;

Whereas, The Lunar New Year is based on the lunar calendar and marks the arrival of spring;

Whereas, The Lunar New Year celebrates a chance to leave behind the troubles of the past year and invites prosperity and good luck moving forward;

Whereas, The state has already recognized this day as a state holiday acknowledges the diversity and cultural significance Asian Americans bring to California and demonstrates an understanding of the importance of wanting to see one’s own experience reflected in state holidays;

Whereas, Recognition by the state has much significance to a community that has traditionally and historically been overlooked;

Whereas, The state’s commemoration of Lunar New Year was meaningful, especially amid the wave of hatred and violence toward Asian Americans that has escalated since the pandemic began;

Whereas, The District has been at the forefront of encouraging and promoting a curriculum relating to diversity and equity in order to empower future generations;

Whereas, The concern for human rights is a major element in the History-Social Science Framework for California Public Schools, Kindergarten through 12th grade;

Whereas, The District is committed to confronting difficult subjects, including the Asian American Pacific Islander Hate, in inclusive ways that ensure all students are respected and has strong nondiscrimination and anti-bullying policies to that end; and

Whereas, The Governing Board of the Los Angeles Unified School District has adopted other diverse cultural holidays recognized by our families, in school calendars set to go into effect in the 2022-2023 school year; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District hereby commemorates the date corresponding with the second new moon following the winter solstice, or the third new moon following the winter solstice should an intercalary month intervene, as the “Lunar New year”; and, be it finally

Resolved, That the Board encourages all schools to incorporate lessons on the Lunar New Year in instruction, and that relevant and appropriate instructional resources be made available to all P-12 educators to utilize in schools to ensure that the Asian American Pacific Islander history and culture are appropriately and meaningfully shared with students, staff, and families.

18. [Dr. McKenna - Commemorating the Life and Legacy of Dr. Martin Luther King, Jr. and the National Day of Service \(Res-018-23/24\)\(Noticed December 12, 2023\)](#)

Whereas, The Reverend Dr. Martin Luther King, Jr. devoted his life to the struggle for justice and equality;

Whereas, Dr. Martin Luther King, Jr. was universally recognized as a proponent of nonviolence in the pursuit of freedom and justice in the United States;

Whereas, Dr. Martin Luther King, Jr. was awarded the Nobel Prize for Peace in 1964 in recognition of his outstanding leadership in pursuit of that goal;

Whereas, In May 1964, Dr. Martin Luther King, Jr. addressed nearly 15,000 Angelenos at the Los Angeles Memorial Coliseum on the issues of race relations and human dignity;

Whereas, Today’s social, political and economic landscape reiterates the need for Dr. Martin Luther King, Jr.’s philosophies and message of nonviolence;

Whereas, Dr. Martin Luther King, Jr. Day has been recognized as a national holiday since 1984 and became a National Day of Service in 1994 by the passage of the King Holiday and Service Act by the US Congress;

Whereas, The Dr. Martin Luther King, Jr. National Day of Service is a part of United We Serve, a national call to service initiative established by President Obama;

Whereas, Dr. Martin Luther King, Jr. firmly believed that the pursuit of justice, equality, and a new sense of dignity for millions of Black people, and opens, for all Americans a new era of progress and hope;

Whereas, The Dr. Martin Luther King, Jr. National Day of Service, calls for Americans from all walks of life to work together to provide solutions to the most pressing national and local problems; and

Whereas, Our students, parents, and staff will benefit from all projects and programs that increase participation in acts of community service; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District recognizes the third Monday in January as a day of service in honor of Dr. Martin Luther King, Jr. and his principle of justice for all;

Resolved further, That on Monday, January 15, 2024, we encourage all students, parents, teachers, and staff to observe this MLK National Day of Service by engaging in volunteer activities to help our community become a better world; and be it finally

Resolved, That schools provide students and parents with suggestions of appropriate instructional and community activities that can be conducted during and following the MLK National Day of Service on January 15, 2024.

19. [Ms. Gonez - Supporting Healthy Streets LA \(Res-022-23/24\)\(Waiver of Board Rule 72\)](#)

3:00 P.M. TIME CERTAIN

Whereas, The Los Angeles Unified School District is committed to advocating for and creating environments where students feel safe, welcome, and excited to learn, which is a core component of the 2022-2026 Strategic Plan (Pillar 2, Joy & Wellness);

Whereas, In 2020, the Governing Board of the Los Angeles Unified School District unanimously approved Res 040-19/20, "Safety First: Leveraging Partnerships and Advocacy to Create Safe Routes and Passages to School for All LA Unified Students," which sought to promote safe routes to school by advocating for its City partners to prioritize street improvements near schools and, subsequently, the District has regularly included advocacy for safe streets around schools at part of its annual advocacy priorities;

Whereas, In 2015, the City of Los Angeles (City) approved the Mobility Plan 2035 to improve street safety and decrease traffic related injuries, yet only about 3% of the plan had been implemented as of 2023, resulting in a broad coalition of climate, transportation, business, and labor advocates calling for greater action from the City, especially in light of persistent increases in severe traffic-related injuries and deaths that disproportionately impact low-income neighborhoods and communities of color ;

Whereas, According to Los Angeles City data reported by the Los Angeles Times, traffic fatalities in 2022 surpassed 300 for the first time in at least two decades with the highest risk intersections located in South L.A., Lake Balboa, and Hollywood;

Whereas, The 2016 Youth Safety Study from the Los Angeles Department of Transportation concluded that car crashes are the number one cause of death for children in Los Angeles County between the ages 5-14 and half of the fatal and severe injury collisions involving youth occur within a quarter mile of schools;

Whereas, Over 50 percent of LAUSD schools are on or within one-quarter mile of the High Injury Network, which identifies the 6% of streets that account for 70% of fatal and severe injury collisions involving pedestrians;

Whereas, Ballot Measure Healthy Streets L.A. (HLA), appearing on the March 5, 2024 ballot, would require the City to implement its Mobility Plan to improve over 2,500 miles of streets in Los Angeles, providing more mobility options, improving air quality, reducing traffic, and increasing safety for pedestrians, motorists, bicyclists, and public transportation users, including the many District students, staff, and families who walk, bike, and utilize public transportation to travel to and from school; and,

Whereas, The HLA plan follows similar measures in Cambridge, Massachusetts; Providence, Rhode Island; and Seattle, Washington to improve city streets, now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District affirms its support for the proposed March 2024 Healthy Streets L.A. Ballot measure (HLA) to bring safer, greener, and more walkable streets to Los Angeles, thereby ensuring safer routes to school for District students, staff, and families.

Board Member Resolution for Initial Announcement

20. [Dr. McKenna – Celebration of Black History Month 2024 \(Res-019-23/24\)](#) [\(For Action February 13, 2024\)](#)

Whereas, Black History Month, or National African American History Month, is an annual celebration of achievements by Black Americans and a time for recognizing the central role of African Americans in United States history;

Whereas, Dr. Carter G. Woodson, a Harvard trained historian, like W.E.B. DuBois before him, believed that truth would not be denied and that reason would prevail over prejudice, and as a result announced “Negro History Week” in 1925 to raise awareness of the contributions of African Americans;

Whereas, It is commonly stated that Dr. Carter G. Woodson selected February as the month to host “Negro History Week” because it encompasses the birthdays of two great Americans who played a prominent role in shaping black history, namely Abraham Lincoln and Frederick Douglass, whose birthdays are February 12th and 14th respectively;

Whereas, Dr. Carter G. Woodson envisioned the study and celebration of Black people as a race, and emphasized the contributions of countless Black men and women to the advancement of human civilization;

Whereas, Since 1976, the commemoration was extended from a week-long event to the entire month of February;

Whereas, Every United States President has officially designated the month of February as Black History Month and other countries around the world, including Canada and the United Kingdom, also devote a month to celebrating Black history;

Whereas, Established by Dr. Carter G. Woodson in 1915, the Association for the Study of African American Life and History (ASALH) strives to promote, research, preserve, interpret, and disseminate information about Black life, history, and culture to the global community;

Whereas, The 2024 theme for Black History Month established by the ASALH is “African Americans and the Arts”;

Whereas, For centuries Western intellectuals denied and minimized the contributions of people of African descent to the arts, even as their artistry in many genres was mimicked and stolen. In truth, the African American experience is woven throughout visual and performing arts, literature, fashion, folklore, language, film, music, architecture, culinary arts and various other forms of cultural expression;

Whereas, African American art is infused with African, Caribbean, and the Black American lived experiences. Artistic and cultural movements such as the New Negro, Black Arts, Black Renaissance, hip-hop, and Afrofuturism, have been led by people of African descent and set the standard for popular trends around the world;

Whereas, There is an unbroken chain of Black art production from antiquity to the present, from Egypt across Africa, from Europe to the New World. From the African traditions of woven sweetgrass baskets to the birth of Negro spirituals. From the creation of the blues, the foundation for gospel and soul music, to the recently celebrated 50-year anniversary of hip hop. From the Harlem Renaissance of the 1920s and 1930s to the Black Arts Movement of the 1960s;

Whereas, African American artists have historically served as change agents, using their crafts to uplift the race, speak truth to power and inspire a nation. Spirituals, gospel, folk music, hip-hop, and rap have been used to express struggle, hope, and for solidarity in the face of racial oppression. Black artists have used poetry, fiction, short stories, essays, paintings, sculpture, plays, films, and television to counter stereotypes and to imagine a present and future with Black people in it;

Whereas, Black History Month aims to mitigate the persistent and ongoing failure to acknowledge the contributions of Black Culture, Black Inventors, Black Artists, Black Artisans, Black Advocacy Black Leaders, and Black Civic Engagement to American history and society;

Whereas, Black people continually remain optimistic and confident about the path ahead while leading the courageous, yet hard fought fights for the rights, liberties, and freedoms that many marginalized communities are now beneficiaries; and

Whereas, Our democracy’s founding ideals were exclusionary when they were written, but Black Americans have continuously fought to make them true; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District recognizes February as National Black History Month;

Resolved further, That the Board acknowledges that all people of the United States are beneficiaries of the wealth of history given to all by Black Culture, Black Inventors, Black Artists, Black Artisans, Black Advocacy Black Leaders, and Black Civic Engagement;

Resolved, further, That the Board embeds the study of Black History and Black Arts into the core curriculum of its Ethnic Studies, African American History courses, and African American Literature so that this critical learning lives in the minds of our students beyond the month of February;

Resolved, further, That the Board direct the Superintendent to expand upon the District's existing efforts, such as the Black Student Achievement Plan, to continue to identify strategies and tactics to align resources targeted toward promoting anti-racist educational practices and closing the gap of academic achievement outcomes for Black Students, and, be it finally

Resolved, That the Superintendent will work with educators, librarians, all the schools of the District, and our wider community to recognize and celebrate this month with culturally relevant and appropriate curriculum, programs, ceremonies, and activities that generate in-depth discussion of the complex factual history of the United States and the legacy of Black Americans, including the arts.

21. [Mr. Schmerelson, Dr. Rivas - Read Across America Week \(Res 021-23/24\)](#)
[\(For Action February 13, 2024\)](#)

Whereas, Reading is a fundamental skill for all people that incorporates into nearly every aspect of their academic, professional, and personal lives;

Whereas, The Los Angeles Unified School District is committed to literacy excellence through its strategic pillar to provide high-quality instruction, college readiness, and the elimination of opportunity gaps for all students;

Whereas, The National Center for Education Statistics stated that, based on the NAEP, only 31% of California students were proficient or above in reading in the year 2022;

Whereas, The District saw a 9-point increase in reading scores for the 2021-2022 school year;

Whereas, According to the California Assessment of Student Performance and Progress system, 41.17% of district students met or exceeded the English Language Arts standard, below the state average of 46.66%;

Whereas, The District has taken the initiative to hire and retain interventionists, who assist students with reading and comprehension from elementary to high school;

Whereas, The District has hired literacy coaches to help train educators and staff in literacy strategies;

Whereas, The District acknowledges the difficulties some students face in their academics due to historical and systemic lack of resources to aid in their educational pursuits;

Whereas, The District recently adopted literacy strategies and models that align with the science of reading, training 3,213 teachers, including 350 special educators in LETRS and 6,783 teachers, including 634 special educators, in Orton-Gillingham;

Whereas, Read Across America Week was started by the National Education Association (NEA)

in 1998 to celebrate and acknowledge the importance of reading to students;

Whereas, The Start of Read Across America Week is on March 2, to commemorate the beloved children's author, Theodor Seuss Geisel, more commonly known as Dr. Seuss; and

Whereas, Read Across America Week is celebrated throughout the country, commemorated through public readings and events that celebrate literature; now, therefore be it,

Resolved, That the Governing Board of the Los Angeles Unified School District Commemorates Read Across America Week during the week starting March 2 to March 6, 2023;

Resolved further, That the Los Angeles Unified School District encourages teachers, staff, students, and parents, to establish or reestablish their connections to their favorite pieces of literature;

Resolved further, That the District encourages the entire Los Angeles Unified community, including parents, to also be involved in reading, and suggests parent centers to also talk to parents about the importance of reading to their children starting at young ages;

Resolved further, That the District encourages schools to host appropriate events at their sites during Read Across America Week, with displays, readings from teachers and parents, or other creative ways to enhance students' love for reading;

Resolved further, That the District reaffirms its commitment to the current timeline that by 2026, 3rd-grade students will be 30 points closer to proficiency in English Language Arts while helping students in grades 3-8 and 11th closer to proficiency; and, be it finally;

Resolved, That the District wishes every member of the Los Angeles Unified Community happy reading during our celebration.

Correspondence and Petitions

22. [Report of Correspondence \(ROC-006-23/24\)](#)

Public Hearings

23. [Resolution of Intention to Dedicate an Easement Associated with the Proposed Alley Vacation at Maxine Waters Employment Preparation Center. \(011-23/24\)](#)
24. [Resolution of Intention to Dedicate Easements Associated with the Proposed Street and Alley Vacation for Olympic Primary Center. \(012-23/24\)](#)

Minutes for Approval (Min-004-23/24)

25. August 22, 2023, Regular Board Meeting, 1:00 p.m.
November 24, 2023, Regular Board Meeting, 1:00 p.m.

Miscellaneous Business

26. [Receipt of Results of the August 2023 Cops Sale and Comparison of Good Faith Costs of Issuance Estimates and Actuals \(006-23/24\)](#)
27. [Receipt of Results of the October 2023 Go Bond Sale and Comparison of Good Faith Costs of Issuance Estimates and Actuals \(007-23/24\)](#)
28. [Receipt of the 2022-2023 Annual Audit Financial Report \(010-23/24\)](#)

Adjournment

Please note that the Board of Education may consider at this meeting any item referred from a Board Meeting 5 calendar days prior to this meeting (Education Code 54954.2(b)(3)). The Board of Education may also refer any item on this Order of Business for the consideration of a committee or meeting of the Board of Education.

Requests for disability related modifications or accommodations shall be made 24 hours prior to the meeting to the Board Secretariat in person or by calling (213) 241-7002.

If you or your organization is seeking to influence an agreement, policy, site selection or any other LAUSD decision, registration may be required under the District's Lobbying Disclosure Code. Please visit <http://ethics.lausd.net/> to determine if you need to register or call (213) 241-3330.

Materials related to an item on this Order of Business distributed to the Board of Education are available for public inspection at the Security Desk on the first floor of the Administrative Headquarters, and at:
<https://www.lausd.org/boe#calendar73805/20231230/event/69355>

Items circulated after the initial distribution of materials are available for inspection at the Security Desk.

**PUBLIC NOTICE OF
BARGAINING UNION INITIAL
PROPOSALS**

TAB 1



Board of Education Report

File #: UIP-001-23/24, **Version:** 1

Teamsters Local Union No. 572 (Unit S) Initial Bargaining Proposals for 2024 Successor
(UIP-001-23/24)

Initial proposals from collective bargaining representatives are made public before negotiations begin.



TEAMSTERS LOCAL UNION No. 572

CHAUFFEURS, SALES DRIVERS AND HELPERS
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
450 EAST CARSON PLAZA DRIVE • SUITE A • CARSON, CALIFORNIA 90746-3268
TELEPHONE (310) 515-0601 FAX (310) 515-0942

LOURDES M. GARCIA
SECRETARY-TREASURER

January 9, 2024

VIA E-Mail to *Office of Labor Relations* for distribution

Board of Education
Los Angeles Unified School District
333 South Beaudry Avenue, 24th Floor
Los Angeles, CA 90017

Re: Teamsters Local 572 Initial Contract Proposals (Unit S)

Dear Members of the Board:

Enclosed herewith is Teamsters Local 572's initial contract proposal for the Unit S 2024 – 2027 Successor Contract Negotiations.

Teamsters Local 572 reserves the right to supplement this proposal regarding any matter within the scope of representation. If additional proposals are made, the appropriate public notice and procedure will be followed.

Please do not hesitate to contact me should you have any questions regarding this matter. I may be reached at (310) 365-7872 or at asalazar@teamsters572.org.

Sincerely,

Adriana Salazar Avila
Business Representative

C: Lourdes M. Garcia
Freddie Campos
Bryan Flores
Kristen Murphy
Shiwonda Wynn
Melinda Le Duff
Robert Samples

The above are contract proposals of Teamsters Local 572 for LAUSD Unit S Classified Supervisors. The Union reserves the right to add to, amend, modify or delete any or all of the above proposals during negotiations.

**TEAMSTERS LOCAL 572
CLASSIFIED SUPERVISORS – UNIT S
2024 - 2027
SUCCESSOR CONTRACT PROPOSAL
TO
LOS ANGELES UNIFIED SCHOOL DISTRICT
January 9, 2024**

Article VII – Non -Discrimination

Article IX – Hours of Work

Article X – Evaluation Procedures

Article XI – Transfer Procedures

Article XII - Subcontracting

Article XIII – Leaves of Absence

Article XIV – Wages and Salaries

Article XVI - Holidays

Article XVII – Vacation

Article XVII – Safety Conditions

Article XIX – Tool Replacement

Article XX – Tuition Reimbursement

Appendix B – Transportation Addendum

Appendix C – Fleet Maintenance Addendum

Appendix D – School Administrative Assistant Addendum

Appendix E – Plant Managers Addendum

Appendix F – Food Services Addendum

*The above are contract proposals of Teamsters Local 572 for LAUSD Unit S Classified Supervisors.
The Union reserves the right to add to, amend, modify or delete any or all of the above proposals
during negotiations.*

**TEAMSTERS LOCAL 572
CLASSIFIED SUPERVISORS – UNIT S
2024 - 2027
SUCCESSOR CONTRACT PROPOSAL
TO
LOS ANGELES UNIFIED SCHOOL DISTRICT
January 9, 2024**

Appendix G – Construction Inspectors Addendum

Appendix I – Supervising Special Education Assistant Addendum

Appendix J – Salary Schedules

Appendix K – Respectful Treatment

*The above are contract proposals of Teamsters Local 572 for LAUSD Unit S Classified Supervisors.
The Union reserves the right to add to, amend, modify or delete any or all of the above proposals
during negotiations.*

NEW BUSINESS

TAB 2



Board of Education Report

File #: Rep-168-23/24, **Version:** 1

California School Employees Association and its Los Angeles Chapter 500 (CSEA) 2023-2026 Memorandum of Understanding & Compensation for Confidential District Employees Comparable to CSEA Classifications

January 23, 2024

Office of Labor Relations

Action Proposed:

- 1) Adoption of the 2023-2026 Memorandum of Understanding (Attachment A) with California School Employees Association and its Los Angeles Chapter 500 (CSEA).
- 2) Approve the attached provision for Compensation for Confidential District Employees Comparable to CSEA Classifications (Attachment B).

Background:

The District and the Union presented proposals to the public at a regular meeting of the Board of Education. The public had an opportunity to be informed about these proposals and to express itself to the Board of Education. Since that time, representatives for the parties have met and negotiated as required by law. The parties reached tentative agreement on December 11, 2023.

Effective July 1, 2023, this agreement provides for a 7% on schedule wage increase to be applied to all pay scale groups and levels of the base salary tables. Effective January 1, 2024, a \$2.00 per hour on schedule wage increase (or its equivalent for salaried employees) to be applied to all pay scale groups and levels of the base salary tables. Also, effective January 1, 2024, the minimum base hourly rate for any classification will increase to \$22.52, including an additional two salary steps for two identified classifications.

It is also appropriate to provide comparable compensation increases for Confidential District Employees Comparable to CSEA Classifications who are unrepresented. Copies of the Memorandum of Understanding are available for public review through the Office of Labor Relations.

Expected Outcomes:

- 1) Adoption of the 2023-2026 Memorandum of Understanding (Attachment A) with the California School Employees Association and its Los Angeles Chapter 500 (CSEA).
- 2) Adoption of the Compensation for Confidential District Employees Comparable to CSEA Classifications (Attachment B) represented by the CSEA Bargaining Unit.

Board Options and Consequences:

If the Board adopts the attached Tentative Agreement with CSEA, which is a joint recommendation of the bargaining parties, it will be implemented. If the Board does not adopt this agreement, it will not be implemented, and the parties would resume negotiations of the 2023-2026 Successor Agreement. The agreement impacts 242 CSEA classifications (Attachment C), and approximately 5,135 Full-Time Equivalent

(FTEs) positions.

Additionally, if the Board adopts the Compensation for Confidential District Employees Comparable to CSEA Classifications, it will be implemented, and if it does not adopt it, it will not be implemented. The agreement impacts 17 District unrepresented confidential classifications that are comparable to CSEA (Attachment C) and approximately 23 FTE positions.

Policy Implications:

This Memorandum of Understanding amends the provisions of the 2020-2023 Successor Agreement between the District and CSEA and therefore becomes policy upon adoption by the Board and ratification by CSEA membership. The leadership of the Union has signed the agreements. These agreements are pending AB 1200 certification and ratification by union membership.

The Compensation for Confidential District Employees Comparable to CSEA Classifications becomes policy upon adoption.

Budget Impact:

The budget impact for this agreement and memo are detailed in the attached AB 1200 Reports.

Student Impact:

This Agreement will assist the District in attaining its goals for students by providing competitive compensation to attract and retain the highest quality employees.

Equity Impact:

Component	Score	Score Rationale
Recognition	1	Wages are applied to all classifications, without differentiation based on SENI index, student population or historical inequities.
Resource Prioritization	2	Wages for classifications incentivize employees to serve as leaders. Students need talented school and District leaders to improve outcomes.
Results	2	Higher wages will attract and retain talented staff with background, education and desire necessary to address opportunity and/or achievement gaps.
TOTAL	5	

Issues and Analysis:

This Memorandum of Understanding concludes the 2023-2026 Successor Negotiations with the California School Employees Association and its Los Angeles Chapter 500 (CSEA).

Upon adoption, Confidential District employees in classifications comparable to employees in the CSEA Bargaining Unit shall receive comparable compensation with represented employees covered by the aforementioned Memorandum of Understanding.

Attachments:

File #: Rep-168-23/24, **Version:** 1

Attachment A - 2023-2026 Memorandum of Understanding (Attachment B) with the California School Employees Association and its Los Angeles Chapter 500 (CSEA).
Attachment B - Compensation for Confidential District Employees Comparable to CSEA Classifications.
Attachment C - CSEA and CSEA Confidential Counterpart Lists
Attachment D - AB 1200 Report - 2023-2026 MOU CSEA
Attachment E - AB 1200 Report - 2023-2026 CSEA Counterparts

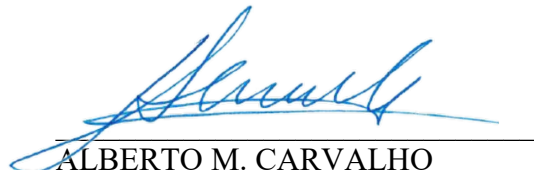
Informatives:

Not Applicable

Submitted:

01/18/24, Revision # 1

RESPECTFULLY SUBMITTED,

ALBERTO M. CARVALHO
Superintendent

APPROVED & PRESENTED BY:

KRISTEN K. MURPHY, Ed. D.
Chief of Staff

REVIEWED BY:

DEVORA NAVERA REED
General Counsel☒ Approved as to form.

REVIEWED BY:

NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance☒ Approved as to budget impact statement.

**THE CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION AND ITS LOS ANGELES CHAPTER 500 –
UNIT D MEMORANDUM OF UNDERSTANDING
2023-2026**

This Tentative Agreement is made and entered into this 11th day of December, 2023 by and between the Board of Education of the Los Angeles Unified School District ("District") and the California School Employees Association and its Los Angeles Chapter 500 ("CSEA") for employees in Unit D (Office-Technical and Business Services).

Pursuant to the parties' 2020-2023 Agreement, the District and CSEA have met and negotiated in good faith and have completed their negotiations for a Successor collective bargaining agreement. This 2023-2026 Agreement is the successor to the parties' 2020-2023 Agreement and is the final resolution to all matters. The parties hereby agree as follows:

The term of this Agreement shall cover a period beginning July 1, 2023 through June 30, 2026 (and continued thereafter on a day-to-day basis until such time as it may be terminated by either party upon 10 days' notice). The parties hereby agree as follows:

A. **INCORPORATION OF PREVIOUS TERMS:** All articles and provisions of the parties' 2020-2023 Agreement are incorporated as part of the LAUSD-CSEA 2023-2026 Successor Agreement except as modified below, or as required to make appropriate, mutually agreed to, non-substantive language corrections.

B. **COMPENSATION:**

1. **2023-2024 Salary Increase:**

- a. Based on the salary table effective July 1, 2023, all Unit D bargaining unit members shall receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables.
- b. Based on the salary table effective January 1, 2024, all Unit D bargaining unit members shall receive \$2.00 per hour on-schedule wage increase (or its equivalent for salaried employees) applied to all pay scale groups and levels of the base salary tables.
- c. Effective January 1, 2024, after the application of B1(b) above, Unit D classifications of Office Technician, Parent Education Support Assistant and Parent Resource Assistant whose Step 1 is below \$22.52, will be increased to \$22.52 at Step 1 with the subsequent steps adjusted accordingly.
- d. Effective January 1, 2024, after the application of B1(c) above, a salary step six (6) and a salary step seven (7) will be added to the existing salary schedule for the Senior Office Technician and Senior Parent Education Support Assistant Classifications.

**THE CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION AND ITS LOS ANGELES CHAPTER 500 –
UNIT D MEMORANDUM OF UNDERSTANDING
2023-2026**

- e. Effective January 1, 2024, after the application of B1(b) above, Steps 1 – 4 of Unit D Classifications of Microfilm Operator and Clerk will be eliminated and will have a single flat rate salary at the step 5 rate.
- f. Effective January 1, 2024, after the application of B1(b) above, Student Integration Helper classification hourly rate will be increased to \$22.52 as a single flat rate.

C. ADDITIONAL AGREEMENTS:

- 1. Article IV CSEA Rights
- 2. Article IX Hours and Overtime
- 3. Article X Evaluation Procedure
- 4. Article XI Leaves of Absence
- 5. Article XII Wages and Salaries, Pay Allowances, Differentials, and Special Salary Practices
- 6. Article XV Professional Growth
- 7. Article XVII Holidays
- 8. Article XXII Term of Agreement

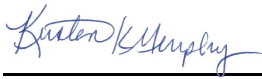
- D. TERM OF AGREEMENT:** This Agreement shall become effective upon ratification by the Union and adoption by the Board of Education, and shall remain in full force and effect, pursuant to its terms, up to and including June 30, 2026, and thereafter shall be extended on a day-to-day basis until terminated by either party upon ten (10) calendar days' written notice. There shall be reopener negotiations for the 2024-2025 and 2025-2026 school years as follows:

- 1. 2024-2025 Reopener: Effective June 30, 2024, CSEA may reopen one (1) article.
- 2. 2025-2026 Reopener: Effective March 1, 2025, CSEA may reopen one (1) article.

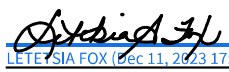
The above is subject to ratification by the members of Unit D and final approval by the LAUSD Board of Education.


Date of agreement: **December 11, 2023**

Los Angeles Unified School District

By: 
On behalf of LAUSD

California School Employees Association,
Los Angeles Chapter 500

By: 
Letetsia Fox, President

By: 
Franny Parrish, Bargaining
Team Member

By:



Jocelyn Callot, Bargaining Team
Member

By:



[Christopher Crump \(Dec 11, 2023 17:31 PST\)](#)

Christopher Crump, Labor
Relations Representative

By:



[Caden Stearns \(Dec 11, 2023 17:32 PST\)](#)

Caden Stearns, Labor Relations
Representative

By:



[Matthew Korn \(Dec 11, 2023 17:34 PST\)](#)

Matthew Korn, Labor Relations
Representative

Adopted and approved by the Board of Education on _____, 2024.

By:

Jackie Goldberg, President

CSEA Proposal: 7-20-23; emailed 8-3-23
 District Counter Proposal: 8-30-23
 CSEA 10-10-23 Emailed Counter Proposal 9-22-23
 11-13-23 District Counter Proposal

ARTICLE IV

CSEA RIGHTS

...

3.0 Release Time:

a. Negotiations: No more than ~~five (5)~~ six (6) negotiating team employee representatives designated by CSEA shall be released from duty with no loss of pay for the purpose of attending negotiation meetings with the District pursuant to this Agreement. CSEA and the District may agree that additional employees shall receive such released time.

b. CSEA Annual Conference: The District shall grant paid release time to up to eight (8) elected delegates from CSEA Chapter #500 to attend the CSEA Annual Conference for up to five (5) days. Notification must be provided to the District at least twenty (20) days in advance of the need for such absence.

c. ~~Job~~ Union Stewards: Except as already provided for in Article V Grievance Procedure, Section 3.0 and to the extent such cannot be reasonably handled during non-duty hours, and if the needs of the service allow, job stewards designated by the Association shall, after providing at least forty-eight (48) hours' notice to his/her immediate supervisor, be released from duty with no loss of pay for the purpose of representing unit members in the case of any disciplinary or investigative meeting; representing unit members in any reasonable accommodations or interactive process proceedings; or representing unit members in any evaluation appeal. Such release time shall be limited to one hundred (100) cumulative hours per year and no individual shall be released on more than two (2) occasions per month, and a cumulative total of twenty (20) hours per year.

4.0 List of Employees: CSEA shall be provided ~~quarterly~~ upon request of the Association, a current list of names, employee numbers, classifications, addresses, and work locations of all employees covered by this Agreement.

...

9.0 Attendance at District Meetings or Committees: Employees designated by CSEA may attend District meetings or committees as follows:

9.1 CSEA shall provide the District with a list of its designated employees.

9.2 When the agenda of a particular meeting is immediately relevant to the bargaining unit and attendance by an employee would be meaningful in terms of obtaining information for dissemination to the bargaining unit or the employee's participation in the discussion is desired, one non-school based employee shall be given reasonable released time to attend Personnel Commission meetings. Upon prior notice to the District, under special circumstances, a school based employee may be substituted.

9.3 When CSEA is invited to send an employee participant to a District-sponsored committee or meeting, one designated employee shall be given reasonable released time to attend.

...

12.0 School Calendar(s): In the Spring of each year during the term of this Agreement, the District shall provide to CSEA a copy of the draft school calendar(s) developed for discussions with the representative of the District's teachers. CSEA shall have the opportunity to provide comment to the District on the calendar(s) prior to the District's formal calendar discussions with the teachers' representatives. Additionally, CSEA shall have the opportunity to provide input to the District prior to the implementation of calendars that have an effect of Unit D employees. The District shall contact CSEA to set up meetings for this purpose.

CSEA Proposal: 10-30-23
 District Counter: 11-13-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 11-30-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 12-11-23

ARTICLE IX

HOURS AND OVERTIME

...

2.0 Overtime

2.1 To the extent practicable, the District shall ~~use reasonable efforts to~~ distribute overtime work equitably among the qualified employees of an office, operational unit, or work group with consideration given to District need and employee availability in making the distribution. Each office, operational unit, or work group shall maintain a list of employees by classification and on a rotational basis offer overtime by the effective assignment date at the site. ~~who have made a request in writing for overtime assignments. The order of placement on the list shall be based upon the order in which the supervisor received the written request. In case of simultaneous requests, the order of placement shall be based upon District seniority. Where there are insufficient or no written requests, upon reasonable notice, an~~ If no employee accepts the offer to work the overtime assignment, on a rotational basis, employees shall be required to work overtime as needed in reverse order by the effective assignment date at the site. Reasonable notice shall be deemed to be no less than twenty-four hours in advance except in cases of emergency or when necessary to meet unanticipated peak work loads. In any event, the District will make reasonable efforts to provide as much advance notification as possible when it becomes apparent that overtime work may be required.

Scheduling or assigning of additional paid work including Z-time shall not be done on an arbitrary, capricious, discriminatory or retaliatory basis, nor shall it be denied or limited for any of these reasons.

...

7.0 Work Schedule Changes: A change in work schedule is defined as a modification of a unit employee's start and stop time, or work week assignment, without a change in number of daily assigned hours. **CCL**

a. The work schedule may be changed under the following circumstances:

- 1) when mutually agreed to by the employee and the employee's supervisor; or
- 2) in an emergency; ("Emergency" means any situation that could severely disrupt affecting the instructional program and/or the administration of the District which could not be reasonably anticipated); or could constitute a threat to the safety of students or anyone on the campus of the affected school site; or
- 3) when the employee is given a minimum of fourteen (14) calendar days notice prior to the effective date of a change in work schedule.

b. The employee's immediate supervisor shall, if so requested, discuss any

Article IX - Hours and Overtime

problems affecting the implementation of work schedule changes with the employee.

c. Employees shall be entitled to a temporary exemption from a change in work schedule if all of the following conditions are met:

- 1) The employee verifies enrollment in a course in an institution of higher education where classes have begun and the time of the class conflicts with the proposed work hours.
- 2) The course cannot be rescheduled at a time compatible with the proposed work hours.
- 3) The temporary exemption does not adversely affect other employees in the work group and the District operations can continue as required without the payment of overtime.
- 4) Any temporary exemption granted will end upon completion of or withdrawal from the course.

If there is a conflict in a work group because more than one employee desires a temporary exemption, the employee with the greatest District seniority shall be entitled to the temporary exemption. **CCL**

d. The employee may be granted a temporary exemption up to thirty (30) calendar days due to the day care needs of a child under the age of 16 residing in the employee's residence. The request shall be made in writing to the administrator and shall include documentation to support the exemption if requested by the administrator.

8.0. Employees shall be compensated for all hours worked in accordance with this Agreement and applicable law, including work performed during otherwise unpaid, duty-free meal periods and work performed before and after assigned hours.

9.0 ~~The District will implement an equitable rotational system for overtime and Z time for Spring 2019. The parties will meet and confer over the method of equitable rotational system.~~

CSEA Proposal: 10-30-23
 District Counter: 11-13-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 11-30-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 12-11-23

ARTICLE X

EVALUATION PROCEDURE

1.0 Schedule: Employees shall be evaluated in accordance with the following schedule:

a. Probationary employees shall be given performance evaluations no less than twice during their probationary period. However, if during the probationary period any items on the evaluation form are rated unsatisfactory, then the employee may be evaluated every month during the remainder of the probationary period.

b. Permanent employees shall be given performance evaluations at least once every year. The District shall make a reasonable effort to issue the employee's annual evaluation at least twenty (20) working days prior to the end of the employee's assignment basis for that school year. If a below standard evaluation is to be issued it shall not be issued after the last day of the assignment basis.

2.0 Procedure to be Followed: Performance evaluation reports shall be made on forms prescribed by the District or may be done by separate memorandum.

2.1 Evaluations shall be based on observations or knowledge, and not upon unsubstantiated charges or rumors. In completing the evaluation, the evaluator shall consider the employee's performance over the entire evaluation period. In evaluating the quality and/or quantity of an employee's work, the supervisor shall also consider employee workload and the extent to which established priorities of work assignments are met. In addition, no evaluation shall be based upon derogatory materials in the employee's personnel file unless the employee has previously been given prior notice of same, an opportunity to review and comment upon it, and had such comments attached to the materials.

2.2 The evaluator shall be at a supervisory level or higher, and where applicable, shall consult with the staff person (outside of the bargaining unit) responsible for directing the employee's work. The evaluator shall discuss the written performance evaluation report with the employee. Both the evaluator and the employee will sign the evaluation. Signature of the employee means only that the employee has received a copy of the evaluation. The employee may attach any written comments to the evaluation at his/her option. Copies of the evaluation together with any attachments will then be distributed as follows: one copy to the employee; and one copy to the evaluator.

2.3 If any category on the performance report is rated lower than "meets standards," the following will be included on the evaluation:

- (a) statement of the problem or concern,
- (b) the desired improvement,
- (c) suggestions as to how to improve, and
- (d) provisions for assisting the employee.

Article X – Evaluation Process

2.4 Before an employee can be rated as lower than “meets standards” on Overall Work Performance solely due to excessive absences, the District must have met with the employee to discuss the reason for absence, and the supervisor must have warned the employee that the absences are being considered excessive.

2.5 If an evaluator rates an employee’s overall performance as lower than “meets standards”, for reasons other than those that are set forth in 2.4 above, the evaluator shall note on the evaluation whether or not the employee has been previously advised of the specific deficiencies which form the basis for that lower than “meets standards” rating, and if the employee was not previously so advised, then the evaluator shall note why not.

Actions inconsistent with this Section may form the basis of an appeal pursuant to Section 3.0 of this Article, but shall not otherwise be challengeable by the employee or the Association.

3.0 Appeal: If the employee disagrees with the evaluation, he/she shall have the right to appeal the evaluation in writing to the appropriate Local District Superintendent, or division head, or designated representative within ten (10) working days of receipt of the evaluation. A meeting may take place within five (5) working days from receipt of the appeal if the employee so requests. The employee may be represented in this meeting by CSEA if the employee so desires, the meeting shall then take place at a date and time mutually agreed upon by both parties with the understanding that non-availability of the representative beyond ten (10) working days shall not delay the meeting. The reviewer shall reply in writing to the employee within ten (10) working days after the meeting, or if no meeting is held, within ten (10) working days after receipt of the written appeal. The decision of the reviewer shall be final.

ARTICLE XI

LEAVES OF ABSENCE

...

8.0 Bereavement Leave (Paid): An employee is entitled to a paid leave of absence from the District, not to exceed three (3) days, on account of the death of a member of the employee's immediate family provided acceptable proof of death and relationship is provided if requested and the leave of absences commences within ten (10) calendar days of notification of the death. If more than one such death occurs simultaneously, the leave may be taken consecutively. If out-of-state travel or more than two-hundred (200) miles one-way travel is required and requested, an additional two (2) days shall be granted. The immediate family is defined as the following relatives of the employee:

- a. Spouse or, for purposes of this Leaves Article only, a cohabitant who is the equivalent of a spouse
- b. Parent (includes in-law, step and foster parent, and parent of cohabitant who is the equivalent of spouse)
- c. Grandparent (includes in-law, step, and a grandparent of cohabitant who is the equivalent of spouse)
- d. Child (includes son/daughter-in-law, step and foster child, and child of cohabitant who is the equivalent of spouse)
- e. Grandchild (includes grandchild of spouse, step grandchildren, and grandchildren of cohabitant who is the equivalent of spouse)
- f. ~~Brother~~ Sibling
- ~~g. Sister~~

...

CSEA Proposal: 8-30-23
 DISTRICT Counterproposal: 9-22-23
 DISTRICT Counterproposal: 11-13-23
 CSEA Counterproposal: 11-30-23
 District Counterproposal 11-30-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 12-11-23

ARTICLE XII
WAGES AND SALARIES, PAY ALLOWANCES, DIFFERENTIALS, AND
SPECIAL SALARY PRACTICES

1.0 **Wages and Salaries:** The wages and salaries for Unit employees have been negotiated in good faith between CSEA and the District and shall be as set forth in Appendix A of this Agreement. The wages and salaries set forth in Appendix A are intended to, and do, meet any prevailing wage obligations which are or may be imposed upon the District.

2023-2024 SALARY INCREASE:

- a. Based on the salary table effective July 1, 2023, all Unit D bargaining unit members shall receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables.
- b. Based on the salary table effective January 1, 2024, all Unit D bargaining unit members shall receive \$2.00 per hour on-schedule wage increase (or its equivalent for salaried employees) applied to all pay scale groups and levels of the base salary tables.
- c. Effective January 1, 2024, after the application of B1(b) above, Unit D classifications of Office Technician, Parent Education Support Assistant and Parent Resource Assistant whose Step 1 is below \$22.52, will be increased to \$22.52 at Step 1 with the subsequent steps adjusted accordingly.
- d. Effective January 1, 2024, after the application of B1(c) above, a salary step six (6) and a salary step seven (7) will be added to the existing salary schedule for the Senior Office Technician and Senior Parent Education Support Assistant Classifications.
- e. Effective January 1, 2024, after the application of B1(b) above, Steps 1 – 4 of Unit D Classifications of Microfilm Operator and Clerk will be eliminated and will have a single flat rate salary at the step 5 rate.
- f. Effective January 1, 2024, after the application of B1(b) above, Student Integration Helper classification hourly rate will be increased to \$22.52 as a single flat rate.

REOPENER:

1. **2024-2025 Reopener:** Effective June 30, 2024, CSEA may reopen one (1) ~~economic~~ article.
2. **2025-2026 Reopener:** Effective March 1, 2025, CSEA may reopen one (1) ~~economic~~ article.

CSEA Proposal: 11-30-23
District Counterproposal 11-30-23
CSEA Counter Proposal: 11-30-23
District Counter: 12-11-23

Article XV – Professional Growth

...

4.0 Professional Growth Reimbursement: The District may grant professional growth reimbursement to permanent Unit employees under the conditions specified below:

...

g. Reimbursement shall be limited to a maximum of ~~\$850~~ \$1000 for any individual employee during any twelve (12) month period.

CSEA proposal to LAUSD - Article XVII Holidays 6/1/23

1.0 Holidays: An employee in a regular assignment or in an assignment in lieu of his/her regular assignment shall receive holiday pay for those holidays listed below and for other holidays declared by the Board of Education, the Governor of California, or the President of the United States which come within the employee's assignment period, subject to the conditions listed in "a" through "c".

January 1 New Year's Day
 The date declared in January declared by the Board Martin Luther King, Jr. Day
 Third Monday in February President's Day
 Last Monday in May Memorial Day
June 19 Juneteenth
 July 4 Independence Day
 The date declared by the Board Admission Day
 First Monday in September Labor Day
 November 11 Veterans Day
 That Thursday in November proclaimed by the President Thanksgiving Day
 Day following Thanksgiving Day Thanksgiving Friday
 December 25 Christmas Day
 That date declared by the Board Alternate Lincoln Day Observance

RD 7/22/23

ARTICLE XXII

TERM OF AGREEMENT

1.0 Term: This Agreement shall become effective upon ratification by the CSEA membership of Unit D and adoption by the Board of Education, and shall remain in full force and effect, pursuant to its terms, to and including June 30, 2026, and thereafter extended on a day-to-day basis until canceled by either party upon ten (10) days' written notice.

2.0 Negotiations for Successor Agreement: Negotiations for a successor Agreement shall commence upon request of either the District or CSEA at any time after January 1 , 2026.

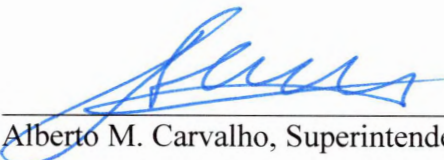
COMPENSATION FOR CONFIDENTIAL DISTRICT EMPLOYEES COMPARABLE TO CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION CLASSIFICATIONS

On December 11, 2023, the District reached a tentative agreement with the California School Employees Association and its Los Angeles Chapter 500 (CSEA), which included across the board salary increases. As a result of the CSEA Tentative Agreement, it is requested that the Board of Education approve comparable treatment compensation for Confidential District employees similar to those represented by bargaining Unit D.

COMPENSATION:

2023-2024 Salary Increase:

1. Based on the salary table effective July 1, 2023, all Confidential District employees comparable to CSEA bargaining unit members shall receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables.
2. Based on the salary table effective January 1, 2024, all Confidential District employees comparable to CSEA bargaining unit members shall receive a \$2.00 per hour on-schedule wage increase (or its equivalent for salaried employees) applied to all pay scale groups and levels of the base salary tables.
3. Effective January 1, 2024, the minimum base hourly rate for the classification of Office Technician (CPOS) will increase to \$22.52 with subsequent steps adjusted accordingly. Also, a salary step six (6) and a salary step seven (7) will be added to the existing salary schedule for the Senior Office Technician (CPOS).

Approved: 
Alberto M. Carvalho, Superintendent

Date: 1/4/24

CSEA Classification List

Class Code	Class Title
4867	.NET Developer
1331	Accounting Technician II
1228	ADA Compliance Analyst
2076	Administrative Aide
5073	Administrative Analyst
2071	Administrative Assistant
5021	Administrative Staff Aide
2730	Assignment Technician
5086	Assistant Administrative Analyst
5141	Assistant Buyer
2365	Assistant Contract Administration Analyst
1803	Assistant Environmental Safety Officer
4423	Assistant Industrial Hygienist
3815	Assistant Programmer Analyst
2156	Assistant Realty Agent
5419	Associate Computer Applications Specialist
5423	Associate Computer Applications Specialist (Facilities)
4841	Associate Computer Applications Specialist (SAP)
5427	<i>Associate Computer Applications Specialist (Student Data Warehousing)</i>
1106	Associate Financial Analyst
1432	Associate Project Engineer I
1424	Associate Project Engineer II
4904	Audiologic Resource Aide
2815	Braille Transcriber
2147	Broadcast Compliance Specialist
2112	Broadcast Engineer
2113	Broadcast Systems Operator
2547	Budget Technician
1314	<i>Building Program Accounting Technician</i>
5121	Buyer
2316	Child Abuse Prevention and Awareness Coordinator
2770	Claims Representative
5650	Classified Training Representative
2676	<i>Clerk</i>
2194	Community Outreach Event Coordinator
2059	Community Outreach Organizer
4820	Computer Applications Assistant
2585	Continuation School Office Manager
2364	Contract Administration Analyst
1266	Coordinating Financial Manager
2765	Cost Recovery Medical Biller
2238	Credentials and Contract Specialist
5620	CTEIG-Linked Learning Coordinator
2715	Customer Service Representative
5069	Data Analyst, School Police
1148	Data Center Technician
1502	Demographic Research and Planning Analyst I
1503	Demographic Research and Planning Analyst II
2580	Early Education Center Office Manager
5091	Educational Research Analyst
4432	Electron Microscopist
1230	Electronic Data Analyst
4030	Emergency Preparedness Program Specialist
1774	Energy Specialist
3007	Environmental Health & Safety Technician

Class Code	Class Title
4603	Environmental Health Specialist
1797	Environmental Laboratory Analyst
2153	Environmental Planning Specialist
1800	Environmental Safety Officer
4814	ERP Readiness Facilitator
1883	Facilities Access Compliance Specialist
1108	Financial Aide
1089	Financial Analyst
1275	Financial Manager
1118	Fiscal Specialist
4313	Food Services Staff Aide
1158	Forensic Accountant
1508	GIS Specialist
5910	Grant and Funding Specialist
5390	Grant Manager (LA's BEST)
4634	Graphics Designer I
4614	Graphics Designer II
2354	<i>Health Care Advocate</i>
2347	<i>Health Care Advocate (Armenian)</i>
2355	Health Care Advocate (Spanish)
2605	Health Office Clerk
1546	High-Rise Building Life/Safety Specialist
2718	HR Liaison
4997	Human Resources Specialist I
5018	Human Resources Specialist II
4989	Human Resources Specialist III
2870	Information Resources Support Assistant
4799	Information Security Analyst I
4794	Information Security Analyst II
2171	Information Systems Business Analyst
4819	Information Systems Security Assistant
4825	<i>Information Systems Support Assistant II</i>
1083	Information Technology Support Assistant
2775	Insurance Technician
2925	Interpreter (Cantonese Language)
2927	Interpreter (Korean Language)
2930	Interpreter (Spanish Language)
5078	Inventory Control Analyst
2634	Inventory Control Clerk
1389	Investigative Assistant
1387	Investigator
3862	IT Business Efficiency Analyst
3861	IT Customer Support Representative
3840	IT Customer Support Representative (Spanish Language)
4860	IT Trainer I
4861	IT Trainer II
4748	Job Cost Data Entry Operator
2368	Job Order Contracting Specialist I
2369	Job Order Contracting Specialist II
5097	Labor Compliance Technician
1741	Landscape Architectural Associate
5660	Law Clerk
2680	Library Aide
2623	Library Media Clerk
4400	Licensed Vocational Nurse
4643	Life Science Laboratory Technician

Class Code	Class Title
2090	Magnet Program Liaison Assistant
2226	Mail Clerk
5409	MAXIMO Business Analyst
3821	MAXIMO Data Management Analyst
2691	Meal Compliance Audit Clerk
4636	Media Technical Assistant
2638	Medical Assistant
2661	<i>Microfilm Operator</i>
4831	Mobile Applications Developer
2129	Multicast Traffic Coordinator
4862	Multimedia Designer
4872	Network Configuration Administrator
4873	Network Operations Center Analyst
3526	Network Systems Engineer
1267	Occupational Center Financial Manager
2828	Office Technician
2831	Office Technician (Cantonese Language)
2830	Office Technician (Korean Language)
2846	<i>Office Technician (Restricted/Disabled)</i>
2167	On-Air Promotions Producer
5520	Parent Community Facilitator
5522	Parent Community Facilitator (Armenian Language)
5523	<i>Parent Community Facilitator (MCD)</i>
5478	Parent Education Support Assistant
5480	Parent Education Support Assistant (Spanish Language)
5553	Parent Resource Assistant (Armenian Language) and (Restricted)
5554	Parent Resource Assistant (Korean Language) and (Restricted)
5555	Parent Resource Assistant (Spanish Language) and Restricted
5552	Parent Resource Assistant and (Restricted)
5515	Parent Resource Liaison
1341	Payroll Distribution Assistant
1336	Payroll Specialist I
1340	Payroll Specialist II
5066	Payroll Specialist III
4853	Police Dispatcher
5600	Program Associate A
1905	Program Scheduler
3812	<i>Programmer Analyst (COBOL)</i>
3813	Programmer Analyst (Oracle)
4893	Programmer Analyst (SAP)
3814	<i>Programmer Analyst (Visual Basic)</i>
3806	Programmer Analyst, JAVA
5244	Property Management Assistant
1530	Property Management Coordinator
4854	<i>Radiotelephone Operator</i>
2146	Realty Agent
2626	Records and Archive Technician
2363	Relocation Services Coordinator
5063	Retirement and Deductions Analyst
2042	Return to Work Specialist
2248	Salary Credits Assistant
4847	SAP Applications Assistant
1347	School Accounting Clerk
2878	School Office Computer Coordinator (Adult)
2874	School Office Computer Coordinator (Elementary)
2876	School Office Computer Coordinator (Secondary)

Class Code	Class Title
2800	Secretary & (Restricted)
2963	Selection Technician
2725	Senior Assignment Technician
1400	Senior Auditor, Inspector General's Office
5653	Senior Classified Training Representative
3804	Senior Developer
5089	Senior Educational Research Analyst
1265	Senior Financial Manager
2350	Senior Health Care Advocate
2781	Senior Insurance Technician
4615	<i>Senior Interpreting Equipment Technician</i>
5190	Senior Inventory Control Analyst
1396	Senior Investigator
4743	Senior Job Cost Data Entry Operator
2221	Senior Mail Clerk
2690	Senior Meal Compliance Audit Clerk
2838	Senior Office Technician
5519	Senior Parent Community Facilitator
5476	Senior Parent Education Support Assistant
2271	Senior Personnel Clerk
4851	Senior Police Dispatcher
2628	Senior Records and Archive Technician
2250	Senior Salary Credits Assistant
2865	Senior Secretary
2960	Senior Selection Technician
2902	Senior Translator-Interpreter (Spanish)
4833	Sharepoint Developer
4010	Small Business/We Build Coordinator
2172	Social Media Assistant
1880	Space Utilization Analyst
5143	Specifications Assistant
4868	SQL Developer
2366	Student and Family Resource Ambassador
2357	Student and Family Resources Navigator
2607	Student Integration Helper & (Restricted)
1807	Sustainability Specialist
4816	<i>Technology Support Specialist</i>
2187	Telecommunications Services Representative
2125	Television Producer-Director
2346	Television Programming Associate
2644	Textbook Inventory Clerk
2905	Translator - Interpreter (Armenian Language)
2906	Translator - Interpreter (Cantonese Language)
2908	Translator - Interpreter (Korean Language)
2909	Translator - Interpreter (Mandarin Language)
2910	Translator - Interpreter (Russian Language)
2070	Translator - Interpreter (Spanish Language)
2911	Translator - Interpreter (Vietnamese Language)
2920	Translator (Spanish Language)
4864	UI/UX Designer
2260	Unemployment Claims Processor
2184	Unemployment Claims Specialist
4480	Vocation and Transition Assistant
2326	Volunteer Program Assistant
1181	<i>Web Developer</i>
2041	Workers' Compensation Claims Processing Specialist

Class Code	Class Title
2168	Zones of Choice Facilitator
2169	Zones of Choice Facilitator (Spanish Language)

Class Code	Class Title
1334	Accounting Technician II (CPOS)
5074	Administrative Analyst (CPOS)
2083	Administrative Assistant (CPOS)
5022	Administrative Staff Aide (CPOS)
1107	Associate Financial Analyst (CPOS)
2548	Budget Technician (CPOS)
2714	Customer Services Center Representative (CPOS)
1113	Financial Aide (CPOS)
1103	Financial Analyst (CPOS)
4996	Human Resources Specialist I (CPOS)
5019	Human Resources Specialist II (CPOS)
4999	Human Resources Specialist III (CPOS)
2829	Office Technician (CPOS)
2801	Secretary (Restricted) (CPOS)
2839	Senior Office Technician (CPOS)
2272	Senior Personnel Clerk (CPOS)
2866	Senior Secretary (CPOS)

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Restricted General Fund**

Bargaining Unit:

California School Employees Association (CSEA)

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
LCFF Revenue 8010-8099	\$ 28,298,669		\$ -	\$ 28,298,669
Federal Revenue 8100-8299	\$ 1,574,900,178			\$ 1,574,900,178
Other State Revenue 8300-8599	\$ 1,557,931,568			\$ 1,557,931,568
Other Local Revenue 8600-8799	\$ 39,237,184			\$ 39,237,184
TOTAL REVENUES	\$ 3,200,367,599		\$ -	\$ 3,200,367,599
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 1,511,280,635		\$ -	\$ 1,511,280,635
Classified Salaries 2000-2999	\$ 643,701,555	\$ 3,568,117	\$ -	\$ 647,269,672
Employee Benefits 3000-3999	\$ 1,284,064,915	\$ 1,312,710	\$ -	\$ 1,285,377,625
Books and Supplies 4000-4999	\$ 324,636,020		\$ (1,080,421)	\$ 323,555,599
Services and Other Operating Expenditures 5000-5999	\$ 640,831,386		\$ -	\$ 640,831,386
Capital Outlay 6000-6999	\$ 87,183,305			\$ 87,183,305
Other Outgo (excluding Indirect Costs) 7100-7299	\$ 1,036,617		\$ -	\$ 1,036,617
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ 100,789,949			\$ 100,789,949
TOTAL EXPENDITURES	\$ 4,593,524,382	\$ 4,880,827	\$ (1,080,421)	\$ 4,597,324,788
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ 2,864,613	\$ -	\$ -	\$ 2,864,613
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
Contributions 8980-8999	\$ 1,393,075,132	\$ 1,589,633	\$ -	\$ 1,394,664,765
OPERATING SURPLUS (DEFICIT)*	\$ 2,782,962	\$ (3,291,194)	\$ 1,080,421	\$ 572,188
BEGINNING FUND BALANCE				
9791	\$ 1,795,218,867			\$ 1,795,218,867
Audit Adjustments/Other Restatements 9793/9795	\$ 45,993,473			\$ 45,993,473
ENDING FUND BALANCE	\$ 1,843,995,302	\$ (3,291,194)	\$ 1,080,421	\$ 1,841,784,528
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 64,939			\$ 64,939
Restricted 9740	\$ 1,846,118,538	\$ (2,210,773)		\$ 1,843,907,765
Committed 9750-9760				
Assigned Amounts 9780				
Reserve for Economic Uncertainties 9789		\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (2,188,175)	\$ (1,080,421)	\$ 1,080,421	\$ (2,188,175)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Combined General Fund**

Bargaining Unit:

California School Employees Association (CSEA)

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
LCFF Revenue 8010-8099	\$ 6,734,322,951		\$ -	\$ 6,734,322,951
Federal Revenue 8100-8299	\$ 1,576,675,380		\$ -	\$ 1,576,675,380
Other State Revenue 8300-8599	\$ 1,681,722,793		\$ -	\$ 1,681,722,793
Other Local Revenue 8600-8799	\$ 339,151,396		\$ -	\$ 339,151,396
TOTAL REVENUES	\$ 10,331,872,520		\$ -	\$ 10,331,872,520
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 3,868,126,215	\$ -	\$ -	\$ 3,868,126,215
Classified Salaries 2000-2999	\$ 1,395,483,459	\$ 26,906,450	\$ -	\$ 1,422,389,909
Employee Benefits 3000-3999	\$ 2,887,227,260	\$ 9,898,883	\$ -	\$ 2,897,126,143
Books and Supplies 4000-4999	\$ 871,591,758		\$ (1,769,114)	\$ 869,822,644
Services and Other Operating Expenditures 5000-5999	\$ 1,322,519,376		\$ -	\$ 1,322,519,376
Capital Outlay 6000-6999	\$ 133,944,533		\$ -	\$ 133,944,533
Other Outgo (excluding Indirect Costs) 7100-7299	\$ 9,903,452		\$ -	\$ 9,903,452
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ (19,639,504)		\$ -	\$ (19,639,504)
TOTAL EXPENDITURES	\$ 10,469,156,549	\$ 36,805,333	\$ (1,769,114)	\$ 10,504,192,768
OTHER FINANCING SOURCES/USES				
Transfer In and Other Sources 8900-8979	\$ 34,053,720	\$ -	\$ -	\$ 34,053,720
Transfers Out and Other Uses 7600-7699	\$ 25,025,728	\$ -	\$ -	\$ 25,025,728
Contributions 8980-8999	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (128,256,037)	\$ (36,805,333)	\$ 1,769,114	\$ (163,292,256)
BEGINNING FUND BALANCE 9791	\$ 5,707,435,544			\$ 5,707,435,544
Audit Adjustments/Other Restatements 9793/9795	\$ 11,815,211			\$ 11,815,211
ENDING FUND BALANCE	\$ 5,590,994,718	\$ (36,805,333)	\$ 1,769,114	\$ 5,555,958,499
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 47,981,991	\$ -	\$ -	\$ 47,981,991
Restricted 9740	\$ 1,846,118,538	\$ (2,210,773)	\$ -	\$ 1,843,907,765
Committed 9750-9760	\$ 2,460,359,458	\$ (32,825,446)	\$ -	\$ 2,427,534,012
Assigned 9780	\$ 417,675,017	\$ -	\$ -	\$ 417,675,017
Reserve for Economic Uncertainties 9789	\$ 244,900,000	\$ -	\$ -	\$ 244,900,000
Unassigned/Unappropriated Amount 9790	\$ 573,959,714	\$ (1,769,114)	\$ 1,769,114	\$ 573,959,714

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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Business Advisory Services

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Public Disclosure of Proposed Collective Bargaining Agreement
Los Angeles Unified School District

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Fund 11 - Adult Education Fund

Bargaining Unit: California School Employees Association (CSEA)

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 9/26/2023)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ 19,726,171		\$ -	\$ 19,726,171
Other State Revenue 8300-8599	\$ 140,293,639		\$ -	\$ 140,293,639
Other Local Revenue 8600-8799	\$ 1,530,210		\$ -	\$ 1,530,210
TOTAL REVENUES	\$ 161,550,020		\$ -	\$ 161,550,020
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 63,277,598		\$ -	\$ 63,277,598
Classified Salaries 2000-2999	\$ 21,225,202	\$ 1,035,281		\$ 22,260,483
Employee Benefits 3000-3999	\$ 41,536,983	\$ 380,880		\$ 41,917,863
Books and Supplies 4000-4999	\$ 20,742,447		\$ (1,416,161)	\$ 19,326,286
Services and Other Operating Expenditures 5000-5999	\$ 15,793,779		\$ -	\$ 15,793,779
Capital Outlay 6000-6999	\$ -		\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ 3,989,050		\$ -	\$ 3,989,050
TOTAL EXPENDITURES	\$ 166,565,060	\$ 1,416,161	\$ (1,416,161)	\$ 166,565,060
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (5,015,040)	\$ (1,416,161)	\$ 1,416,161	\$ (5,015,040)
BEGINNING FUND BALANCE 9791	\$ 42,311,847			\$ 42,311,847
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 37,296,807	\$ (1,416,161)	\$ 1,416,161	\$ 37,296,807
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 16,500	\$ -	\$ -	\$ 16,500
Restricted 9740	\$ 45,990,639	\$ -	\$ -	\$ 45,990,639
Committed 9750-9760		\$ -	\$ -	\$ -
Assigned 9780	\$ 2,612,771	\$ -	\$ -	\$ 2,612,771
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (11,323,103)	\$ (1,416,161)	\$ 1,416,161	\$ (11,323,103)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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Los Angeles Unified School District

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Fund 12 - Child Development Fund

Bargaining Unit: California School Employees Association (CSEA)

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ 13,053,827		\$ -	\$ 13,053,827
Other State Revenue 8300-8599	\$ 184,893,517		\$ -	\$ 184,893,517
Other Local Revenue 8600-8799	\$ 2,672,548		\$ -	\$ 2,672,548
TOTAL REVENUES	\$ 200,619,892		\$ -	\$ 200,619,892
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 49,315,631		\$ -	\$ 49,315,631
Classified Salaries 2000-2999	\$ 72,514,510	\$ 588,470	\$ -	\$ 73,102,980
Employee Benefits 3000-3999	\$ 72,141,539	\$ 216,498	\$ -	\$ 72,358,037
Books and Supplies 4000-4999	\$ 4,541,434		\$ (804,968)	\$ 3,736,466
Services and Other Operating Expenditures 5000-5999	\$ 1,159,387		\$ -	\$ 1,159,387
Capital Outlay 6000-6999	\$ -		\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299			\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ 6,850,866		\$ -	\$ 6,850,866
TOTAL EXPENDITURES	\$ 206,523,368	\$ 804,968	\$ (804,968)	\$ 206,523,368
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ 1,600,895		\$ -	\$ 1,600,895
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (4,302,581)	\$ (804,968)	\$ 804,968	\$ (4,302,581)
BEGINNING FUND BALANCE 9791	\$ 4,101,329			\$ 4,101,329
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ (201,252)	\$ (804,968)	\$ 804,968	\$ (201,252)
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719		\$ -	\$ -	\$ -
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (201,252)	\$ (804,968)	\$ 804,968	\$ (201,252)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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Los Angeles Unified School District

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Fund 13/61 - Cafeteria Fund**

Bargaining Unit:

California School Employees Association (CSEA)

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
LCFF Revenue 8010-8099	\$ -		\$ -	\$ -
Federal Revenue 8100-8299	\$ 321,744,463		\$ -	\$ 321,744,463
Other State Revenue 8300-8599	\$ 85,755,836		\$ -	\$ 85,755,836
Other Local Revenue 8600-8799	\$ 1,896,503		\$ -	\$ 1,896,503
TOTAL REVENUES	\$ 409,396,802		\$ -	\$ 409,396,802
EXPENDITURES				
Certificated Salaries 1000-1999			\$ -	\$ -
Classified Salaries 2000-2999	\$ 152,505,280	\$ 175,990	\$ -	\$ 152,681,270
Employee Benefits 3000-3999	\$ 133,146,059	\$ 64,747	\$ -	\$ 133,210,806
Books and Supplies 4000-4999	\$ 182,817,955		\$ -	\$ 182,817,955
Services and Other Operating Expenditures 5000-5999	\$ 5,846,544		\$ -	\$ 5,846,544
Capital Outlay 6000-6999	\$ 430,000		\$ -	\$ 430,000
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499			\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ 9,199,030		\$ -	\$ 9,199,030
TOTAL EXPENDITURES	\$ 483,944,868	\$ 240,737	\$ -	\$ 484,185,605
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (74,548,066)	\$ (240,737)	\$ -	\$ (74,788,803)
BEGINNING FUND BALANCE 9791	\$ 163,786,624			\$ 163,786,624
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 89,238,558	\$ (240,737)	\$ -	\$ 88,997,820
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 7,754,534	\$ -	\$ -	\$ 7,754,534
Restricted 9740	\$ 81,484,024	\$ (240,737)	\$ -	\$ 81,243,287
Committed 9750-9760		\$ -	\$ -	\$ -
Assigned 9780		\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789		\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ (0)	\$ -	\$ (0)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund:

Building Fund-212

Bargaining Unit:

California School Employees Association (CSEA)

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenues 8600-8799	\$ 1,120,852		\$ -	\$ 1,120,852
TOTAL REVENUES	\$ 1,120,852		\$ -	\$ 1,120,852
EXPENDITURES				
Certificated Salaries 1000-1999		\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 816,340	\$ 28,317	\$ -	\$ 844,658
Employee Benefits 3000-3999	\$ 472,554	\$ 10,418	\$ -	\$ 482,972
Books and Supplies 4000-4999			\$ -	\$ -
Services and Other Operating Expenditures 5000-5999	\$ -		\$ -	\$ -
Capital Outlay 6000-6999	\$ 369,519		\$ -	\$ 369,519
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 1,658,414	\$ 38,735	\$ -	\$ 1,697,149
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (537,562)	\$ (38,735)	\$ -	\$ (576,297)
BEGINNING FUND BALANCE 9791	\$ 9,887,626			\$ 9,887,626
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 9,350,064	\$ (38,735)	\$ -	\$ 9,311,329
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 6,740	\$ -	\$ -	\$ 6,740
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ 9,343,324	\$ (38,735)	\$ -	\$ 9,304,589
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Building Fund Measure Y-214**
Bargaining Unit: **California School Employees Association (CSEA)**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 1,882,374		\$ -	\$ 1,882,374
TOTAL REVENUES	\$ 1,882,374		\$ -	\$ 1,882,374
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 1,302,302	\$ 12,138	\$ -	\$ 1,314,439
Employee Benefits 3000-3999	\$ 690,737	\$ 4,465	\$ -	\$ 695,203
Books and Supplies 4000-4999	\$ -		\$ -	\$ -
Services and Other Operating Expenditures 5000-5999	\$ -		\$ -	\$ -
Capital Outlay 6000-6999	\$ 61,932,185		\$ (16,603)	\$ 61,915,582
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 63,925,224	\$ 16,603	\$ (16,603)	\$ 63,925,224
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979		\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (62,042,850)	\$ (16,603)	\$ 16,603	\$ (62,042,850)
BEGINNING FUND BALANCE 9791	\$ 62,542,850			\$ 62,542,850
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 500,000	\$ (16,603)	\$ 16,603	\$ 500,000
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 500,000	\$ -	\$ -	\$ 500,000
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ 0	\$ (16,603)	\$ 16,603	\$ 0

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Building Fund Measure Q-215**
Bargaining Unit: **California School Employees Association (CSEA)**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 8,785,990		\$ -	\$ 8,785,990
TOTAL REVENUES	\$ 8,785,990		\$ -	\$ 8,785,990
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 78,702,392	\$ 2,498,689	\$ -	\$ 81,201,081
Employee Benefits 3000-3999	\$ 42,880,010	\$ 919,268	\$ -	\$ 43,799,277
Books and Supplies 4000-4999	\$ 1,931,317		\$ -	\$ 1,931,317
Services and Other Operating Expenditures 5000-5999			\$ -	\$ -
Capital Outlay 6000-6999	\$ 649,094,646		\$ (3,417,957)	\$ 645,676,689
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 772,608,364	\$ 3,417,957	\$ (3,417,957)	\$ 772,608,364
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ 600,000,000	\$ -	\$ -	\$ 600,000,000
Transfers Out and Other Uses 7600-7699		\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (163,822,374)	\$ (3,417,957)	\$ 3,417,957	\$ (163,822,374)
BEGINNING FUND BALANCE 9791	\$ 494,324,590			\$ 494,324,590
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 330,502,216	\$ (3,417,957)	\$ 3,417,957	\$ 330,502,216
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 350,445,216		\$ -	\$ 350,445,216
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (19,943,000)	\$ (3,417,957)	\$ 3,417,957	\$ (19,943,000)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Building Fund Measure R-216**
Bargaining Unit: **California School Employees Association (CSEA)**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 7,766,239		\$ -	\$ 7,766,239
TOTAL REVENUES	\$ 7,766,239		\$ -	\$ 7,766,239
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 2,432,577	\$ -	\$ -	\$ 2,432,577
Employee Benefits 3000-3999	\$ 1,390,220	\$ -	\$ -	\$ 1,390,220
Books and Supplies 4000-4999	\$ -		\$ -	\$ -
Services and Other Operating Expenditures 5000-5999	\$ 1,301,488		\$ -	\$ 1,301,488
Capital Outlay 6000-6999	\$ 263,252,066		\$ -	\$ 263,252,066
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 268,376,350	\$ -	\$ -	\$ 268,376,350
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ 150,000,000	\$ -	\$ -	\$ 150,000,000
Transfers Out and Other Uses 7600-7699		\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (110,610,111)	\$ -	\$ -	\$ (110,610,111)
BEGINNING FUND BALANCE 9791	\$ 518,524,446			\$ 518,524,446
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 407,914,335	\$ -	\$ -	\$ 407,914,335
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 407,914,335	\$ -	\$ -	\$ 407,914,335
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Capital Facilities Fund-250**
Bargaining Unit: **California School Employees Association (CSEA)**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 112,130,000		\$ -	\$ 112,130,000
TOTAL REVENUES	\$ 112,130,000		\$ -	\$ 112,130,000
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 741,058	\$ 27,251	\$ -	\$ 768,309
Employee Benefits 3000-3999	\$ 361,129	\$ 10,026	\$ -	\$ 371,155
Books and Supplies 4000-4999	\$ 87,306		\$ -	\$ 87,306
Services and Other Operating Expenditures 5000-5999	\$ 31,478,178		\$ -	\$ 31,478,178
Capital Outlay 6000-6999	\$ 91,419,013		\$ -	\$ 91,419,013
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 124,086,684	\$ 37,277	\$ -	\$ 124,123,961
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979		\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (11,956,684)	\$ (37,277)	\$ -	\$ (11,993,961)
BEGINNING FUND BALANCE 9791	\$ 65,175,348			\$ 65,175,348
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 53,218,664	\$ (37,277)	\$ -	\$ 53,181,387
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 53,218,664	\$ (37,277)	\$ -	\$ 53,181,387
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Special Reserve Fund-CRA-400**
Bargaining Unit: **California School Employees Association (CSEA)**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 60,362,000		\$ -	\$ 60,362,000
TOTAL REVENUES	\$ 60,362,000		\$ -	\$ 60,362,000
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 270,545	\$ 5,842	\$ -	\$ 276,386
Employee Benefits 3000-3999	\$ 124,087	\$ 2,149	\$ -	\$ 126,236
Books and Supplies 4000-4999	\$ 196,487		\$ -	\$ 196,487
Services and Other Operating Expenditures 5000-5999	\$ 21,351,772		\$ -	\$ 21,351,772
Capital Outlay 6000-6999	\$ (13,605,736)		\$ -	\$ (13,605,736)
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499			\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 8,337,155	\$ 7,991	\$ -	\$ 8,345,146
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ 30,000,000	\$ -	\$ -	\$ 30,000,000
OPERATING SURPLUS (DEFICIT)*	\$ 22,024,845	\$ (7,991)	\$ -	\$ 22,016,854
BEGINNING FUND BALANCE 9791	\$ 129,013,819			\$ 129,013,819
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 151,038,664	\$ (7,991)	\$ -	\$ 151,030,673
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 151,038,664	\$ (7,991)	\$ -	\$ 151,030,673
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ (0)	\$ -	\$ (0)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Health and Welfare Fund -670**
 Bargaining Unit: **California School Employees Association (CSEA)**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 1,104,342,498		\$ -	\$ 1,104,342,498
TOTAL REVENUES	\$ 1,104,342,498		\$ -	\$ 1,104,342,498
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 2,969,248	\$ 172,286	\$ -	\$ 3,141,533
Employee Benefits 3000-3999	\$ 1,730,212	\$ 63,384	\$ -	\$ 1,793,596
Books and Supplies 4000-4999	\$ 506,055		\$ -	\$ 506,055
Services and Other Operating Expenditures 5000-5999	\$ 1,099,313,548		\$ -	\$ 1,099,313,548
Capital Outlay 6000-6999			\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 1,104,519,063	\$ 235,669	\$ -	\$ 1,104,754,733
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (176,565)	\$ (235,669)	\$ -	\$ (412,235)
BEGINNING FUND BALANCE 9791	\$ 103,179,853			\$ 103,179,853
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 103,003,288	\$ (235,669)	\$ -	\$ 102,767,618
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ 103,003,288	\$ (235,669)	\$ -	\$ 102,767,618

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Workers Compension Fund -671**
 Bargaining Unit: **California School Employees Association (CSEA)**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 134,615,339		\$ -	\$ 134,615,339
TOTAL REVENUES	\$ 134,615,339		\$ -	\$ 134,615,339
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 1,787,175	\$ 109,720	\$ -	\$ 1,896,895
Employee Benefits 3000-3999	\$ 1,006,821	\$ 40,366	\$ -	\$ 1,047,187
Books and Supplies 4000-4999	\$ 1,637,713		\$ -	\$ 1,637,713
Services and Other Operating Expenditures 5000-5999	\$ 147,025,671		\$ -	\$ 147,025,671
Capital Outlay 6000-6999	\$ -		\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 151,457,381	\$ 150,086	\$ -	\$ 151,607,466
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (16,842,042)	\$ (150,086)	\$ -	\$ (16,992,127)
BEGINNING FUND BALANCE 9791	\$ 256,324,553			\$ 256,324,553
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 239,482,511	\$ (150,086)	\$ -	\$ 239,332,426
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ 237,482,511	\$ (150,086)	\$ -	\$ 237,332,426

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Liability Self Insurance Fund-672**
 Bargaining Unit: **California School Employees Association (CSEA)**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 51,423,884		\$ -	\$ 51,423,884
TOTAL REVENUES	\$ 51,423,884		\$ -	\$ 51,423,884
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 3,653,535	\$ 82,298	\$ -	\$ 3,735,833
Employee Benefits 3000-3999	\$ 1,863,458	\$ 30,278	\$ -	\$ 1,893,735
Books and Supplies 4000-4999	\$ 12,977		\$ -	\$ 12,977
Services and Other Operating Expenditures 5000-5999	\$ 44,989,669		\$ -	\$ 44,989,669
Capital Outlay 6000-6999			\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 50,519,639	\$ 112,576	\$ -	\$ 50,632,214
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ 904,245	\$ (112,576)	\$ -	\$ 791,670
BEGINNING FUND BALANCE 9791	\$ (23,563,072)			\$ (23,563,072)
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ (22,658,827)	\$ (112,576)	\$ -	\$ (22,771,402)
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (23,658,827)	\$ (112,576)	\$ -	\$ (23,771,402)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

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Explanations for Column 3 "Other Revisions" entered on Pages 4a through 4h:

Page 4a: Unrestricted General Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ (688,693)	For Self-Balancing accounts in the Unrestricted General Fund,
Other Financing Sources/Uses	\$ -	adjustments are needed to accommodate additional costs.

Page 4b: Restricted General Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ (1,080,421)	For the Restricted General Fund, adjustments are needed to
Other Financing Sources/Uses	\$ -	accommodate additional costs.

Page 4d: Fund 11 - Adult Education Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ (1,416,161)	For the Adult Fund, adjustments are needed to accommodate
Other Financing Sources/Uses	\$ -	additional costs.

Page 4e: Fund 12 - Child Development Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ (804,968)	For the Child Fund, adjustments are needed to accommodate
Other Financing Sources/Uses	\$ -	additional costs.

Page 4f: Fund 13/61 - Cafeteria Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4g: Other	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4h: Other	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ (16,603)	For the Building Fund Measure Y, adjustments are needed to accommoda
Other Financing Sources/Uses	\$ -	additional costs.

Additional Comments:

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H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Unrestricted General Fund MYP**

Bargaining Unit:

California School Employees Association (CSEA)

Object Code	2023-24	2024-25	2025-26
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ 6,706,024,282	\$ 6,534,198,272	\$ 6,481,899,205
Federal Revenue 8100-8299	\$ 1,775,202	\$ 1,906,761	\$ 1,906,761
Other State Revenue 8300-8599	\$ 123,791,225	\$ 119,300,044	\$ 117,622,784
Other Local Revenue 8600-8799	\$ 299,914,212	\$ 296,433,022	\$ 251,422,473
TOTAL REVENUES	\$ 7,131,504,921	\$ 6,951,838,099	\$ 6,852,851,223
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 2,356,845,580	\$ 2,887,918,546	\$ 2,285,367,992
Classified Salaries 2000-2999	\$ 775,120,237	\$ 942,476,855	\$ 686,724,443
Employee Benefits 3000-3999	\$ 1,611,748,518	\$ 1,817,393,675	\$ 1,673,990,285
Books and Supplies 4000-4999	\$ 546,267,045	\$ 1,024,947,284	\$ 804,760,532
Services and Other Operating Expenditures 5000-5999	\$ 681,687,990	\$ 656,028,119	\$ 726,723,967
Capital Outlay 6000-6999	\$ 46,761,228	\$ 57,287,018	\$ 58,415,000
Other Outgo (excluding Indirect Costs) 7100-7299	\$ 8,866,835	\$ 7,687,882	\$ 7,687,882
7400-7499			
Transfers of Indirect Costs 7300-7399	\$ (120,429,453)	\$ (154,505,211)	\$ (146,619,920)
Other Adjustments			\$ -
TOTAL EXPENDITURES	\$ 5,906,867,980	\$ 7,239,234,168	\$ 6,097,050,181
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ 31,189,107	\$ 30,010,000	\$ 30,010,000
Transfers Out and Other Uses 7600-7699	\$ 25,025,728	\$ 50,180,164	\$ 50,170,179
Contributions 8980-8999	\$ (1,394,664,765)	\$ (1,525,626,922)	\$ (1,550,396,280)
OPERATING SURPLUS (DEFICIT)*	\$ (163,864,445)	\$ (1,833,193,156)	\$ (814,755,416)
BEGINNING FUND BALANCE 9791	\$ 3,912,216,677	\$ 3,714,173,971	\$ 1,880,980,815
Audit Adjustments/Other Restatements 9793/9795	\$ (34,178,262)		
ENDING FUND BALANCE	\$ 3,714,173,971	\$ 1,880,980,815	\$ 1,066,225,398
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ 47,917,052	\$ 47,917,052	\$ 47,917,052
Restricted 9740			
Committed 9750-9760	\$ 2,427,534,012	\$ 821,247,839	\$ 455,939,014
Assigned 9780	\$ 417,675,017	\$ 306,084,175	\$ 306,084,175
Reserve for Economic Uncertainties 9789	\$ 244,900,000	\$ 222,170,000	\$ 220,450,000
Unassigned/Unappropriated Amount 9790	\$ 576,147,889	\$ 483,561,748	\$ 35,835,157

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

Los Angeles Unified School District

H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Restricted General Fund MYP**

Bargaining Unit: California School Employees Association (CSEA)

Object Code	2023-24	2024-25	2025-26
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ 28,298,669	\$ 28,298,669	\$ 28,298,669
Federal Revenue 8100-8299	\$ 1,574,900,178	\$ 690,491,671	\$ 655,342,971
Other State Revenue 8300-8599	\$ 1,557,931,568	\$ 1,519,179,122	\$ 1,519,313,080
Other Local Revenue 8600-8799	\$ 39,237,184	\$ 26,877,453	\$ 26,883,148
TOTAL REVENUES	\$ 3,200,367,599	\$ 2,264,846,915	\$ 2,229,837,868
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 1,511,280,635	\$ 1,094,004,014	\$ 1,665,583,479
Classified Salaries 2000-2999	\$ 647,269,672	\$ 520,090,939	\$ 709,285,193
Employee Benefits 3000-3999	\$ 1,285,377,625	\$ 1,200,300,784	\$ 1,421,783,569
Books and Supplies 4000-4999	\$ 323,555,599	\$ 201,933,157	\$ 217,953,179
Services and Other Operating Expenditures 5000-5999	\$ 640,831,386	\$ 630,236,734	\$ 663,242,993
Capital Outlay 6000-6999	\$ 87,183,305	\$ 103,126,496	\$ 132,774,815
Other Outgo (excluding Indirect Costs) 7100-7299	\$ 1,036,617	\$ -	\$ -
7400-7499			
Transfers of Indirect Costs 7300-7399	\$ 100,789,949	\$ 115,533,853	\$ 111,394,509
Other Adjustments			
TOTAL EXPENDITURES	\$ 4,597,324,788	\$ 3,865,225,976	\$ 4,922,017,736
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ 2,864,613	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -
Contributions 8980-8999	\$ 1,394,664,765	\$ 1,525,626,922	\$ 1,550,396,280
OPERATING SURPLUS (DEFICIT)*	\$ 572,188	\$ (74,752,139)	\$ (1,141,783,588)
BEGINNING FUND BALANCE 9791	\$ 1,795,218,867	\$ 1,841,784,528	\$ 1,767,032,390
Audit Adjustments/Other Restatements 9793/9795	\$ 45,993,473		
ENDING FUND BALANCE	\$ 1,841,784,528	\$ 1,767,032,390	\$ 625,248,801
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ 64,939	\$ 64,939	\$ 64,939
Restricted 9740	\$ 1,843,907,765	\$ 1,766,967,451	\$ 625,183,862
Committed 9750-9760			
Assigned 9780			
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (2,188,175)	\$ 0	\$ 0

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

Los Angeles Unified School District

H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Combined General Fund MYP**

Bargaining Unit:

California School Employees Association (CSEA)

Object Code	2023-24	2024-25	2025-26
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ 6,734,322,951	\$ 6,562,496,941	\$ 6,510,197,874
Federal Revenue 8100-8299	\$ 1,576,675,380	\$ 692,398,432	\$ 657,249,732
Other State Revenue 8300-8599	\$ 1,681,722,793	\$ 1,638,479,166	\$ 1,636,935,864
Other Local Revenue 8600-8799	\$ 339,151,396	\$ 323,310,475	\$ 278,305,621
TOTAL REVENUES	\$ 10,331,872,520	\$ 9,216,685,014	\$ 9,082,689,091
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 3,868,126,215	\$ 3,981,922,560	\$ 3,950,951,471
Classified Salaries 2000-2999	\$ 1,422,389,909	\$ 1,462,567,794	\$ 1,396,009,636
Employee Benefits 3000-3999	\$ 2,897,126,143	\$ 3,017,694,459	\$ 3,095,773,854
Books and Supplies 4000-4999	\$ 869,822,644	\$ 1,226,880,441	\$ 1,022,713,710
Services and Other Operating Expenditures 5000-5999	\$ 1,322,519,376	\$ 1,286,264,853	\$ 1,389,966,960
Capital Outlay 6000-6999	\$ 133,944,533	\$ 160,413,514	\$ 191,189,815
Other Outgo (excuding Indirect Costs) 7100-7299	\$ 9,903,452	\$ 7,687,882	\$ 7,687,882
7400-7499			
Transfers of Indirect Costs 7300-7399	\$ (19,639,504)	\$ (38,971,358)	\$ (35,225,411)
Other Adjustments		\$ -	\$ -
TOTAL EXPENDITURES	\$ 10,504,192,768	\$ 11,104,460,145	\$ 11,019,067,917
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ 34,053,720	\$ 30,010,000	\$ 30,010,000
Transfers Out and Other Uses 7600-7699	\$ 25,025,728	\$ 50,180,164	\$ 50,170,179
Contributions 8980-8999	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (163,292,256)	\$ (1,907,945,295)	\$ (1,956,539,005)
BEGINNING FUND BALANCE 9791	\$ 5,707,435,544	\$ 5,555,958,499	\$ 3,648,013,204
Audit Adjustments/Other Restatements 9793/9795	\$ 11,815,211		
ENDING FUND BALANCE	\$ 5,555,958,499	\$ 3,648,013,204	\$ 1,691,474,200
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ 47,981,991	\$ 47,981,991	\$ 47,981,991
Restricted 9740	\$ 1,843,907,765	\$ 1,766,967,451	\$ 625,183,862
Committed 9750-9760	\$ 2,427,534,012	\$ 821,247,839	\$ 455,939,014
Assigned 9780	\$ 417,675,017	\$ 306,084,175	\$ 306,084,175
Reserve for Economic Uncertainties 9789	\$ 244,900,000	\$ 222,170,000	\$ 220,450,000
Unassigned/Unappropriated Amount 9790	\$ 573,959,714	\$ 483,561,748	\$ 35,835,157

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

Los Angeles Unified School District
California School Employees Association (CSEA)

I. IMPACT OF PROPOSED AGREEMENT ON UNRESTRICTED RESERVES

1. State Reserve Standard

		2023-24	2024-25	2025-26
a.	Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement)	\$ 10,529,218,496	\$ 11,154,640,309	\$ 11,069,238,096
b.	Less: Special Education Pass-Through Funds	\$ -	\$ -	\$ -
c.	Net Expenditures, Transfers Out, and Uses	\$ 10,529,218,496	\$ 11,154,640,309	\$ 11,069,238,096
d.	State Standard Minimum Reserve Percentage for this District Enter percentage →	2.00%	2.00%	2.00%
e.	State Standard Minimum Reserve Amount for this District (For districts with less than 1,001 ADA, this is the greater of Line a, times Line b, or \$50,000)	\$ 210,584,370	\$ 223,092,806	\$ 221,384,762

2. Budgeted Unrestricted Reserve (After Impact of Proposed Agreement)

a.	General Fund Budgeted Unrestricted Designated for Economic Uncertainties (9789)	\$ 244,900,000	\$ 222,170,000	\$ 220,450,000
b.	General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount (9790)	\$ 576,147,889	\$ 483,561,748	\$ 35,835,157
c.	Special Reserve Fund (Fund 17) Budgeted Designated for Economic Uncertainties (9789)	\$ -	\$ -	\$ -
d.	Special Reserve Fund (Fund 17) Budgeted Unassigned/Unappropriated Amount (9790)	\$ -	\$ -	\$ -
e.	Total Available Reserves	\$ 821,047,889	\$ 705,731,748	\$ 256,285,157
f.	Reserve for Economic Uncertainties Percentage	7.80%	6.33%	2.32%

3. Do unrestricted reserves meet the state minimum reserve amount?

2023-24

Yes

☒

No

☐

2024-25

Yes

☒

No

☐

2025-26

Yes

☒

No

☐

4. If no, how do you plan to restore your reserves?

Public Disclosure of Proposed Collective Bargaining Agreement
Los Angeles Unified School District
California School Employees Association

5 Does the Total Compensation Increase/(Decrease) on Page 1, Section A, #5 agree with the Total Increase/(Decrease) for all funds as a result of the settlement(s)? Please explain any variance.

Total Compensation Increase/(Decrease) on Page 1, Section A, #5	\$ 43,284,094
General Fund balance Increase/(Decrease), Page 4c, Column 3	\$ (36,805,333)
Adult Education Fund balance Increase/(Decrease), Page 4d, Column 2	\$ (1,416,161)
Child Development Fund balance Increase/(Decrease), Page 4e, Column 2	\$ (804,968)
Cafeteria Fund balance Increase/(Decrease), Page 4f, Column 2	\$ (240,737)
Other Fund balance Increase/(Decrease), Page 4g, Column 2	\$ (38,735)
Other Fund balance Increase/(Decrease), Page 4h, Column 2	\$ (16,603)
Other Fund balance Increase/(Decrease), Page 4h1, Column 2	\$ (3,417,957)
Other Fund balance Increase/(Decrease), Page 4h2, Column 2	\$ -
Other Fund balance Increase/(Decrease), Page 4h3, Column 2	\$ (37,278)
Other Fund balance Increase/(Decrease), Page 4h4, Column 2	\$ (7,991)
Other Fund balance Increase/(Decrease), Page 4h5, Column 2	\$ (235,669)
Other Fund balance Increase/(Decrease), Page 4h6, Column 2	\$ (150,086)
Other Fund balance Increase/(Decrease), Page 4h7, Column 2	\$ (112,576)
Other Fund balance Increase/(Decrease), Page 4h8, Column 2	\$ -
Other Fund balance Increase/(Decrease), Page 4h9, Column 2	\$ -
Total all fund balances Increase/(Decrease) as a result of the settlement(s)	\$ (43,284,094)
Variance	\$ -

Variance Explanation:

6 Will this agreement create or increase deficit financing in the current year or subsequent years?

"Deficit Financing" is defined to exist when a fund's expenditures and other financing uses exceed its revenues and other financing sources in a given year. If a deficit is shown below, provide an explanation and any deficit reduction plan, as necessary.

General Fund Combined	Surplus/(Deficit)	(Deficit) %	Deficit primarily due to:
Current FY Surplus/(Deficit) before settlement(s)	\$ (128,256,037)	-1.2%	
Current FY Surplus/(Deficit) after settlement(s)	\$ (163,292,256)	-1.6%	
1st Subsequent FY Surplus/(Deficit) after settlement(s)?	\$ (1,907,945,295)	-17.1%	
2nd Subsequent FY Surplus/(Deficit) after settlement(s)?	\$ (1,956,539,005)	-17.7%	

Deficit Reduction Plan (as necessary):

7 Were "Other Adjustments" amounts entered in the multiyear projections (pages 5a and 5b) for 1st and 2nd Subsequent FY?

"Other Adjustments" could indicate that a budget reduction plan was/is being developed to address the deficit spending and to rebuild reserves. Any amount shown below must have an explanation. If additional space is needed, attach a separate sheet or use Page 9a.

MYP	Amount	"Other Adjustments" Explanation
1st Subsequent FY Unrestricted, Page 5a	\$ -	
1st Subsequent FY Restricted, Page 5b	\$ -	
2nd Subsequent FY Unrestricted, Page 5a	\$ -	
2nd Subsequent FY Restricted, Page 5b	\$ -	

**Public Disclosure of Proposed Collective Bargaining Agreement
LOS ANGELES UNIFIED SCHOOL DISTRICT**

K. CERTIFICATION NO. 1: CERTIFICATION OF THE DISTRICT'S ABILITY TO MEET THE COSTS OF THE COLLECTIVE BARGAINING AGREEMENT

This certification page must be signed by the district's Superintendent and Chief Business Official at the time of public disclosure and is intended to assist the district's Governing Board in determining whether the district can meet the costs incurred under the tentative Collective Bargaining Agreement in the current and subsequent years. The absence of a certification signature or if "I am unable to certify" is checked should serve as a "red flag" to the district's Governing Board.

In Accordance with the requirements of Government Code Sections 3540.2(a) and 3547.5, the Superintendent and Chief Business Official of the Los Angeles Unified School District, hereby certify that the District can meet the costs incurred under this Collective Bargaining Agreement during the term of the agreement from July 1, 2023 to June 30, 2026.

Board Actions

The board actions necessary to meet the cost of the agreement in each year of its term are as follows:

Current Year

Budget Adjustment Categories:

Revenues/Other Financing Sources
Expenditures/Other Financing Uses
Ending Balance(s) Increase/(Decrease)

**Budget Adjustment
Increase/(Decrease)**

\$	-
\$	35,859,290
\$	(35,859,290)

Subsequent Years

Budget Adjustment Categories:

Revenues/Other Financing Sources
Expenditures/Other Financing Uses
Ending Balance(s) Increase/(Decrease)

\$	-
\$	114,190,426
\$	(114,190,426)

Budget Revisions

If the district does not adopt and submit within 45 days all of the revisions to its budget needed in the current year to meet the costs of the agreement at the time of the approval of the proposed collective bargaining agreement, the county superintendent of schools is required to issue a qualified or negative certification for the district on its next interim report.


Assumptions

See attached page for a list of the assumptions upon which this certification is based.

Certifications

☒ I hereby certify

☐ I am unable to certify



District Superintendent
(Signature)

1/12/24
Date

☒ I hereby certify

☐ I am unable to certify



Chief Business Official
(Signature)

01/12/2024
Date

Special Note: The Los Angeles County Office of Education may request additional information, as necessary, to review the district's compliance with requirements.

Los Angeles Unified School District
California School Employees Association (CSEA)

Assumptions and Explanations (enter or attach documentation)

The assumptions upon which this certification is made are as follows:

1. This certification is based on the FY 2023-24 First Interim Report, approved by the LAUSD Board of Education on December 12, 2023.
2. The fiscal impact to all funds is \$43.3M in FY 2023-24, \$62.1M in FY 2024-25 and \$62.4M in FY2025-26.
Committed balances for compensation shall pay for general fund unrestricted costs and other programs that require support (e.g. Special Education). Other funds shall be adjusted to accommodate additional costs.

Concerns regarding affordability of agreement in subsequent years (if any):

We believe this AB 1200 represents projections that are fair and accurate based on information that is known.

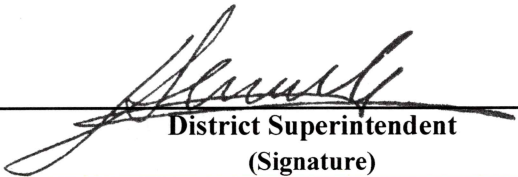
K. CERTIFICATION NO. 2

The disclosure document must be signed by the district Superintendent at the time of public disclosure and by the President or Clerk of the Governing Board at the time of formal board action on the proposed agreement.

The information provided in this document summarizes the financial implications of the proposed agreement and is submitted to the Governing Board for public disclosure of the major provisions of the agreement (as provided in the "Public Disclosure of Proposed Collective Bargaining Agreement") in accordance with the requirements of AB 1200 and Government Code Sections 3540.2(a) and 3547.5.

Los Angeles Unified School District

District Name


District Superintendent
(Signature)

1/12/24
Date

Tony Atienza
Contact Person

213-241-1324
Phone

After public disclosure of the major provisions contained in this summary, the Governing Board at its meeting on _____, took action to approve the proposed agreement with the _____ Bargaining Unit(s).

President (or Clerk), Governing Board
(Signature)

Date

Special Note: The Los Angeles County Office of Education may request additional information, as necessary, to review the district's compliance with requirements.

Los Angeles Unified School District
California School Employees Association (CSEA) - UNIT D
Summary of Cost¹ - Fiscal Impact to All Funds

Number	Article	Agreement	FY 23-24	FY 24-25	FY 25-26	3-year Impact
1	Compensation (1a)	Based on the salary table effective July 1, 2023, all Unit D bargaining unit members shall receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables	\$26,710,556	\$26,874,580	\$26,991,740	\$80,576,876
2	Compensation (1b)	Based on the salary table effective January 1, 2024, all Unit D bargaining unit members shall receive \$2.00 per hour on-schedule wage increase (or its equivalent for salaried employees) applied to all pay scale groups and levels of the base salary tables.	\$13,223,425	\$26,609,255	\$26,725,258	\$66,557,938
3	Compensation (1c,1d,1e & 1f)	Effective January 1, 2024, after the application of B1(b) above, Unit D classifications of Office Technician, Parent Education Support Assistant and Parent Resource Assistant whose Step 1 is below \$22.52, will be increased to \$22.52 at Step 1 with the subsequent steps adjusted accordingly. Effective January 1, 2024, after the application of B1(c) above, a salary step six (6) and a salary step seven (7) will be added to the existing salary schedule for the Senior Office Technician and Senior Parent Education Support Assistant Classifications. Effective January 1, 2024, after the application of B1(b) above, Steps 1 – 4 of Unit D Classifications of Microfilm Operator and Clerk will be eliminated and will have a single flat rate salary at the step 5 rate. Effective January 1, 2024, after the application of B1(b) above, Student Integration Helper classification hourly rate will be increased to \$22.52 as a single flat rate.	\$3,350,113	\$8,636,736	\$8,683,908	\$20,670,757
		Grand Total	\$43,284,094	\$62,120,570	\$62,400,906	\$167,805,571

¹Summary of compensation increase shall be read in conjunction with the CSEA presented to the LAUSD Board of Education on January 23, 2024.

**Los Angeles County Office of Education
Business Advisory Services**

**PUBLIC DISCLOSURE OF PROPOSED COLLECTIVE BARGAINING AGREEMENT
in accordance with AB 1200 (Chapter 1213/Statutes 1991), AB 2756 (Chapter 52/Statutes 2004), GC 3547.5**

Name of School District:	Los Angeles Unified School District
Name of Bargaining Unit:	CSEA-Counterpart
Certificated, Classified, Other:	Classified

The proposed agreement covers the period beginning: **July 1, 2023** and ending: **June 30, 2026**
(date) (date)

The Governing Board will act upon this agreement on: **January 23, 2024**
(date)

Note: This form, along with a copy of the proposed agreement, must be submitted to the County Office at least ten (10) working days prior to the date the Governing Board will take action.

A. Proposed Change in Compensation

Bargaining Unit Compensation All Funds - Combined		Fiscal Impact of Proposed Agreement (Complete Years 2 and 3 for multiyear and overlapping agreements only)		
		Year 1 Increase/(Decrease)	Year 2 Increase/(Decrease)	Year 3 Increase/(Decrease)
		2023-24	2024-25	2025-26
1. Salary Schedule Including Step and Column	\$ 1,374,058	\$ 158,074	\$ 61,890	\$ -
		11.50%	4.04%	0.00%
2. Other Compensation Stipends, Bonuses, Longevity, Overtime, Differential, Callback or Standby Pay, etc.	\$ -	\$ -	\$ -	
Description of Other Compensation				
3. Statutory Benefits - STRS, PERS, FICA, WC, UI, Medicare, etc.	\$ 505,572	\$ 58,155	\$ 24,617	\$ 1,320
		11.50%	4.37%	0.22%
4. Health/Welfare Plans	\$ 473,934		\$ -	\$ -
		0.00%	0.00%	0.00%
5. Total Bargaining Unit Compensation Add Items 1 through 4 to equal 5	\$ 2,353,564	\$ 216,229	\$ 86,507	\$ 1,320
		9.19%	3.37%	0.05%
6. Total Number of Bargaining Unit Employees (Use FTEs if appropriate)	21.05			
7. Total Compensation <u>Average</u> Cost per Bargaining Unit Employee	\$ 111,808	\$ 10,272	\$ 4,110	\$ 63
		9.19%	3.37%	0.05%

8. What was the negotiated percentage change? For example, if the change in "Year 1" was for less than a year, what is the annualized percentage of that change for "Year 1"?

Please see attached Memorandum of Understanding (MOU) between the Los Angeles Unified School District (LAUSD) and California School Employees Association (CSEA) Counterpart Confidential.

9. Were any additional steps, columns, or ranges added to the salary schedules? (If yes, please explain.)

Not applicable

10. Please include comments and explanations as necessary. (If more room is necessary, please attach an additional sheet.)

Not applicable

11. Does this bargaining unit have a negotiated cap for Health and Welfare benefits?

Yes ☒ No ☐

If yes, please describe the cap amount.

The Los Angeles Unified School District Health and Welfare Memorandum of Understanding provides for a flat per participant contribution rate per active employee.

- B. Proposed negotiated changes in noncompensation items** (i.e., class size adjustments, staff development days, teacher prep time, classified staffing ratios, etc.)

Not applicable

- C. What are the specific impacts (positive or negative) on instructional and support programs to accommodate the settlement?** Include the impact of changes such as staff reductions or increases, program reductions or increases, elimination or expansion of other services or programs (i.e., counselors, librarians, custodial staff, etc.)

The fiscal impact to all funds is \$0.2M in FY 2023-24, \$0.3M in FY 2024-25 and \$0.3M in FY2025-26. Unassigned/Unappropriated balances shall pay for general fund unrestricted costs. The Bond fund shall be adjusted to accommodate additional costs.

D. What contingency language is included in the proposed agreement (e.g., reopeners, etc.)?

Please refer to the attached MOU between LAUSD and California School Employees Association (CSEA)-Counterpart Confidential.

E. Identify other major provisions that do not directly affect the district's costs, such as binding arbitrations, grievance procedures, etc.

Not applicable

F. Source of Funding for Proposed Agreement:

1. Current Year

General Fund Unrestricted and Measure Q.

2. If this is a single year agreement, how will the ongoing cost of the proposed agreement be funded in subsequent years?

N/A

3. If this is a multiyear agreement, what is the source of funding, including assumptions used, to fund these obligations in subsequent years? (Remember to include compounding effects in meeting obligations.)

The CSEA agreement is a multi-year agreement. The cost of the agreement will be borne by the General Fund and Measure Q.

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Unrestricted General Fund**

Bargaining Unit:

CSEA-Counterpart

		Column 1	Column 2	Column 3	Column 4
		Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
Object Code					
REVENUES					
LCFF Revenue	8010-8099	\$ 6,706,024,282		\$ -	\$ 6,706,024,282
Federal Revenue	8100-8299	\$ 1,775,202		\$ -	\$ 1,775,202
Other State Revenue	8300-8599	\$ 123,791,225		\$ -	\$ 123,791,225
Other Local Revenue	8600-8799	\$ 299,914,212		\$ -	\$ 299,914,212
TOTAL REVENUES		\$ 7,131,504,921		\$ -	\$ 7,131,504,921
EXPENDITURES					
Certificated Salaries	1000-1999	\$ 2,356,845,580		\$ -	\$ 2,356,845,580
Classified Salaries	2000-2999	\$ 775,120,237	\$ 152,035		\$ 775,272,272
Employee Benefits	3000-3999	\$ 1,611,748,518	\$ 55,934		\$ 1,611,804,452
Books and Supplies	4000-4999	\$ 546,267,045			\$ 546,267,045
Services and Other Operating Expenditures	5000-5999	\$ 681,687,990			\$ 681,687,990
Capital Outlay	6000-6999	\$ 46,761,228			\$ 46,761,228
Other Outgo (excluding Indirect Costs)	7100-7299 7400-7499	\$ 8,866,835			\$ 8,866,835
Transfers of Indirect Costs	7300-7399	\$ (120,429,453)			\$ (120,429,453)
TOTAL EXPENDITURES		\$ 5,906,867,980	\$ 207,969	\$ -	\$ 5,907,075,949
OTHER FINANCING SOURCES/USES					
Transfers In and Other Sources	8900-8979	\$ 31,189,107	\$ -	\$ -	\$ 31,189,107
Transfers Out and Other Uses	7600-7699	\$ 25,025,728			\$ 25,025,728
Contributions	8980-8999	\$ (1,394,664,765)			\$ (1,394,664,765)
OPERATING SURPLUS (DEFICIT)*		\$ (163,864,445)	\$ (207,969)	\$ -	\$ (164,072,413)
BEGINNING FUND BALANCE					
	9791	\$ 3,912,216,677			\$ 3,912,216,677
Audit Adjustments/Other Restatements	9793/9795	\$ (34,178,262)			\$ (34,178,262)
ENDING FUND BALANCE		\$ 3,714,173,971	\$ (207,969)	\$ -	\$ 3,713,966,002
COMPONENTS OF ENDING FUND BALANCE:					
Nonspendable	9711-9719	\$ 47,917,052	\$ -		\$ 47,917,052
Restricted	9740				
Committed	9750-9760	\$ 2,427,534,012		\$ -	\$ 2,427,534,012
Assigned	9780	\$ 417,675,017			\$ 417,675,017
Reserve for Economic Uncertainties	9789	\$ 244,900,000	\$ -		\$ 244,900,000
Unassigned/Unappropriated Amount	9790	\$ 576,147,889	\$ (207,969)	\$ -	\$ 575,939,921

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Bargaining Unit:

Restricted General Fund

CSEA-Counterpart

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
LCFF Revenue 8010-8099	\$ 28,298,669		\$ -	\$ 28,298,669
Federal Revenue 8100-8299	\$ 1,574,900,178			\$ 1,574,900,178
Other State Revenue 8300-8599	\$ 1,557,931,568			\$ 1,557,931,568
Other Local Revenue 8600-8799	\$ 39,237,184			\$ 39,237,184
TOTAL REVENUES	\$ 3,200,367,599		\$ -	\$ 3,200,367,599
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 1,511,280,635		\$ -	\$ 1,511,280,635
Classified Salaries 2000-2999	\$ 647,269,672		\$ -	\$ 647,269,672
Employee Benefits 3000-3999	\$ 1,285,377,625		\$ -	\$ 1,285,377,625
Books and Supplies 4000-4999	\$ 323,555,599			\$ 323,555,599
Services and Other Operating Expenditures 5000-5999	\$ 640,831,386		\$ -	\$ 640,831,386
Capital Outlay 6000-6999	\$ 87,183,305			\$ 87,183,305
Other Outgo (excluding Indirect Costs) 7100-7299	\$ 1,036,617		\$ -	\$ 1,036,617
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ 100,789,949			\$ 100,789,949
TOTAL EXPENDITURES	\$ 4,597,324,788	\$ -	\$ -	\$ 4,597,324,788
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ 2,864,613	\$ -	\$ -	\$ 2,864,613
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
Contributions 8980-8999	\$ 1,394,664,765		\$ -	\$ 1,394,664,765
OPERATING SURPLUS (DEFICIT)*	\$ 572,188	\$ -	\$ -	\$ 572,188
BEGINNING FUND BALANCE 9791	\$ 1,795,218,867			\$ 1,795,218,867
Audit Adjustments/Other Restatements 9793/9795	\$ 45,993,473			\$ 45,993,473
ENDING FUND BALANCE	\$ 1,841,784,528	\$ -	\$ -	\$ 1,841,784,528
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 64,939			\$ 64,939
Restricted 9740	\$ 1,843,907,765			\$ 1,843,907,765
Committed 9750-9760				
Assigned Amounts 9780				
Reserve for Economic Uncertainties 9789		\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (2,188,175)	\$ -	\$ -	\$ (2,188,175)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET**Combined General Fund**

Bargaining Unit:

CSEA-Counterpart

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
LCFF Revenue 8010-8099	\$ 6,734,322,951		\$ -	\$ 6,734,322,951
Federal Revenue 8100-8299	\$ 1,576,675,380		\$ -	\$ 1,576,675,380
Other State Revenue 8300-8599	\$ 1,681,722,793		\$ -	\$ 1,681,722,793
Other Local Revenue 8600-8799	\$ 339,151,396		\$ -	\$ 339,151,396
TOTAL REVENUES	\$ 10,331,872,520		\$ -	\$ 10,331,872,520
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 3,868,126,215	\$ -	\$ -	\$ 3,868,126,215
Classified Salaries 2000-2999	\$ 1,422,389,909	\$ 152,035	\$ -	\$ 1,422,541,944
Employee Benefits 3000-3999	\$ 2,897,126,143	\$ 55,934	\$ -	\$ 2,897,182,077
Books and Supplies 4000-4999	\$ 869,822,644		\$ -	\$ 869,822,644
Services and Other Operating Expenditures 5000-5999	\$ 1,322,519,376		\$ -	\$ 1,322,519,376
Capital Outlay 6000-6999	\$ 133,944,533		\$ -	\$ 133,944,533
Other Outgo (excluding Indirect Costs) 7100-7299	\$ 9,903,452		\$ -	\$ 9,903,452
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ (19,639,504)		\$ -	\$ (19,639,504)
TOTAL EXPENDITURES	\$ 10,504,192,768	\$ 207,969	\$ -	\$ 10,504,400,737
OTHER FINANCING SOURCES/USES				
Transfer In and Other Sources 8900-8979	\$ 34,053,720	\$ -	\$ -	\$ 34,053,720
Transfers Out and Other Uses 7600-7699	\$ 25,025,728	\$ -	\$ -	\$ 25,025,728
Contributions 8980-8999	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (163,292,256)	\$ (207,969)	\$ -	\$ (163,500,225)
BEGINNING FUND BALANCE 9791	\$ 5,707,435,544			\$ 5,707,435,544
Audit Adjustments/Other Restatements 9793/9795	\$ 11,815,211			\$ 11,815,211
ENDING FUND BALANCE	\$ 5,555,958,499	\$ (207,969)	\$ -	\$ 5,555,750,530
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 47,981,991	\$ -	\$ -	\$ 47,981,991
Restricted 9740	\$ 1,843,907,765	\$ -	\$ -	\$ 1,843,907,765
Committed 9750-9760	\$ 2,427,534,012	\$ -	\$ -	\$ 2,427,534,012
Assigned 9780	\$ 417,675,017	\$ -	\$ -	\$ 417,675,017
Reserve for Economic Uncertainties 9789	\$ 244,900,000	\$ -	\$ -	\$ 244,900,000
Unassigned/Unappropriated Amount 9790	\$ 573,959,714	\$ (207,969)	\$ -	\$ 573,751,745

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Fund 11 - Adult Education Fund

Bargaining Unit:

CSEA-Counterpart

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement (As of 9/26/2023)	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ 19,726,171		\$ -	\$ 19,726,171
Other State Revenue 8300-8599	\$ 140,293,639		\$ -	\$ 140,293,639
Other Local Revenue 8600-8799	\$ 1,530,210		\$ -	\$ 1,530,210
TOTAL REVENUES	\$ 161,550,020		\$ -	\$ 161,550,020
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 63,277,598		\$ -	\$ 63,277,598
Classified Salaries 2000-2999	\$ 22,260,483			\$ 22,260,483
Employee Benefits 3000-3999	\$ 41,917,863			\$ 41,917,863
Books and Supplies 4000-4999	\$ 19,326,286			\$ 19,326,286
Services and Other Operating Expenditures 5000-5999	\$ 15,793,779		\$ -	\$ 15,793,779
Capital Outlay 6000-6999	\$ -		\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499	\$ -		\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ 3,989,050		\$ -	\$ 3,989,050
TOTAL EXPENDITURES	\$ 166,565,060	\$ -	\$ -	\$ 166,565,060
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (5,015,040)	\$ -	\$ -	\$ (5,015,040)
BEGINNING FUND BALANCE 9791	\$ 42,311,847			\$ 42,311,847
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 37,296,807	\$ -	\$ -	\$ 37,296,807
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 16,500	\$ -	\$ -	\$ 16,500
Restricted 9740	\$ 45,990,639	\$ -	\$ -	\$ 45,990,639
Committed 9750-9760		\$ -	\$ -	\$ -
Assigned 9780	\$ 2,612,771	\$ -	\$ -	\$ 2,612,771
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (11,323,103)	\$ -	\$ -	\$ (11,323,103)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Fund 12 - Child Development Fund

Bargaining Unit:

CSEA-Counterpart

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ 13,053,827		\$ -	\$ 13,053,827
Other State Revenue 8300-8599	\$ 184,893,517		\$ -	\$ 184,893,517
Other Local Revenue 8600-8799	\$ 2,672,548		\$ -	\$ 2,672,548
TOTAL REVENUES	\$ 200,619,892		\$ -	\$ 200,619,892
EXPENDITURES				
Certificated Salaries 1000-1999	\$ 49,315,631		\$ -	\$ 49,315,631
Classified Salaries 2000-2999	\$ 73,102,980		\$ -	\$ 73,102,980
Employee Benefits 3000-3999	\$ 72,358,037		\$ -	\$ 72,358,037
Books and Supplies 4000-4999	\$ 3,736,466			\$ 3,736,466
Services and Other Operating Expenditures 5000-5999	\$ 1,159,387		\$ -	\$ 1,159,387
Capital Outlay 6000-6999	\$ -		\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499			\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ 6,850,866		\$ -	\$ 6,850,866
TOTAL EXPENDITURES	\$ 206,523,368	\$ -	\$ -	\$ 206,523,368
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ 1,600,895		\$ -	\$ 1,600,895
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (4,302,581)	\$ -	\$ -	\$ (4,302,581)
BEGINNING FUND BALANCE 9791	\$ 4,101,329			\$ 4,101,329
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ (201,252)	\$ -	\$ -	\$ (201,252)
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719		\$ -	\$ -	\$ -
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (201,252)	\$ -	\$ -	\$ (201,252)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Fund 13/61 - Cafeteria Fund

Bargaining Unit:

CSEA-Counterpart

Object Code		Column 1	Column 2	Column 3	Column 4
		Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES					
LCFF Revenue	8010-8099	\$ -		\$ -	\$ -
Federal Revenue	8100-8299	\$ 321,744,463		\$ -	\$ 321,744,463
Other State Revenue	8300-8599	\$ 85,755,836		\$ -	\$ 85,755,836
Other Local Revenue	8600-8799	\$ 1,896,503		\$ -	\$ 1,896,503
TOTAL REVENUES		\$ 409,396,802		\$ -	\$ 409,396,802
EXPENDITURES					
Certificated Salaries	1000-1999			\$ -	\$ -
Classified Salaries	2000-2999	\$ 152,681,270		\$ -	\$ 152,681,270
Employee Benefits	3000-3999	\$ 133,210,806		\$ -	\$ 133,210,806
Books and Supplies	4000-4999	\$ 182,817,955		\$ -	\$ 182,817,955
Services and Other Operating Expenditures	5000-5999	\$ 5,846,544		\$ -	\$ 5,846,544
Capital Outlay	6000-6999	\$ 430,000		\$ -	\$ 430,000
Other Outgo (excluding Indirect Costs)	7100-7299 7400-7499			\$ -	\$ -
Transfers of Indirect Costs	7300-7399	\$ 9,199,030		\$ -	\$ 9,199,030
TOTAL EXPENDITURES		\$ 484,185,605	\$ -	\$ -	\$ 484,185,605
OTHER FINANCING SOURCES/USES					
Transfers In and Other Sources	8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses	7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*		\$ (74,788,803)	\$ -	\$ -	\$ (74,788,803)
BEGINNING FUND BALANCE					
	9791	\$ 163,786,624			\$ 163,786,624
Audit Adjustments/Other Restatements	9793/9795	\$ -			\$ -
ENDING FUND BALANCE		\$ 88,997,820	\$ -	\$ -	\$ 88,997,820
COMPONENTS OF ENDING FUND BALANCE:					
Nonspendable	9711-9719	\$ 7,754,534	\$ -	\$ -	\$ 7,754,534
Restricted	9740	\$ 81,243,287		\$ -	\$ 81,243,287
Committed	9750-9760		\$ -	\$ -	\$ -
Assigned	9780		\$ -	\$ -	\$ -
Reserve for Economic Uncertainties	9789		\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount	9790	\$ (0)	\$ -	\$ -	\$ (0)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund:

Building Fund-212

Bargaining Unit:

CSEA-Counterpart

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenues 8600-8799	\$ 1,120,852		\$ -	\$ 1,120,852
TOTAL REVENUES	\$ 1,120,852		\$ -	\$ 1,120,852
EXPENDITURES				
Certificated Salaries 1000-1999		\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 844,658		\$ -	\$ 844,658
Employee Benefits 3000-3999	\$ 482,972		\$ -	\$ 482,972
Books and Supplies 4000-4999			\$ -	\$ -
Services and Other Operating Expenditures 5000-5999	\$ -		\$ -	\$ -
Capital Outlay 6000-6999	\$ 369,519		\$ -	\$ 369,519
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 1,697,149	\$ -	\$ -	\$ 1,697,149
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (576,297)	\$ -	\$ -	\$ (576,297)
BEGINNING FUND BALANCE 9791	\$ 9,887,626			\$ 9,887,626
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 9,311,329	\$ -	\$ -	\$ 9,311,329
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 6,740	\$ -	\$ -	\$ 6,740
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ 9,304,589		\$ -	\$ 9,304,589
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education

Business Advisory Services

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Building Fund Measure Y-214**
Bargaining Unit: **CSEA-Counterpart**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 1,882,374		\$ -	\$ 1,882,374
TOTAL REVENUES	\$ 1,882,374		\$ -	\$ 1,882,374
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 1,314,439		\$ -	\$ 1,314,439
Employee Benefits 3000-3999	\$ 695,203		\$ -	\$ 695,203
Books and Supplies 4000-4999	\$ -		\$ -	\$ -
Services and Other Operating Expenditures 5000-5999	\$ -		\$ -	\$ -
Capital Outlay 6000-6999	\$ 61,915,582			\$ 61,915,582
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 63,925,224	\$ -	\$ -	\$ 63,925,224
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979		\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (62,042,850)	\$ -	\$ -	\$ (62,042,850)
BEGINNING FUND BALANCE 9791	\$ 62,542,850			\$ 62,542,850
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 500,000	\$ -	\$ -	\$ 500,000
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 500,000	\$ -	\$ -	\$ 500,000
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ 0	\$ -	\$ -	\$ 0

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Building Fund Measure Q-215**
Bargaining Unit: **CSEA-Counterpart**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 8,785,990		\$ -	\$ 8,785,990
TOTAL REVENUES	\$ 8,785,990		\$ -	\$ 8,785,990
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 81,201,081	\$ 6,039	\$ -	\$ 81,207,120
Employee Benefits 3000-3999	\$ 43,799,277	\$ 2,222	\$ -	\$ 43,801,499
Books and Supplies 4000-4999	\$ 1,931,317		\$ -	\$ 1,931,317
Services and Other Operating Expenditures 5000-5999			\$ -	\$ -
Capital Outlay 6000-6999	\$ 645,676,689		\$ (8,261)	\$ 645,668,429
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 772,608,364	\$ 8,261	\$ (8,261)	\$ 772,608,364
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ 600,000,000	\$ -	\$ -	\$ 600,000,000
Transfers Out and Other Uses 7600-7699		\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (163,822,374)	\$ (8,261)	\$ 8,261	\$ (163,822,374)
BEGINNING FUND BALANCE 9791	\$ 494,324,590			\$ 494,324,590
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 330,502,216	\$ (8,261)	\$ 8,261	\$ 330,502,216
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 350,445,216		\$ -	\$ 350,445,216
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (19,943,000)	\$ (8,261)	\$ 8,261	\$ (19,943,000)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Public Disclosure of Proposed Collective Bargaining Agreement
Los Angeles Unified School District

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Building Fund Measure R-216**
 Bargaining Unit: **CSEA-Counterpart**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 7,766,239		\$ -	\$ 7,766,239
TOTAL REVENUES	\$ 7,766,239		\$ -	\$ 7,766,239
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 2,432,577	\$ -	\$ -	\$ 2,432,577
Employee Benefits 3000-3999	\$ 1,390,220	\$ -	\$ -	\$ 1,390,220
Books and Supplies 4000-4999	\$ -		\$ -	\$ -
Services and Other Operating Expenditures 5000-5999	\$ 1,301,488		\$ -	\$ 1,301,488
Capital Outlay 6000-6999	\$ 263,252,066		\$ -	\$ 263,252,066
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 268,376,350	\$ -	\$ -	\$ 268,376,350
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ 150,000,000	\$ -	\$ -	\$ 150,000,000
Transfers Out and Other Uses 7600-7699		\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (110,610,111)	\$ -	\$ -	\$ (110,610,111)
BEGINNING FUND BALANCE 9791	\$ 518,524,446			\$ 518,524,446
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 407,914,335	\$ -	\$ -	\$ 407,914,335
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 407,914,335	\$ -	\$ -	\$ 407,914,335
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education
 Business Advisory Services
 Revised 06/11/2021

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Capital Facilities Fund-250**
Bargaining Unit: **CSEA-Counterpart**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 112,130,000		\$ -	\$ 112,130,000
TOTAL REVENUES	\$ 112,130,000		\$ -	\$ 112,130,000
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 768,309		\$ -	\$ 768,309
Employee Benefits 3000-3999	\$ 371,155		\$ -	\$ 371,155
Books and Supplies 4000-4999	\$ 87,306		\$ -	\$ 87,306
Services and Other Operating Expenditures 5000-5999	\$ 31,478,178		\$ -	\$ 31,478,178
Capital Outlay 6000-6999	\$ 91,419,013		\$ -	\$ 91,419,013
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 124,123,961	\$ -	\$ -	\$ 124,123,961
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979		\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (11,993,961)	\$ -	\$ -	\$ (11,993,961)
BEGINNING FUND BALANCE 9791	\$ 65,175,348			\$ 65,175,348
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 53,181,387	\$ -	\$ -	\$ 53,181,387
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 53,181,387		\$ -	\$ 53,181,387
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ -	\$ -	\$ -	\$ -

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Special Reserve Fund-CRA-400**
Bargaining Unit: **CSEA-Counterpart**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 60,362,000		\$ -	\$ 60,362,000
TOTAL REVENUES	\$ 60,362,000		\$ -	\$ 60,362,000
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 276,386		\$ -	\$ 276,386
Employee Benefits 3000-3999	\$ 126,236		\$ -	\$ 126,236
Books and Supplies 4000-4999	\$ 196,487		\$ -	\$ 196,487
Services and Other Operating Expenditures 5000-5999	\$ 21,351,772		\$ -	\$ 21,351,772
Capital Outlay 6000-6999	\$ (13,605,736)		\$ -	\$ (13,605,736)
Other Outgo (excluding Indirect Costs) 7100-7299 7400-7499			\$ -	\$ -
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 8,345,146	\$ -	\$ -	\$ 8,345,146
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ 30,000,000	\$ -	\$ -	\$ 30,000,000
OPERATING SURPLUS (DEFICIT)*	\$ 22,016,854	\$ -	\$ -	\$ 22,016,854
BEGINNING FUND BALANCE 9791	\$ 129,013,819			\$ 129,013,819
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 151,030,673	\$ -	\$ -	\$ 151,030,673
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ 151,030,673		\$ -	\$ 151,030,673
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (0)	\$ -	\$ -	\$ (0)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Public Disclosure of Proposed Collective Bargaining Agreement
Los Angeles Unified School District

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G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Health and Welfare Fund -670**
 Bargaining Unit: **CSEA-Counterpart**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 1,104,342,498		\$ -	\$ 1,104,342,498
TOTAL REVENUES	\$ 1,104,342,498		\$ -	\$ 1,104,342,498
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 3,141,533		\$ -	\$ 3,141,533
Employee Benefits 3000-3999	\$ 1,793,596		\$ -	\$ 1,793,596
Books and Supplies 4000-4999	\$ 506,055		\$ -	\$ 506,055
Services and Other Operating Expenditures 5000-5999	\$ 1,099,313,548		\$ -	\$ 1,099,313,548
Capital Outlay 6000-6999			\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 1,104,754,733	\$ -	\$ -	\$ 1,104,754,733
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (412,235)	\$ -	\$ -	\$ (412,235)
BEGINNING FUND BALANCE 9791	\$ 103,179,853			\$ 103,179,853
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 102,767,618	\$ -	\$ -	\$ 102,767,618
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ -	\$ -	\$ -	\$ -
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ 102,767,618	\$ -	\$ -	\$ 102,767,618

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Los Angeles County Office of Education
 Business Advisory Services
 Revised 06/11/2021

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Workers Compensation Fund -671**
Bargaining Unit: **CSEA-Counterpart**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 134,615,339		\$ -	\$ 134,615,339
TOTAL REVENUES	\$ 134,615,339		\$ -	\$ 134,615,339
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 1,896,895		\$ -	\$ 1,896,895
Employee Benefits 3000-3999	\$ 1,047,187		\$ -	\$ 1,047,187
Books and Supplies 4000-4999	\$ 1,637,713		\$ -	\$ 1,637,713
Services and Other Operating Expenditures 5000-5999	\$ 147,025,671		\$ -	\$ 147,025,671
Capital Outlay 6000-6999	\$ -		\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 151,607,466	\$ -	\$ -	\$ 151,607,466
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (16,992,127)	\$ -	\$ -	\$ (16,992,127)
BEGINNING FUND BALANCE 9791	\$ 256,324,553			\$ 256,324,553
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ 239,332,426	\$ -	\$ -	\$ 239,332,426
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ 237,332,426	\$ -	\$ -	\$ 237,332,426

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

G. IMPACT OF PROPOSED AGREEMENT ON CURRENT YEAR OPERATING BUDGET

Enter Fund: **Liability Self Insurance Fund-672**
Bargaining Unit: **CSEA-Counterpart**

Object Code	Column 1	Column 2	Column 3	Column 4
	Latest Board- Approved Budget Before Settlement 12/12/2023	Adjustments as a Result of Settlement (compensation)	Other Revisions (agreement support and/or other unit agreement) Explain on Page 4i	Total Revised Budget (Columns 1+2+3)
REVENUES				
Federal Revenue 8100-8299	\$ -		\$ -	\$ -
Other State Revenue 8300-8599	\$ -		\$ -	\$ -
Other Local Revenue 8600-8799	\$ 51,423,884		\$ -	\$ 51,423,884
TOTAL REVENUES	\$ 51,423,884		\$ -	\$ 51,423,884
EXPENDITURES				
Certificated Salaries 1000-1999	\$ -	\$ -	\$ -	\$ -
Classified Salaries 2000-2999	\$ 3,735,833		\$ -	\$ 3,735,833
Employee Benefits 3000-3999	\$ 1,893,735		\$ -	\$ 1,893,735
Books and Supplies 4000-4999	\$ 12,977		\$ -	\$ 12,977
Services and Other Operating Expenditures 5000-5999	\$ 44,989,669		\$ -	\$ 44,989,669
Capital Outlay 6000-6999			\$ -	\$ -
Other Outgo (excluding Indirect Costs) 7100-7299	\$ -		\$ -	\$ -
7400-7499				
Transfers of Indirect Costs 7300-7399	\$ -		\$ -	\$ -
TOTAL EXPENDITURES	\$ 50,632,214	\$ -	\$ -	\$ 50,632,214
OTHER FINANCING SOURCES/USES				
Transfers In and Other Sources 8900-8979	\$ -	\$ -	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ 791,670	\$ -	\$ -	\$ 791,670
BEGINNING FUND BALANCE 9791	\$ (23,563,072)			\$ (23,563,072)
Audit Adjustments/Other Restatements 9793/9795	\$ -			\$ -
ENDING FUND BALANCE	\$ (22,771,402)	\$ -	\$ -	\$ (22,771,402)
COMPONENTS OF ENDING FUND BALANCE:				
Nonspendable 9711-9719	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
Restricted 9740	\$ -	\$ -	\$ -	\$ -
Committed 9750-9760	\$ -	\$ -	\$ -	\$ -
Assigned 9780	\$ -	\$ -	\$ -	\$ -
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (23,771,402)	\$ -	\$ -	\$ (23,771,402)

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts in Columns 1 and 4 must be positive

Explanations for Column 3 "Other Revisions" entered on Pages 4a through 4h:

Page 4a: Unrestricted General Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4b: Restricted General Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4d: Fund 11 - Adult Education Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4e: Fund 12 - Child Development Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4f: Fund 13/61 - Cafeteria Fund	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4g: Other	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Page 4h: Other	Amount	Explanation
Revenues	\$ -	
Expenditures	\$ -	
Other Financing Sources/Uses	\$ -	

Additional Comments:

H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Unrestricted General Fund MYP**

Bargaining Unit:

CSEA-Counterpart

Object Code	2023-24	2024-25	2025-26
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ 6,706,024,282	\$ 6,534,198,272	\$ 6,481,899,205
Federal Revenue 8100-8299	\$ 1,775,202	\$ 1,906,761	\$ 1,906,761
Other State Revenue 8300-8599	\$ 123,791,225	\$ 119,300,044	\$ 117,622,784
Other Local Revenue 8600-8799	\$ 299,914,212	\$ 296,433,022	\$ 251,422,473
TOTAL REVENUES	\$ 7,131,504,921	\$ 6,951,838,099	\$ 6,852,851,223
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 2,356,845,580	\$ 2,887,918,546	\$ 2,285,367,992
Classified Salaries 2000-2999	\$ 775,272,272	\$ 942,686,603	\$ 686,934,192
Employee Benefits 3000-3999	\$ 1,611,804,452	\$ 1,817,472,604	\$ 1,674,070,472
Books and Supplies 4000-4999	\$ 546,267,045	\$ 1,024,947,284	\$ 804,760,532
Services and Other Operating Expenditures 5000-5999	\$ 681,687,990	\$ 656,028,119	\$ 726,723,967
Capital Outlay 6000-6999	\$ 46,761,228	\$ 57,287,018	\$ 58,415,000
Other Outgo (excluding Indirect Costs) 7100-7299	\$ 8,866,835	\$ 7,687,882	\$ 7,687,882
7400-7499			
Transfers of Indirect Costs 7300-7399	\$ (120,429,453)	\$ (154,505,211)	\$ (146,619,920)
Other Adjustments			\$ -
TOTAL EXPENDITURES	\$ 5,907,075,949	\$ 7,239,522,845	\$ 6,097,340,116
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ 31,189,107	\$ 30,010,000	\$ 30,010,000
Transfers Out and Other Uses 7600-7699	\$ 25,025,728	\$ 50,180,164	\$ 50,170,179
Contributions 8980-8999	\$ (1,394,664,765)	\$ (1,525,626,922)	\$ (1,550,396,280)
OPERATING SURPLUS (DEFICIT)*	\$ (164,072,413)	\$ (1,833,481,833)	\$ (815,045,352)
BEGINNING FUND BALANCE			
9791	\$ 3,912,216,677	\$ 3,713,966,002	\$ 1,880,484,169
Audit Adjustments/Other Restatements 9793/9795	\$ (34,178,262)		
ENDING FUND BALANCE	\$ 3,713,966,002	\$ 1,880,484,169	\$ 1,065,438,817
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ 47,917,052	\$ 47,917,052	\$ 47,917,052
Restricted 9740			
Committed 9750-9760	\$ 2,427,534,012	\$ 821,247,839	\$ 455,939,014
Assigned 9780	\$ 417,675,017	\$ 306,084,175	\$ 306,084,175
Reserve for Economic Uncertainties 9789	\$ 244,900,000	\$ 222,170,000	\$ 220,450,000
Unassigned/Unappropriated Amount 9790	\$ 575,939,921	\$ 483,065,103	\$ 35,048,576

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

Los Angeles Unified School District

H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Restricted General Fund MYP**

Bargaining Unit:

CSEA-Counterpart

Object Code	2023-24	2024-25	2025-26
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ 28,298,669	\$ 28,298,669	\$ 28,298,669
Federal Revenue 8100-8299	\$ 1,574,900,178	\$ 690,491,671	\$ 655,342,971
Other State Revenue 8300-8599	\$ 1,557,931,568	\$ 1,519,179,122	\$ 1,519,313,080
Other Local Revenue 8600-8799	\$ 39,237,184	\$ 26,877,453	\$ 26,883,148
TOTAL REVENUES	\$ 3,200,367,599	\$ 2,264,846,915	\$ 2,229,837,868
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 1,511,280,635	\$ 1,094,004,014	\$ 1,665,583,479
Classified Salaries 2000-2999	\$ 647,269,672	\$ 520,090,939	\$ 709,285,193
Employee Benefits 3000-3999	\$ 1,285,377,625	\$ 1,200,300,784	\$ 1,421,783,569
Books and Supplies 4000-4999	\$ 323,555,599	\$ 201,933,157	\$ 217,953,179
Services and Other Operating Expenditures 5000-5999	\$ 640,831,386	\$ 630,236,734	\$ 663,242,993
Capital Outlay 6000-6999	\$ 87,183,305	\$ 103,126,496	\$ 132,774,815
Other Outgo (excluding Indirect Costs) 7100-7299	\$ 1,036,617	\$ -	\$ -
7400-7499			
Transfers of Indirect Costs 7300-7399	\$ 100,789,949	\$ 115,533,853	\$ 111,394,509
Other Adjustments			
TOTAL EXPENDITURES	\$ 4,597,324,788	\$ 3,865,225,976	\$ 4,922,017,736
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ 2,864,613	\$ -	\$ -
Transfers Out and Other Uses 7600-7699	\$ -	\$ -	\$ -
Contributions 8980-8999	\$ 1,394,664,765	\$ 1,525,626,922	\$ 1,550,396,280
OPERATING SURPLUS (DEFICIT)*	\$ 572,188	\$ (74,752,139)	\$ (1,141,783,588)
BEGINNING FUND BALANCE 9791	\$ 1,795,218,867	\$ 1,841,784,528	\$ 1,767,032,390
Audit Adjustments/Other Restatements 9793/9795	\$ 45,993,473		
ENDING FUND BALANCE	\$ 1,841,784,528	\$ 1,767,032,390	\$ 625,248,801
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ 64,939	\$ 64,939	\$ 64,939
Restricted 9740	\$ 1,843,907,765	\$ 1,766,967,451	\$ 625,183,862
Committed 9750-9760			
Assigned 9780			
Reserve for Economic Uncertainties 9789	\$ -	\$ -	\$ -
Unassigned/Unappropriated Amount 9790	\$ (2,188,175)	\$ 0	\$ 0

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

Los Angeles County Office of Education

Business Advisory Services

Revised 06/11/2021

H. IMPACT OF PROPOSED AGREEMENT ON SUBSEQUENT YEARS**Combined General Fund MYP**

Bargaining Unit:

CSEA-Counterpart

Object Code	2023-24	2024-25	2025-26
	Total Revised Budget After Settlement	First Subsequent Year After Settlement	Second Subsequent Year After Settlement
REVENUES			
LCFF Revenue 8010-8099	\$ 6,734,322,951	\$ 6,562,496,941	\$ 6,510,197,874
Federal Revenue 8100-8299	\$ 1,576,675,380	\$ 692,398,432	\$ 657,249,732
Other State Revenue 8300-8599	\$ 1,681,722,793	\$ 1,638,479,166	\$ 1,636,935,864
Other Local Revenue 8600-8799	\$ 339,151,396	\$ 323,310,475	\$ 278,305,621
TOTAL REVENUES	\$ 10,331,872,520	\$ 9,216,685,014	\$ 9,082,689,091
EXPENDITURES			
Certificated Salaries 1000-1999	\$ 3,868,126,215	\$ 3,981,922,560	\$ 3,950,951,471
Classified Salaries 2000-2999	\$ 1,422,541,944	\$ 1,462,777,542	\$ 1,396,219,384
Employee Benefits 3000-3999	\$ 2,897,182,077	\$ 3,017,773,387	\$ 3,095,854,041
Books and Supplies 4000-4999	\$ 869,822,644	\$ 1,226,880,441	\$ 1,022,713,710
Services and Other Operating Expenditures 5000-5999	\$ 1,322,519,376	\$ 1,286,264,853	\$ 1,389,966,960
Capital Outlay 6000-6999	\$ 133,944,533	\$ 160,413,514	\$ 191,189,815
Other Outgo (excuding Indirect Costs) 7100-7299	\$ 9,903,452	\$ 7,687,882	\$ 7,687,882
7400-7499			
Transfers of Indirect Costs 7300-7399	\$ (19,639,504)	\$ (38,971,358)	\$ (35,225,411)
Other Adjustments		\$ -	\$ -
TOTAL EXPENDITURES	\$ 10,504,400,737	\$ 11,104,748,822	\$ 11,019,357,852
OTHER FINANCING SOURCES/USES			
Transfers In and Other Sources 8900-8979	\$ 34,053,720	\$ 30,010,000	\$ 30,010,000
Transfers Out and Other Uses 7600-7699	\$ 25,025,728	\$ 50,180,164	\$ 50,170,179
Contributions 8980-8999	\$ -	\$ -	\$ -
OPERATING SURPLUS (DEFICIT)*	\$ (163,500,225)	\$ (1,908,233,972)	\$ (1,956,828,940)
BEGINNING FUND BALANCE			
9791	\$ 5,707,435,544	\$ 5,555,750,530	\$ 3,647,516,559
Audit Adjustments/Other Restatements 9793/9795	\$ 11,815,211		
ENDING FUND BALANCE	\$ 5,555,750,530	\$ 3,647,516,559	\$ 1,690,687,619
COMPONENTS OF ENDING FUND BALANCE:			
Nonspendable 9711-9719	\$ 47,981,991	\$ 47,981,991	\$ 47,981,991
Restricted 9740	\$ 1,843,907,765	\$ 1,766,967,451	\$ 625,183,862
Committed 9750-9760	\$ 2,427,534,012	\$ 821,247,839	\$ 455,939,014
Assigned 9780	\$ 417,675,017	\$ 306,084,175	\$ 306,084,175
Reserve for Economic Uncertainties 9789	\$ 244,900,000	\$ 222,170,000	\$ 220,450,000
Unassigned/Unappropriated Amount 9790	\$ 573,751,745	\$ 483,065,103	\$ 35,048,576

*Net Increase (Decrease) in Fund Balance

NOTE: 9790 amounts must be positive

I. IMPACT OF PROPOSED AGREEMENT ON UNRESTRICTED RESERVES

1. State Reserve Standard

		2023-24	2024-25	2025-26
a.	Total Expenditures, Transfers Out, and Uses (Including Cost of Proposed Agreement)	\$ 10,529,426,465	\$ 11,154,928,986	\$ 11,069,528,031
b.	Less: Special Education Pass-Through Funds	\$ -	\$ -	\$ -
c.	Net Expenditures, Transfers Out, and Uses	\$ 10,529,426,465	\$ 11,154,928,986	\$ 11,069,528,031
d.	State Standard Minimum Reserve Percentage for this District Enter percentage →	2.00%	2.00%	2.00%
e.	State Standard Minimum Reserve Amount for this District (For districts with less than 1,001 ADA, this is the greater of Line a, times Line b, or \$50,000)	\$ 210,588,529	\$ 223,098,580	\$ 221,390,561

2. Budgeted Unrestricted Reserve (After Impact of Proposed Agreement)

a.	General Fund Budgeted Unrestricted Designated for Economic Uncertainties (9789)	\$ 244,900,000	\$ 222,170,000	\$ 220,450,000
b.	General Fund Budgeted Unrestricted Unassigned/Unappropriated Amount (9790)	\$ 575,939,921	\$ 483,065,103	\$ 35,048,576
c.	Special Reserve Fund (Fund 17) Budgeted Designated for Economic Uncertainties (9789)	\$ -	\$ -	\$ -
d.	Special Reserve Fund (Fund 17) Budgeted Unassigned/Unappropriated Amount (9790)	\$ -	\$ -	\$ -
e.	Total Available Reserves	\$ 820,839,921	\$ 705,235,103	\$ 255,498,576
f.	Reserve for Economic Uncertainties Percentage	7.80%	6.32%	2.31%

3. Do unrestricted reserves meet the state minimum reserve amount?

2023-24

Yes

☒

No

☐

2024-25

Yes

☒

No

☐

2025-26

Yes

☒

No

☐

4. If no, how do you plan to restore your reserves?

Public Disclosure of Proposed Collective Bargaining Agreement
Los Angeles Unified School District
California School Employees Association-Counterpart Confidential

5 Does the Total Compensation Increase/(Decrease) on Page 1, Section A, #5 agree with the Total Increase/(Decrease) for all funds as a result of the settlement(s)? Please explain any variance.

Total Compensation Increase/(Decrease) on Page 1, Section A, #5	\$	216,229
General Fund balance Increase/(Decrease), Page 4c, Column 3	\$	(207,969)
Adult Education Fund balance Increase/(Decrease), Page 4d, Column 2	\$	-
Child Development Fund balance Increase/(Decrease), Page 4e, Column 2	\$	-
Cafeteria Fund balance Increase/(Decrease), Page 4f, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4g, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h1, Column 2	\$	(8,261)
Other Fund balance Increase/(Decrease), Page 4h2, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h3, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h4, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h5, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h6, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h7, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h8, Column 2	\$	-
Other Fund balance Increase/(Decrease), Page 4h9, Column 2	\$	-
Total all fund balances Increase/(Decrease) as a result of the settlement(s)	\$	(216,229)
Variance	\$	-

Variance Explanation:

6 Will this agreement create or increase deficit financing in the current year or subsequent years?

"Deficit Financing" is defined to exist when a fund's expenditures and other financing uses exceed its revenues and other financing sources in a given year. If a deficit is shown below, provide an explanation and any deficit reduction plan, as necessary.

General Fund Combined	Surplus/(Deficit)	(Deficit) %	Deficit primarily due to:
Current FY Surplus/(Deficit) before settlement(s)	\$ (163,292,256)	-1.6%	
Current FY Surplus/(Deficit) after settlement(s)	\$ (163,500,225)	-1.6%	
1st Subsequent FY Surplus/(Deficit) after settlement(s)?	\$ (1,908,233,972)	-17.1%	
2nd Subsequent FY Surplus/(Deficit) after settlement(s)?	\$ (1,956,828,940)	-17.7%	

Deficit Reduction Plan (as necessary):

7 Were "Other Adjustments" amounts entered in the multiyear projections (pages 5a and 5b) for 1st and 2nd Subsequent FY?

"Other Adjustments" could indicate that a budget reduction plan was/is being developed to address the deficit spending and to rebuild reserves. Any amount shown below must have an explanation. If additional space is needed, attach a separate sheet or use Page 9a.

MYP	Amount	"Other Adjustments" Explanation
1st Subsequent FY Unrestricted, Page 5a	\$ -	
1st Subsequent FY Restricted, Page 5b	\$ -	
2nd Subsequent FY Unrestricted, Page 5a	\$ -	
2nd Subsequent FY Restricted, Page 5b	\$ -	

**Public Disclosure of Proposed Collective Bargaining Agreement
LOS ANGELES UNIFIED SCHOOL DISTRICT**

K. CERTIFICATION NO. 1: CERTIFICATION OF THE DISTRICT'S ABILITY TO MEET THE COSTS OF THE COLLECTIVE BARGAINING AGREEMENT

This certification page must be signed by the district's Superintendent and Chief Business Official at the time of public disclosure and is intended to assist the district's Governing Board in determining whether the district can meet the costs incurred under the tentative Collective Bargaining Agreement in the current and subsequent years. The absence of a certification signature or if "I am unable to certify" is checked should serve as a "red flag" to the district's Governing Board.

In Accordance with the requirements of Government Code Sections 3540.2(a) and 3547.5, the Superintendent and Chief Business Official of the Los Angeles Unified School District, hereby certify that the District can meet the costs incurred under this Collective Bargaining Agreement during the term of the agreement from July 1, 2023 to June 30, 2026.

Board Actions

The board actions necessary to meet the cost of the agreement in each year of its term are as follows:

Current Year

**Budget Adjustment
Increase/(Decrease)**

Budget Adjustment Categories:

Revenues/Other Financing Sources

\$ -

Expenditures/Other Financing Uses

\$ 216,229

Ending Balance(s) Increase/(Decrease)

\$ (216,229)

Subsequent Years

Budget Adjustment Categories:

Revenues/Other Financing Sources

\$ -

Expenditures/Other Financing Uses

\$ 606,791

Ending Balance(s) Increase/(Decrease)

\$ (606,791)

Budget Revisions

If the district does not adopt and submit within 45 days all of the revisions to its budget needed in the current year to meet the costs of the agreement at the time of the approval of the proposed collective bargaining agreement, the county superintendent of schools is required to issue a qualified or negative certification for the district on its next interim report.

Assumptions

See attached page for a list of the assumptions upon which this certification is based.

Certifications

☐ I hereby certify

☐ I am unable to certify



**District Superintendent
(Signature)**

1/18/24

Date

☒ I hereby certify

☐ I am unable to certify



**Chief Business Official
(Signature)**

01/17/2024

Date

Special Note: The Los Angeles County Office of Education may request additional information, as necessary, to review the district's compliance with requirements.

Assumptions and Explanations (enter or attach documentation)

The assumptions upon which this certification is made are as follows:

1. This certification is based on the FY 2023-24 First Interim Report, approved by the LAUSD Board of Education on December 12, 2023.
2. The fiscal impact to all funds is \$0.2M in FY 2023-24, \$0.3M in FY 2024-25 and \$0.3M in FY2025-26. Unassigned/Unappropriated balances shall pay for general fund unrestricted costs. The Bond fund shall be adjusted to accommodate additional costs.

Concerns regarding affordability of agreement in subsequent years (if any):

We believe this AB 1200 represents projections that are fair and accurate based on information that is known.

K. CERTIFICATION NO. 2

The disclosure document must be signed by the district Superintendent at the time of public disclosure and by the President or Clerk of the Governing Board at the time of formal board action on the proposed agreement.

The information provided in this document summarizes the financial implications of the proposed agreement and is submitted to the Governing Board for public disclosure of the major provisions of the agreement (as provided in the "Public Disclosure of Proposed Collective Bargaining Agreement") in accordance with the requirements of AB 1200 and Government Code Sections 3540.2(a) and 3547.5.

Los Angeles Unified School District

District Name


District Superintendent

(Signature)

1/18/24

Date

Tony Atienza

Contact Person

213-241-1324

Phone

After public disclosure of the major provisions contained in this summary, the Governing Board at its meeting on _____, took action to approve the proposed agreement with the _____ Bargaining Unit(s).

President (or Clerk), Governing Board

(Signature)

Date

Special Note: The Los Angeles County Office of Education may request additional information, as necessary, to review the district's compliance with requirements.

Los Angeles Unified School District
California School Employees Association (CSEA) Counterpart-Confidential
Summary of Cost¹ - Fiscal Impact to All Funds

74BB

Number	Article	Agreement	FY23-24	FY24-25	FY25-26	3-year Impact
1	Compensation	Based on the salary table effective July 1, 2023, all Confidential District employees comparable to CSEA bargaining unit members shall receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables.	\$131,570	\$132,378	\$132,955	\$396,904
2	Compensation	Based on the salary table effective July 1, 2023, all Confidential District employees comparable to CSEA bargaining unit members shall receive a \$2.00 per hour on-schedule wage increase applied to all pay scale groups and levels of the base salary tables.	\$65,900	\$132,609	\$133,187	\$331,697
3	Compensation	Effective January 1, 2024, the minimum base hourly rate for the classification of Office Technician (CPOS) will increase to \$22.52 with subsequent steps adjusted accordingly. Also, a salary step six (6) and a salary step seven (7) will be added to the existing salary schedule for the Senior Office Technician (CPOS).	\$18,759	\$37,748	\$37,913	\$94,420
		Cost	\$216,229	\$302,736	\$304,056	\$823,020

¹Summary of compensation increase shall be read in conjunction with the CSEA-Counterpart Confidential presented to the LAUSD Board of Education on January 23, 2024.

LAUSD - CSEA WORK YEAR CALENDAR

MEMORANDUM OF UNDERSTANDING

November 13, 2023

Regarding the Work Year Calendars, Los Angeles Unified School District (LAUSD) and California School Employees Association and its Local Chapter 500 (CSEA) agree to the following terms, summarized below and detailed in Attachments A-C:

Required Work Year Calendar (Attachments A & B)

The District will modify the three-year tentative instructional calendar approved by the Board on March 27, 2023 to a two-year instructional calendar. For the 2023-24 and 2024-25 school years, the required work year calendars will be as follows:

2023-2024

- Maintain a 3-week (15 days) winter break for the 2023-2024 school year
- Add 3 instructional days to the 2023-2024 school year, in order to make up for the instructional days lost in March 2023
- Provide support of students and perform customary duties through a voluntary Winter Recess Academy on December 18, 19, and 20, 2023

2024-2025

- Maintain a 3-week (15 days) winter break for the 2024-2025 school year
- Add 3 instructional days to the 2024-2025 school year in order to make up for the instructional days lost in March 2023
- Provide support of students and perform customary duties through a voluntary Winter Recess Academy on December 16, 17, and 18, 2024



On behalf of LAUSD

Dec 11, 2023

DATE



LETETSIA FOX (Dec 11, 2023 17:58 PST)

Letetsia Fox, President

Dec 11, 2023

DATE


Jocelyn Callot,
Bargaining Team Member

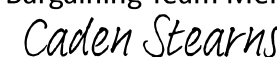
DATE



Christopher Crump (Dec 11, 2023 18:00 PST)

Christopher Crump,
Labor Relations Representative

DATE



Caden Stearns (Dec 11, 2023 18:02 PST)

Caden Stearns,
Labor Relations Representative

DATE



Matthew Korn (Dec 11, 2023 18:02 PST)

Matthew Korn,
Labor Relations Representative

DATE


Franny Parrish,
Bargaining Team Member

DATE

1. The 2023-2024 required work year for bargaining unit members represented by CSEA shall be as follows:
 - a. For the 2023-2024 school year, three (3) additional required instructional days will be added in order to recoup the 3 lost instructional days from March 2023, bringing the total number of required workdays for C-basis employees from 182 to 183 as follows:
 - i. Employee Start Date: Monday, August 14, 2023 (Instructional Day)
 - ii. Employee End Date: Tuesday June 11, 2024 (Instructional Day)
 - iii. Optional Employee Preparation Day on Wednesday June 12, 2024; Bargaining Unit members who work this day will be compensated at their regular hourly rate.
 - b. Winter Break (no required service): Monday December 18, 2023 through Friday January 5, 2024.
 - c. The District will offer a three-day, optional Winter Recess Academy from Monday, December 18 through Wednesday, December 20, 2023. Bargaining Unit members who receive a voluntary assignment to work any of these days will be compensated at their regular hourly rate. Additionally, non - A-basis CSEA bargaining unit members who receive and work a voluntary assignment on these days shall also be allowed to cash out the corresponding number of hours of vacation, in accordance with procedures and timelines established by the District.
2. The 2024-2025 required work year for bargaining unit members represented by CSEA shall be as follows:
 - a. For the 2024-2025 school year, three (3) additional required instructional days will be added in order to recoup the 3 lost instructional days from March 2023, bringing the total number of required workdays for C-basis employees from 182 to 183 as follows:
 - i. Employee Start Date: Monday August 12, 2024 (Instructional Day)
 - ii. Optional Employee Preparation Day on Friday, August 9, 2024; Bargaining Unit members who work this day will be compensated at their regular hourly rate.
 - iii. Employee End Date: Tuesday, June 10, 2025
 - iv. Optional Employee Preparation Day on Wednesday, June 11, 2025; Bargaining Unit members who work this day will be compensated at their regular hourly rate.
 - b. Winter Break (no required service): Monday December 16, 2024 through Friday, January 3, 2025.
 - c. The District will offer a three-day, optional Winter Recess Academy from Monday, December 16 through Wednesday, December 18, 2024. Bargaining Unit members who receive a voluntary assignment to work any of these days will be compensated at their regular hourly rate. Additionally, non- A-basis CSEA bargaining unit members who receive and work a voluntary assignment on these days shall also be allowed to cash out the corresponding number of hours of vacation, in accordance with procedures and timelines established by the District.
3. The 2023-2024 and 2024-2025 required work years for B, C, D, and E-basis bargaining unit members represented by CSEA shall include a five (5) day break from required service during the week of Thanksgiving.
4. The 2023-2024 and 2024-2025 required work years for B, C, D, and E-basis bargaining unit members represented by CSEA shall include a five (5) day break from required service during the week of Spring Break.

ATTACHMENT B

2023-2024

183 workdays – 183 instructional days – 3 week winter break

- First day of instruction moves to Monday, August 14
- Move the instructional days scheduled for Monday, December 18 and Tuesday, December 19 to Thursday, June 6 and Friday, June 7
- Add three required instructional days: Monday, August 14, Monday, June 10 and Tuesday, June 11
- Optional Employee Preparation Day on Wednesday, June 12
- Optional “Winter Recess Academy/Camp” days from Monday, December 18 through Wednesday, December 20

2024-2025

183 required workdays – 183 instructional days – 3 week winter break

- Optional Employee Preparation Day on Friday, August 9
- First day of instruction remains Monday, August 12
- Move the instructional days scheduled for Monday, December 16 through Friday, December 20 to Friday, May 30 through Thursday, June 5
- Add three required instructional days: Friday, June 6 through Tuesday, June 10
- Optional Employee Preparation Day on Wednesday, June 11
- Optional “Winter Recess Academy/Camp” days from Monday December 16 through Wednesday, December 18

**THE CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION AND ITS LOS ANGELES CHAPTER 500 –
UNIT D MEMORANDUM OF UNDERSTANDING
2023-2026**

This Tentative Agreement is made and entered into this 11th day of December, 2023 by and between the Board of Education of the Los Angeles Unified School District ("District") and the California School Employees Association and its Los Angeles Chapter 500 ("CSEA") for employees in Unit D (Office-Technical and Business Services).

Pursuant to the parties' 2020-2023 Agreement, the District and CSEA have met and negotiated in good faith and have completed their negotiations for a Successor collective bargaining agreement. This 2023-2026 Agreement is the successor to the parties' 2020-2023 Agreement and is the final resolution to all matters. The parties hereby agree as follows:

The term of this Agreement shall cover a period beginning July 1, 2023 through June 30, 2026 (and continued thereafter on a day-to-day basis until such time as it may be terminated by either party upon 10 days' notice). The parties hereby agree as follows:

A. **INCORPORATION OF PREVIOUS TERMS:** All articles and provisions of the parties' 2020-2023 Agreement are incorporated as part of the LAUSD-CSEA 2023-2026 Successor Agreement except as modified below, or as required to make appropriate, mutually agreed to, non-substantive language corrections.

B. **COMPENSATION:**

1. 2023-2024 Salary Increase:

- a. Based on the salary table effective July 1, 2023, all Unit D bargaining unit members shall receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables.
- b. Based on the salary table effective January 1, 2024, all Unit D bargaining unit members shall receive \$2.00 per hour on-schedule wage increase (or its equivalent for salaried employees) applied to all pay scale groups and levels of the base salary tables.
- c. Effective January 1, 2024, after the application of B1(b) above, Unit D classifications of Office Technician, Parent Education Support Assistant and Parent Resource Assistant whose Step 1 is below \$22.52, will be increased to \$22.52 at Step 1 with the subsequent steps adjusted accordingly.
- d. Effective January 1, 2024, after the application of B1(c) above, a salary step six (6) and a salary step seven (7) will be added to the existing salary schedule for the Senior Office Technician and Senior Parent Education Support Assistant Classifications.

**THE CALIFORNIA SCHOOL EMPLOYEES ASSOCIATION AND ITS LOS ANGELES CHAPTER 500 –
UNIT D MEMORANDUM OF UNDERSTANDING
2023-2026**

- e. Effective January 1, 2024, after the application of B1(b) above, Steps 1 – 4 of Unit D Classifications of Microfilm Operator and Clerk will be eliminated and will have a single flat rate salary at the step 5 rate.
- f. Effective January 1, 2024, after the application of B1(b) above, Student Integration Helper classification hourly rate will be increased to \$22.52 as a single flat rate.

C. ADDITIONAL AGREEMENTS:

- 1. Article IV CSEA Rights
- 2. Article IX Hours and Overtime
- 3. Article X Evaluation Procedure
- 4. Article XI Leaves of Absence
- 5. Article XII Wages and Salaries, Pay Allowances, Differentials, and Special Salary Practices
- 6. Article XV Professional Growth
- 7. Article XVII Holidays
- 8. Article XXII Term of Agreement

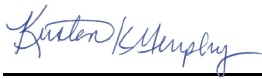
- D. TERM OF AGREEMENT:** This Agreement shall become effective upon ratification by the Union and adoption by the Board of Education, and shall remain in full force and effect, pursuant to its terms, up to and including June 30, 2026, and thereafter shall be extended on a day-to-day basis until terminated by either party upon ten (10) calendar days' written notice. There shall be reopener negotiations for the 2024-2025 and 2025-2026 school years as follows:

- 1. 2024-2025 Reopener: Effective June 30, 2024, CSEA may reopen one (1) article.
- 2. 2025-2026 Reopener: Effective March 1, 2025, CSEA may reopen one (1) article.

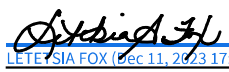
The above is subject to ratification by the members of Unit D and final approval by the LAUSD Board of Education.


Date of agreement: **December 11, 2023**

Los Angeles Unified School District

By: 
On behalf of LAUSD

California School Employees Association,
Los Angeles Chapter 500

By: 
Letetsia Fox, President

By: 
Franny Parrish, Bargaining
Team Member

By:



Jocelyn Callot, Bargaining Team
Member

By:



[Christopher Crump \(Dec 11, 2023 17:31 PST\)](#)

Christopher Crump, Labor
Relations Representative

By:



[Caden Stearns \(Dec 11, 2023 17:32 PST\)](#)

Caden Stearns, Labor Relations
Representative

By:



[Matthew Korn \(Dec 11, 2023 17:34 PST\)](#)

Matthew Korn, Labor Relations
Representative

Adopted and approved by the Board of Education on _____, 2024.

By:

Jackie Goldberg, President

CSEA Proposal: 7-20-23; emailed 8-3-23
 District Counter Proposal: 8-30-23
 CSEA 10-10-23 Emailed Counter Proposal 9-22-23
 11-13-23 District Counter Proposal

ARTICLE IV

CSEA RIGHTS

...

3.0 Release Time:

a. Negotiations: No more than ~~five (5)~~ six (6) negotiating team employee representatives designated by CSEA shall be released from duty with no loss of pay for the purpose of attending negotiation meetings with the District pursuant to this Agreement. CSEA and the District may agree that additional employees shall receive such released time.

b. CSEA Annual Conference: The District shall grant paid release time to up to eight (8) elected delegates from CSEA Chapter #500 to attend the CSEA Annual Conference for up to five (5) days. Notification must be provided to the District at least twenty (20) days in advance of the need for such absence.

c. ~~Job~~ Union Stewards: Except as already provided for in Article V Grievance Procedure, Section 3.0 and to the extent such cannot be reasonably handled during non-duty hours, and if the needs of the service allow, job stewards designated by the Association shall, after providing at least forty-eight (48) hours' notice to his/her immediate supervisor, be released from duty with no loss of pay for the purpose of representing unit members in the case of any disciplinary or investigative meeting; representing unit members in any reasonable accommodations or interactive process proceedings; or representing unit members in any evaluation appeal. Such release time shall be limited to one hundred (100) cumulative hours per year and no individual shall be released on more than two (2) occasions per month, and a cumulative total of twenty (20) hours per year.

4.0 List of Employees: CSEA shall be provided ~~quarterly~~ upon request of the Association, a current list of names, employee numbers, classifications, addresses, and work locations of all employees covered by this Agreement.

...

9.0 Attendance at District Meetings or Committees: Employees designated by CSEA may attend District meetings or committees as follows:

9.1 CSEA shall provide the District with a list of its designated employees.

9.2 When the agenda of a particular meeting is immediately relevant to the bargaining unit and attendance by an employee would be meaningful in terms of obtaining information for dissemination to the bargaining unit or the employee's participation in the discussion is desired, one non-school based employee shall be given reasonable released time to attend Personnel Commission meetings. Upon prior notice to the District, under special circumstances, a school based employee may be substituted.

9.3 When CSEA is invited to send an employee participant to a District-sponsored committee or meeting, one designated employee shall be given reasonable released time to attend.

...

12.0 School Calendar(s): In the Spring of each year during the term of this Agreement, the District shall provide to CSEA a copy of the draft school calendar(s) developed for discussions with the representative of the District's teachers. CSEA shall have the opportunity to provide comment to the District on the calendar(s) prior to the District's formal calendar discussions with the teachers' representatives. Additionally, CSEA shall have the opportunity to provide input to the District prior to the implementation of calendars that have an effect of Unit D employees. The District shall contact CSEA to set up meetings for this purpose.

CSEA Proposal: 10-30-23
 District Counter: 11-13-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 11-30-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 12-11-23

ARTICLE IX

HOURS AND OVERTIME

...

2.0 Overtime

2.1 To the extent practicable, the District shall ~~use reasonable efforts to~~ distribute overtime work equitably among the qualified employees of an office, operational unit, or work group with consideration given to District need and employee availability in making the distribution. Each office, operational unit, or work group shall maintain a list of employees by classification and on a rotational basis offer overtime by the effective assignment date at the site. ~~who have made a request in writing for overtime assignments. The order of placement on the list shall be based upon the order in which the supervisor received the written request. In case of simultaneous requests, the order of placement shall be based upon District seniority. Where there are insufficient or no written requests, upon reasonable notice, an~~ If no employee accepts the offer to work the overtime assignment, on a rotational basis, employees shall be required to work overtime as needed in reverse order by the effective assignment date at the site. Reasonable notice shall be deemed to be no less than twenty-four hours in advance except in cases of emergency or when necessary to meet unanticipated peak work loads. In any event, the District will make reasonable efforts to provide as much advance notification as possible when it becomes apparent that overtime work may be required.

Scheduling or assigning of additional paid work including Z-time shall not be done on an arbitrary, capricious, discriminatory or retaliatory basis, nor shall it be denied or limited for any of these reasons.

...

7.0 Work Schedule Changes: A change in work schedule is defined as a modification of a unit employee's start and stop time, or work week assignment, without a change in number of daily assigned hours. **CCL**

a. The work schedule may be changed under the following circumstances:

- 1) when mutually agreed to by the employee and the employee's supervisor; or
- 2) in an emergency; ("Emergency" means any situation that could severely disrupt affecting the instructional program and/or the administration of the District which could not be reasonably anticipated); or could constitute a threat to the safety of students or anyone on the campus of the affected school site; or
- 3) when the employee is given a minimum of fourteen (14) calendar days notice prior to the effective date of a change in work schedule.

b. The employee's immediate supervisor shall, if so requested, discuss any

Article IX - Hours and Overtime

problems affecting the implementation of work schedule changes with the employee.

c. Employees shall be entitled to a temporary exemption from a change in work schedule if all of the following conditions are met:

- 1) The employee verifies enrollment in a course in an institution of higher education where classes have begun and the time of the class conflicts with the proposed work hours.
- 2) The course cannot be rescheduled at a time compatible with the proposed work hours.
- 3) The temporary exemption does not adversely affect other employees in the work group and the District operations can continue as required without the payment of overtime.
- 4) Any temporary exemption granted will end upon completion of or withdrawal from the course.

If there is a conflict in a work group because more than one employee desires a temporary exemption, the employee with the greatest District seniority shall be entitled to the temporary exemption. **CCL**

d. The employee may be granted a temporary exemption up to thirty (30) calendar days due to the day care needs of a child under the age of 16 residing in the employee's residence. The request shall be made in writing to the administrator and shall include documentation to support the exemption if requested by the administrator.

8.0. Employees shall be compensated for all hours worked in accordance with this Agreement and applicable law, including work performed during otherwise unpaid, duty-free meal periods and work performed before and after assigned hours.

9.0 ~~The District will implement an equitable rotational system for overtime and Z time for Spring 2019. The parties will meet and confer over the method of equitable rotational system.~~

CSEA Proposal: 10-30-23
 District Counter: 11-13-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 11-30-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 12-11-23

ARTICLE X

EVALUATION PROCEDURE

1.0 Schedule: Employees shall be evaluated in accordance with the following schedule:

a. Probationary employees shall be given performance evaluations no less than twice during their probationary period. However, if during the probationary period any items on the evaluation form are rated unsatisfactory, then the employee may be evaluated every month during the remainder of the probationary period.

b. Permanent employees shall be given performance evaluations at least once every year. The District shall make a reasonable effort to issue the employee's annual evaluation at least twenty (20) working days prior to the end of the employee's assignment basis for that school year. If a below standard evaluation is to be issued it shall not be issued after the last day of the assignment basis.

2.0 Procedure to be Followed: Performance evaluation reports shall be made on forms prescribed by the District or may be done by separate memorandum.

2.1 Evaluations shall be based on observations or knowledge, and not upon unsubstantiated charges or rumors. In completing the evaluation, the evaluator shall consider the employee's performance over the entire evaluation period. In evaluating the quality and/or quantity of an employee's work, the supervisor shall also consider employee workload and the extent to which established priorities of work assignments are met. In addition, no evaluation shall be based upon derogatory materials in the employee's personnel file unless the employee has previously been given prior notice of same, an opportunity to review and comment upon it, and had such comments attached to the materials.

2.2 The evaluator shall be at a supervisory level or higher, and where applicable, shall consult with the staff person (outside of the bargaining unit) responsible for directing the employee's work. The evaluator shall discuss the written performance evaluation report with the employee. Both the evaluator and the employee will sign the evaluation. Signature of the employee means only that the employee has received a copy of the evaluation. The employee may attach any written comments to the evaluation at his/her option. Copies of the evaluation together with any attachments will then be distributed as follows: one copy to the employee; and one copy to the evaluator.

2.3 If any category on the performance report is rated lower than "meets standards," the following will be included on the evaluation:

- (a) statement of the problem or concern,
- (b) the desired improvement,
- (c) suggestions as to how to improve, and
- (d) provisions for assisting the employee.

Article X – Evaluation Process

2.4 Before an employee can be rated as lower than “meets standards” on Overall Work Performance solely due to excessive absences, the District must have met with the employee to discuss the reason for absence, and the supervisor must have warned the employee that the absences are being considered excessive.

2.5 If an evaluator rates an employee’s overall performance as lower than “meets standards”, for reasons other than those that are set forth in 2.4 above, the evaluator shall note on the evaluation whether or not the employee has been previously advised of the specific deficiencies which form the basis for that lower than “meets standards” rating, and if the employee was not previously so advised, then the evaluator shall note why not.

Actions inconsistent with this Section may form the basis of an appeal pursuant to Section 3.0 of this Article, but shall not otherwise be challengeable by the employee or the Association.

3.0 Appeal: If the employee disagrees with the evaluation, he/she shall have the right to appeal the evaluation in writing to the appropriate Local District Superintendent, or division head, or designated representative within ten (10) working days of receipt of the evaluation. A meeting may take place within five (5) working days from receipt of the appeal if the employee so requests. The employee may be represented in this meeting by CSEA if the employee so desires, the meeting shall then take place at a date and time mutually agreed upon by both parties with the understanding that non-availability of the representative beyond ten (10) working days shall not delay the meeting. The reviewer shall reply in writing to the employee within ten (10) working days after the meeting, or if no meeting is held, within ten (10) working days after receipt of the written appeal. The decision of the reviewer shall be final.

ARTICLE XI

LEAVES OF ABSENCE

...

8.0 Bereavement Leave (Paid): An employee is entitled to a paid leave of absence from the District, not to exceed three (3) days, on account of the death of a member of the employee's immediate family provided acceptable proof of death and relationship is provided if requested and the leave of absences commences within ten (10) calendar days of notification of the death. If more than one such death occurs simultaneously, the leave may be taken consecutively. If out-of-state travel or more than two-hundred (200) miles one-way travel is required and requested, an additional two (2) days shall be granted. The immediate family is defined as the following relatives of the employee:

- a. Spouse or, for purposes of this Leaves Article only, a cohabitant who is the equivalent of a spouse
- b. Parent (includes in-law, step and foster parent, and parent of cohabitant who is the equivalent of spouse)
- c. Grandparent (includes in-law, step, and a grandparent of cohabitant who is the equivalent of spouse)
- d. Child (includes son/daughter-in-law, step and foster child, and child of cohabitant who is the equivalent of spouse)
- e. Grandchild (includes grandchild of spouse, step grandchildren, and grandchildren of cohabitant who is the equivalent of spouse)
- f. ~~Brother~~ Sibling
- ~~g. Sister~~

...

CSEA Proposal: 8-30-23
 DISTRICT Counterproposal: 9-22-23
 DISTRICT Counterproposal: 11-13-23
 CSEA Counterproposal: 11-30-23
 District Counterproposal 11-30-23
 CSEA Counter Proposal: 11-30-23
 District Counter: 12-11-23

ARTICLE XII
WAGES AND SALARIES, PAY ALLOWANCES, DIFFERENTIALS, AND
SPECIAL SALARY PRACTICES

1.0 **Wages and Salaries:** The wages and salaries for Unit employees have been negotiated in good faith between CSEA and the District and shall be as set forth in Appendix A of this Agreement. The wages and salaries set forth in Appendix A are intended to, and do, meet any prevailing wage obligations which are or may be imposed upon the District.

2023-2024 SALARY INCREASE:

- a. Based on the salary table effective July 1, 2023, all Unit D bargaining unit members shall receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables.
- b. Based on the salary table effective January 1, 2024, all Unit D bargaining unit members shall receive \$2.00 per hour on-schedule wage increase (or its equivalent for salaried employees) applied to all pay scale groups and levels of the base salary tables.
- c. Effective January 1, 2024, after the application of B1(b) above, Unit D classifications of Office Technician, Parent Education Support Assistant and Parent Resource Assistant whose Step 1 is below \$22.52, will be increased to \$22.52 at Step 1 with the subsequent steps adjusted accordingly.
- d. Effective January 1, 2024, after the application of B1(c) above, a salary step six (6) and a salary step seven (7) will be added to the existing salary schedule for the Senior Office Technician and Senior Parent Education Support Assistant Classifications.
- e. Effective January 1, 2024, after the application of B1(b) above, Steps 1 – 4 of Unit D Classifications of Microfilm Operator and Clerk will be eliminated and will have a single flat rate salary at the step 5 rate.
- f. Effective January 1, 2024, after the application of B1(b) above, Student Integration Helper classification hourly rate will be increased to \$22.52 as a single flat rate.

REOPENER:

1. **2024-2025 Reopener:** Effective June 30, 2024, CSEA may reopen one (1) ~~economic~~ article.
2. **2025-2026 Reopener:** Effective March 1, 2025, CSEA may reopen one (1) ~~economic~~ article.

CSEA Proposal: 11-30-23
District Counterproposal 11-30-23
CSEA Counter Proposal: 11-30-23
District Counter: 12-11-23

Article XV – Professional Growth

...

4.0 Professional Growth Reimbursement: The District may grant professional growth reimbursement to permanent Unit employees under the conditions specified below:

...

g. Reimbursement shall be limited to a maximum of ~~\$850~~ \$1000 for any individual employee during any twelve (12) month period.

CSEA proposal to LAUSD - Article XVII Holidays 6/1/23

1.0 Holidays: An employee in a regular assignment or in an assignment in lieu of his/her regular assignment shall receive holiday pay for those holidays listed below and for other holidays declared by the Board of Education, the Governor of California, or the President of the United States which come within the employee's assignment period, subject to the conditions listed in "a" through "c".

January 1 New Year's Day
 The date declared in January declared by the Board Martin Luther King, Jr. Day
 Third Monday in February President's Day
 Last Monday in May Memorial Day
June 19 Juneteenth
 July 4 Independence Day
 The date declared by the Board Admission Day
 First Monday in September Labor Day
 November 11 Veterans Day
 That Thursday in November proclaimed by the President Thanksgiving Day
 Day following Thanksgiving Day Thanksgiving Friday
 December 25 Christmas Day
 That date declared by the Board Alternate Lincoln Day Observance

RD 7/22/23

ARTICLE XXII

TERM OF AGREEMENT

1.0 Term: This Agreement shall become effective upon ratification by the CSEA membership of Unit D and adoption by the Board of Education, and shall remain in full force and effect, pursuant to its terms, to and including June 30, 2026, and thereafter extended on a day-to-day basis until canceled by either party upon ten (10) days' written notice.

2.0 Negotiations for Successor Agreement: Negotiations for a successor Agreement shall commence upon request of either the District or CSEA at any time after January 1 , 2026.

[Return to Order of Business](#)

TAB 3



Board of Education Report

File #: Rep-122-23/24, **Version:** 1

Approval of Procurement Actions

January 23, 2024

Procurement Services Division

Action Proposed:

Ratify the contract actions taken by the Procurement Services Division within delegated authority as listed in Attachment “A” including the approval of award of Professional Service Contracts not exceeding \$250,000: New Contracts; Purchase Orders; Goods and General Services Contracts: Purchase Orders; District Card Transactions; Rental of Facilities; Travel/Conference Attendance; General Stores Distribution Center; and Book/Instructional Material Purchase Orders; and approve Professional Service Contracts (exceeding \$250,000): New Contracts; and Goods and General Services Contracts (exceeding \$250,000): New Contracts as listed in Attachment “B.”

Background:

Procurement Services staff prepares monthly reports for contract actions necessary for the execution of the projects approved by the Board for the educational and operational requirements of the District in accordance with Board delegated authority to the Superintendent.

Expected Outcomes:

Approval of these items will allow the goods and services provided by these contracts furnishing the equipment, supplies, or services to the Los Angeles Unified School District that support Board policies and goals.

Board Options and Consequences:

The Board can approve all actions presented, or postpone selected actions pending receipt of additional information. Non-ratification of actions awarded under delegated authority in Attachment “A” will result in immediate unavailability of products or discontinuance of services, or both. While non-ratification may be legally defensible, it would likely result in costly litigation over discontinued payments or if the District attempts to reclaim payments made to a vendor. District costs will likely increase as fewer vendors compete for future procurements. Postponement of actions presented for approval in Attachment “B” will delay contract award or delivery dates.

Policy Implications:

This action does not change District policy and conforms to *California Education Code section 17604* that permits the Board of Education to delegate authority for Procurement Services (Board Report 444-17/18), which the Board exercised on May 8, 2018.

Budget Impact:

The contract actions presented are within the budget authority previously approved by the Board. Ratification of contracts awarded under delegation of authority and within their Board approved budget listed in Attachment “A” includes:

- Award of Professional Service Contracts not exceeding \$250,000: New Contracts; Purchase Orders; and
- Goods and General Services Contracts not exceeding \$250,000: Procurement Transactions - Purchase Orders; Rental of Facilities; Travel/Conference Attendance; District Card Transactions; General Stores Distribution Center; and Book/Instructional Material Purchase Orders.

Request for Approval of Procurement Actions not under delegated authority listed in Attachment “B” includes:

- Professional Service Contracts (exceeding \$250,000): New Contracts; and
- Goods and General Services Contracts (exceeding \$250,000): New Contracts.

Student Impact:

Not applicable.

Equity Impact:

See attached for applicable items.

Issues and Analysis:

There are no policy implications on these agreements. The Business and Government Services Team, Office of the General Counsel, has reviewed and approved the agreements as to form, except where “authorization to negotiate and execute” is sought.

Attachments:

Attachment “A” - Ratification of Contracts Awarded Under Delegated Authority

Attachment “B” - Request for Approval of Contracts Not Under Delegated Authority

Previously adopted Board report referenced in the policy implications section:

- Adopted May 8, 2018: [Board Report No. 444-17/18](https://drive.google.com/file/d/1LObScI2aOLv21Poz24gkLDhfVRiE6a8K/view?usp=share_link)
- California Education Code Section 17604 ([CE Code 17604](https://drive.google.com/file/d/17i1CYUp6UH9-Gg-3DJMkxNEuH1uUQERc/view?usp=share_link))

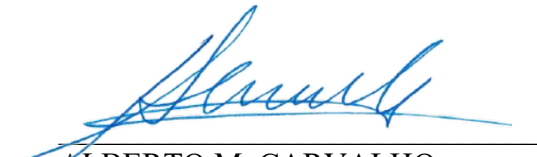
Informatives:

Not applicable.

Submitted:

12/12/23

RESPECTFULLY SUBMITTED,


ALBERTO M. CARVALHO
Superintendent

APPROVED & PRESENTED BY:


PEDRO SALCIDO
Deputy Superintendent
Business Services & Operations

REVIEWED BY:


DEVORA NAVERA REED
General Counsel☒ Approved as to form.

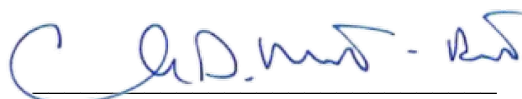
APPROVED & PRESENTED BY:


SUNG YON LEE
Deputy Chief Business Officer
Office of the Deputy Chief Business Officer

REVIEWED BY:


NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance☒ Approved as to budget impact statement.

APPROVED & PRESENTED BY:


CHRISTOPHER MOUNT-BENITES
Chief Procurement Officer
Procurement Services Division

ATTACHMENT A

**APPROVAL OF PROCUREMENT CONTRACTS:
RATIFICATION OF DELEGATED AUTHORITY****A. PROFESSIONAL SERVICES CONTRACTS ALREADY AWARDED****NEW CONTRACTS/AMENDMENTS/ASSIGNMENTS NOT EXCEEDING \$250,000****Item A****KLCS****\$30,250**

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
James Moore & Co	4400011950	General Funds 100%	\$30,250

Ratification of competed contract to provide auditing services for KLCS-TV's general financial statements to ensure fair presentation and conformity with the generally accepted accounting principles, as required by the Corporation for Public Broadcasting. The selected vendor will issue an "in relation to" opinion on KLCS-TV's combining individual fund and government-wide statements and schedules. The vendor will also perform certain limited procedures involving supplementary and required supplementary information required by the Government Accounting Standards Board.

An Informal Request for Proposals (IRFP) process, conducted by KLCS, was used to procure the services. Three proposals were received, and all were deemed qualified. The selection committee consisted of subject matter experts from KLCS-TV. The proposals were scored based on the following evaluation criteria: 1) Experience of firm in auditing public media, particularly television stations; 2) Professional/Technical Qualifications; 3) Price Proposal; and 4) Small Business Enterprise (SBE) participation. The selected vendor was the highest scored proposer.

James Moore & Co (James Moore) has provided auditing services to LAUSD since 2019. James Moore, founded in 1964, is a regional firm with offices in Daytona Beach, DeLand, Gainesville, Ocala and Tallahassee, Florida. The firm specializes in providing tax, assurance, accounting and controllership, data analytics, technology solutions, human resources, business advisory and wealth management services. They have Certified Public Accountants and Accountants who help public broadcasting entities across the country with their auditing, tax, and consulting needs.

This action supports Pillar 4, Operational Effectiveness as it provides sustainable budgeting and data-driven decision making.

Contract Term: 08/04/23 through 08/03/24

Contract Value: \$30,250

Requester: Jaime Jimenez, General Manager, KLCS

Equity Impact: Not applicable.

ATTACHMENT A

**APPROVAL OF PROCUREMENT CONTRACTS:
RATIFICATION OF DELEGATED AUTHORITY****B. PROFESSIONAL SERVICES CONTRACTS ALREADY AWARDED****NEW REVENUE CONTRACTS/AMENDMENTS/ASSIGNMENTS****NOT EXCEEDING <\$500,000>****Item B****OFFICE OF THE CHIEF MEDICAL DIRECTOR****<\$354,056>**

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
University Muslim Medical Association (UMMA) Community Clinic	4400012084	Revenue	<\$354,056>

Revenue contract for the continued placement of an LAUSD nurse practitioner to provide medical services to Fremont Wellness Center students and families (including students in the Fremont Zone of Choice (FZOC) and UMMA patients). The District nurse practitioner serves as a liaison to the school nurses within the FZOC schools and provides LAUSD students and families access to medical services, thereby increasing the utilization of the Wellness Center. The District and UMMA have entered into two previous five-year agreements to provide these services at the Fremont Wellness Center.

Pairing an LAUSD-employed nurse practitioner at the Fremont Wellness Center enhances communication, services, and individual needs of students. This unique partnership allows both parties to maximize utilization of services, integration of preventative programs and periodic health assessments between the Fremont Wellness Center medical clinic and Fremont High School students.

Approximately 2,600 students and families will benefit from medical services provided within FZOC schools; Fremont, Diego Rivera Learning Complex and Mervyn Dymally high schools including their feeder schools within their attendance areas.

The UMMA Community Clinic has done business with the District since 2010.

The UMMA Community Clinic supports Pillar 2 - Joy and Wellness, Priority 2B Promote whole-child well-being through integrated health, nutrition, and wellness services. Having a LAUSD nurse practitioner at the Fremont Wellness Center allows UMMA Community Clinic to receive immediate referrals for social services they already provide as an organization (mental health, Substance Use Disorders, Family Planning, Sexually Transmitted Infections, food insecurity, etc.). In addition, their location on the campus of Fremont High School reduces absenteeism and allows students to be assessed, treated, and sent back to class.

ATTACHMENT A

**APPROVAL OF PROCUREMENT CONTRACTS:
RATIFICATION OF DELEGATED AUTHORITY**

Contract Term: 10/01/23 through 09/30/26

Contract Value: <\$354,056>

Requester:

Ron Tanimura, Director
Student Medical Services
Office of the Chief Medical Director

Equity Impact:

Not applicable.

ATTACHMENT A

**APPROVAL OF PROCUREMENT CONTRACTS:
RATIFICATION OF DELEGATED AUTHORITY****Item C – November 2023****C. PROFESSIONAL SERVICE NOT EXCEEDING \$250,000****November 2023 = \$5,011,680****YTD = \$20,690,611**

The contract actions represented below are those actions put in place within each sponsoring school's or division's approved budget. These delegated procurement methods represent streamline ordering tools that assist schools and offices in meeting immediate mission-essential needs for professional services.

	<u>November</u> <u>Qty of POs</u>	<u>YTD</u> <u>Qty of POs</u>	<u>November</u> <u>Total</u>	<u>YTD</u> <u>Total</u>
Purchase Orders – <i>November 2023</i>	348	1785	<i>\$5,011,680</i> <i>(Median -\$11,255)</i>	\$20,690,611

November 2023=\$27,286,462**D. GOODS AND GENERAL SERVICES NOT EXCEEDING \$250,000****YTD = \$157,627,443**

The contract actions represented below are those actions put in place within each sponsoring school's or division's budget. These delegated procurement methods represent streamline ordering tools that assist schools and offices in meeting immediate mission-essential needs for goods or general services.

	<u>November</u> <u>Qty of POs/ Transactions</u>	<u>YTD</u> <u>Qty of POs/ Transactions</u>	<u>November</u> <u>Total</u>	<u>YTD</u> <u>Total</u>
Purchase Orders – <i>November 2023</i>	3,618	20,846	<i>\$10,710,413</i> <i>(Median - \$915)</i>	\$66,352,550
DISTRICT CARD TRANSACTIONS (i.e., P- Card, Fuel Card, Toshiba Card, etc.) – <i>November 2023</i>	12,337	56,927	<i>\$5,541,437</i> <i>(Median -\$110)</i>	\$21,642,614
Rental Facilities – <i>November 2023</i>	1	9	<i>\$2,036</i>	\$271,436
Travel/Conference Attendance <i>November 2023</i>	288	1,464	<i>\$219,918</i> <i>(Median -\$538)</i>	\$2,140,638
GENERAL STORES DISTRIBUTION CENTER <i>November 2023</i>	155	906	<i>\$2,623,165</i> <i>(Median - \$6,228)</i>	\$20,258,304
BOOK/INSTRUCTIONAL MATERIAL PURCHASE ORDERS (BPO) <i>November 2023</i>	349	2,304	<i>\$8,189,493</i> <i>(Median -\$7,000)</i>	\$46,961,901
GRAND TOTAL – November 2023				\$32,298,142

ATTACHMENT B
REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER
DELEGATED AUTHORITY

A. APPROVAL OF PROFESSIONAL SERVICE CONTRACTS

**NEW CONTRACTS/ AMENDMENTS/AUTHORIZATION TO INCREASE CONTRACT
CAPACITY EXCEEDING \$250,000**

Item D

INFORMATION TECHNOLOGY SERVICES/ **\$2,659,863**
DIVISION OF ADULT AND CAREER EDUCATION

<u>CONTRACTOR</u>	<u>IDENTIFICATION</u> <u>NO.</u>	<u>SOURCE OF</u> <u>FUNDS</u>	<u>AMOUNT</u>
Focus School Software, LLC	4400012153 (RFP 2000003075)	California Adult Education Program (100%)	\$2,659,863

Approval of formally competed contract to provide an adult student information system. The current contract for the District's adult student information system ends on June 30, 2024. This contract will continue to provide a system to track enrollment data, student progress and outcomes, and workforce and higher education transition data. The software will provide enhanced features critical to the adult program, such as student recruitment and engagement capabilities designed to streamline the enrollment process, improve counseling communications, and better capture student achievement outcomes. Additional benefits include reducing manual data entry and processing tasks, which will positively impact data accuracy and integrity to include traceability of the student lifecycle (i.e., cradle to career).

A Request for Proposals (RFP) was conducted. Four proposals were received and two were deemed responsive. The source selection committee consisted of subject matter experts from the Division of Adult and Career Education (DACE) and Information Technology Services (ITS). Proposals were evaluated based on qualifications and firm experience, proposed solution for meeting the functional requirements, project approach, Work Based Learning Partnership (WBLP), Small Business Enterprise (SBE) participation, and price. The selected vendor obtained the highest score.

Focus School Software has been doing business with the District since 2019. They are the current provider of the District's adult student information system.

This contract supports the District's Strategic Plan Pillar No. 1, Academic Excellence and Pillar No. 4, Operational Effectiveness. The adult student information system will be used to manage and support students attaining pre- and post-secondary education and training. Student information can be used as a data-driven decision-making resource.

ATTACHMENT B
REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER
DELEGATED AUTHORITY

Contract Term: 07/01/24 through 06/30/29

Contract Value: \$2,659,863

Requesters:

Soheil Katal, Chief Information Officer
Information Technology Services

Renny Neyra, Executive Director
Division of Adult and Career Education

Equity Impact:

Component	Score	Score Rationale
Recognition	3	This contract award affirmatively recognizes historical inequities. Contractor provides services to support different programs, different student demographics, etc.
Resource Prioritization	3	This contract award prioritizes resources based on student need. The DACE-SIS system is built to support students.
Results	4	This contract award is extremely likely to result in closed opportunity gaps and/or closing achievement gaps. The contractor will provide services to ensure fulfilling the Division's existing policies and/or processes.
TOTAL	10	

ATTACHMENT B
REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER
DELEGATED AUTHORITY

A. APPROVAL OF PROFESSIONAL SERVICE CONTRACTS

NEW CONTRACTS/ AMENDMENTS/AUTHORIZATION TO INCREASE CONTRACT CAPACITY EXCEEDING \$250,000

Item E

MULTILINGUAL MULTICULTURAL EDUCATION DEPARTMENT **\$2,282,750**

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Coalition for Human Immigration Rights (CHIRLA)	4400012355 (RFP 2000003220)	English Learner Title III Immigrant Education Grant /CalNEW Grant Funds (50/50%)	\$500,000

Approval of formally competed contract to establish four International Newcomer Academies Dream Centers, at Belmont, Bernstein, Van Nuys, and Monroe high schools. The Dream Centers will have approximately 1,200 participants (administrators, counselors, coaches, paraprofessionals, teachers, students and families) per year.

Coalition for Human Immigration Rights (CHIRLA) will collaborate with the Multilingual Multicultural Education Department (MMED) to create and support the four Dream Centers. These centers will be physical hubs located in existing space, offering trained counseling and resources for International Newcomers, refugees, and undocumented students. CHIRLA will work with MMED to empower students through individual coaching, leadership development, one-on-one guidance and educational workshops. The Contractor will also provide professional development, training, and support for establishing and maintaining the Dream Centers, offering guidance on successful launch and sustainability.

A Request for Proposal (RFP) was conducted, one proposal was received and deemed qualified. The source selection committee consisted of four staff members from MMED and one staff member from the Access, Equity, and Acceleration Department. The proposal was evaluated based on the following factors: qualifications and experience of the firm; qualifications and experience of personnel; program elements; price; Small Business Enterprise (SBE) participation; and Work-Based Learning Partnership (WBLP) plan. The selected vendor met the minimum qualifications and technical evaluation phases of the selection process.

Coalition of Human Immigrant Rights (CHIRLA) is a new vendor with LAUSD. They were founded in 1986 and have more than 20 years of experience managing an advocacy immigration

ATTACHMENT B

REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER DELEGATED AUTHORITY

support program to serve immigrant youth in urban public-school districts, as well as launching Dream Resource Centers on school campuses at the college level. CHIRLA has worked with LAUSD through their Wise Up! Youth Internship and Scholarship Program, collaborating with school administrators, counselors, and teachers at LAUSD schools to organize workshops and presentations for students and parents.

This action supports Pillar 1, Academic Excellence, by delivering well-rounded, inspiring educational experiences to instill and maintain a love of learning. Furthermore, this action eliminates opportunity gaps, advances anti-racist instructional practices and personalizes learning for all students. This action also supports Pillar 2, Joy and Wellness by developing strong social-emotional skills and integrating social emotional learning.

Contract Term: 02/01/24 through 01/31/29, includes two (2) one-year renewal options

Aggregate Five-Year Contract Value: \$500,000

Requester:

Lydia Acosta Stephens, Executive Director
Multilingual Multicultural Education Department

Equity Impact:

Component	Score	Score Rationale
Recognition	4	The establishment of Dream Centers at specific high schools addresses the specific historical inequities for International Newcomer students in the areas of legal immigration advice/advocacy and having a safe place for student clubs and or cultural events.
Resource Prioritization	4	Dream Centers will effectively prioritize resources based on specific students' needs such as immigration advice, health care referrals, and identifying community-based supports.
Results	4	The Dream Centers will extremely likely result in closing opportunity gaps for International Newcomer students by providing a safe space for services, peer coaching, and mentoring.
TOTAL	12	

ATTACHMENT B

REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER DELEGATED AUTHORITY

A. APPROVAL OF PROFESSIONAL SERVICE CONTRACTS

NEW CONTRACTS/ AMENDMENTS/AUTHORIZATION TO INCREASE CONTRACT CAPACITY EXCEEDING \$250,000

Item F

MULTILINGUAL MULTICULTURAL EDUCATION DEPARTMENT (CONT.)

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Internationals Network for Public Schools, Inc.	4400012356 (RFP 2000003221)	English Learner Title III Immigrant Education Grant / CalNEW Grant Funds (50/50%)	\$1,782,750

Approval of a formally competed contract to establish solid, well-articulated, and ongoing content-based professional development focused on supporting four newly established International Newcomer Academies at Belmont, Bernstein, Van Nuys, and Monroe high schools. Teachers are to be supported in the design and implementation of the new International Newcomer academies by providing instructional and structural design supports, placing an emphasis on building the capacity of teachers and staff within the new program to develop a sustainable instructional model serving recent immigrant, refugee, and unaccompanied youth. Up to 75 staff (administrators, counselors, coaches, paraprofessionals, and teachers) will participate per year.

Internationals Network for Public Schools, Inc. will collaborate with the Multilingual Multicultural Education Department (MMED) to provide International Newcomer academy teachers with weekly in-person instructional aid aligned with academy goals, monthly professional development, goal setting, classroom observations, and instructional planning to enhance teacher capacity for effective support of International Newcomer students. The collaboration extends to strategic planning with school and academy leadership, emphasizing curriculum reviews, peer walkthroughs, and grade-level protocols. Teacher-training materials will be developed with a focus on English Learning Development (ELD), emphasizing diverse student needs, with specific attention to Designated ELD and Integrated ELD. The overarching objective is to improve instructional outcomes for International Newcomer students, measured by GPA, attendance, and Individual Graduation Plans (IGP).

A Request for Proposals (RFP) was conducted, three proposals were received of which all were deemed qualified. The source selection committee consisted of four staff members from MMED and one staff member from the Access, Equity, and Acceleration Department. The proposals were

ATTACHMENT B**REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER DELEGATED AUTHORITY**

evaluated based on the following factors: qualifications and experience of firm; qualifications and experience of personnel; program elements; price; Small Business Enterprise (SBE) participation; and Work-Based Learning Partnership (WBLP) plan. The selected vendor was the highest scoring proposer. International Network for Public Schools Inc. has been doing business with LAUSD since 2023.

This action supports Pillar 1, Academic Excellence, by delivering well-rounded, inspiring educational experiences to instill and maintain a love of learning. It eliminates opportunity gaps, advances anti-racist instructional practices and personalizes learning for all students. Also, this action supports Pillar 2, Joy and Wellness by developing strong social-emotional skills and integrating social emotional learning.

Contract Term: 02/01/24 through 01/31/29, includes two (2) one-year renewal options

Aggregate Five-Year Contract Value: \$1,782,750

Requester:

Lydia Acosta Stephens, Executive Director
Multilingual Multicultural Education Department

Equity Impact:

Component	Score	Score Rationale
Recognition	4	With high enrollment of International Newcomer students in our District, professional (staff and leadership) development is extremely essential to support both teachers and school administrators in having a rigorous academic program for International Newcomer students.
Resource Prioritization	4	The Internationals Network of Schools will support the District in its inquiry of alternative models for International Newcomer academic instruction implementation. It will specifically identify opportunities to leverage existing successes within the school and community.
Results	4	Based on the social emotional focus, this model will result in closing opportunity gaps for International Newcomer students as they have a tailored program that will allow them to graduate within the timeline (4-5 years).
TOTAL	12	

ATTACHMENT B

REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER DELEGATED AUTHORITY**B. APPROVAL OF GOODS AND GENERAL SERVICES CONTRACTS**

Authority to award contracts for furnishing equipment, supplies and general services. The total amount is only an estimate since the expenditures made against contracts are based upon purchases and/or approved invoices.

NEW CONTRACTS/ AMENDMENTS/AUTHORIZATION TO INCREASE CONTRACT CAPACITY EXCEEDING \$250,000**Item G**

<u>FOOD SERVICES DIVISION</u>			\$997,813
<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Syntegon Processing & Packaging	4500826619	Cafeteria Fund (100%)	\$997,813

Approval of a single-source contract to purchase and install new proprietary mechanical parts and computer hardware to upgrade the Newman Nutrition Center conveyor belt system.

Food Services is currently in the process of updating the existing Newman Nutrition Center conveyor belt system before the hardware becomes obsolete and shuts down. The purchase will ensure the Newman Nutrition Center to able to complete critical business functions and continue supporting approximately 170 schools with packaged meals. The bidder has provided reliable, low-cost services to the District since 2015.

The upgrades to the Newman Nutrition Center align with Pillar 2, Joy and Wellness and Pillar 4, Operational Effectiveness of the LAUSD Strategic Plan. The contract will help ensure that the Newman Nutrition Center maintains its operations in compliance with District standards, and its conveyor belt system continues to perform efficiently, thus reducing the risk of system performance issues.

Contract Term: One-time purchase

Contract Value: \$997,813

Requestor:

Manish Singh, Director
Food Services Division

ATTACHMENT B
REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER
DELEGATED AUTHORITY

Equity Impact:

Component	Score	Score Rationale
Recognition	3	The school nutrition program supports students who may be facing food insecurity at school sites with limited kitchen facilities. The Syntegon upgrade will enable Food Services to continue to provide meals to students at the Newman supported sites
Resource Prioritization	3	The Newman Nutrition Center supports 178 schools with a student enrollment of 60,347. The upgrade is essential to having operational service lines that assemble meals for this student population.
Results	3	The upgrade will enable the Newman Center to provide nutritious meals, the same as other school cafeterias in the District.
TOTAL	9	

ATTACHMENT B

**REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER
DELEGATED AUTHORITY**

B. APPROVAL OF GOODS AND GENERAL SERVICES CONTRACTS

Authority to award contracts for furnishing equipment, supplies and general services. The total amount is only an estimate since the expenditures made against contracts are based upon purchases and/or approved invoices.

**NEW CONTRACTS/ AMENDMENTS/AUTHORIZATION TO INCREASE CONTRACT
CAPACITY EXCEEDING \$250,000**

Item H

TRANSPORTATION SERVICES DIVISION \$856,800

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
BP Pulse Fleet North America Inc.	4500863724 (IFB 2000003137)	General Funds (100%)	\$856,800

Approval of formally competed contract procured by an Invitation for Bid (IFB) process to purchase 18 electric school bus chargers for the San Julian garage.

The Level 3, V2G capable 60kw Direct Current Fast Charging Electric Vehicle Charging Stations (EVCS), each including one charger and one dispenser will be provided through the contract, which allows the District to purchase the equipment at a discounted price. Furthermore, by using an IFB, the awarded EVCS will be compatible and able to service the electric school buses currently on order for the District.

Seventeen bids were received from eleven vendors of which eight bids were found qualified. The evaluation committee was made up of staff from the Transportation Services Division. The winning bidder is the lowest, responsive, and responsible bidder for this IFB.

BP Pulse Fleet North America Inc. is the EV charging arm of BP (formerly British Petroleum). They have provided goods and services for such clients as the San Diego Metropolitan Transit System, Logan Bus Company, Palermo Union School District and Parlier Unified School District.

The requested action supports the District's Strategic Plan Pillar No. 4 Operational Effectiveness, 4B: Modernizing Infrastructure. Increasing our EV capability will support the District's efforts to reduce carbon/greenhouse gas emissions.

Contract Term: One-time purchase

Contract Value: \$856,800

ATTACHMENT B
REQUEST FOR APPROVAL OF PROCUREMENT CONTRACTS NOT UNDER
DELEGATED AUTHORITY

Requester:

Daniel Kang, Director of Transportation
 Transportation Services Division

Equity Impact:

Component	Score	Score Rationale
Recognition	4	The purchase of the electric school bus chargers will support the District's efforts to reduce carbon/greenhouse gas emissions. These chargers will be used for electric school buses currently on order.
Resource Prioritization	4	As a part of the District's electric school bus fleet, the new chargers will benefit all students as they will contribute to improving the overall air quality and route coverage for all students in the District.
Results	4	The new chargers will improve student transportation and the District's goals of student achievement and attendance.
TOTAL	12	

TAB 4



Board of Education Report

File #: Rep-165-23/24, **Version:** 1

Resolution to Make Certain Determinations and Findings pursuant to Government Code Section 4217.10 Et Seq. and for Authorization to Enter into Energy Service Contracts with Ameresco, Inc and Centrica Business Solutions Services, Inc. for Solar Photovoltaic System Projects at 14 School Sites (PUBLIC HEARING)

January 23, 2024

Procurement Services Division, Facilities Services Division and Office of Eco-Sustainability

Action Proposed:

Adopt a Resolution and authorize the Chief Procurement Officer and/or his designee(s) to execute Agreements, and/or any other reasonable instruments, with Ameresco, Inc. and Centrica Business Solutions Services, Inc. (Centrica) for Solar Photovoltaic (PV) System Projects (Projects) at 14 school sites, as described in Exhibit A.

The Projects will be funded by Ameresco, Inc. and Centrica (Energy Contractors). The Energy Contractors will design, secure agency approval, install, commission, maintain and guarantee production of all-inclusive, fully operational, Division of the State Architect (DSA) approved solar PV canopies/carport and roof-mounted systems at 14 school sites. In addition, Energy Contractors will install infrastructure for future electric vehicle (EV) charging stations at nine sites and battery energy storage systems at five sites.

The Los Angeles Unified School District (District or Los Angeles Unified) will begin making payments to the Energy Contractors after permission to operate the PV systems has been secured from the District's utility providers, Los Angeles Department of Water and Power (LADWP) and Southern California Edison (SCE). The total value of the Agreements is approximately \$98.4 million to be funded by the General Fund over 25 years for the 14 school sites.

The total estimated 25-year energy costs for the 14 school sites is \$133.5 million; the expected net energy cost savings from on-site electricity generation is approximately \$35.1 million over a 25-year period, as set forth in the Resolution (Exhibit B). These Agreements are being procured pursuant to the energy savings/services provisions in Government Code section 4217.10 et seq., as further indicated in the Resolution and will help to achieve Los Angeles Unified's clean energy goals and advance the Los Angeles Unified Strategic Plan.

Background:

In April 2022, Los Angeles Unified issued a Solar Photovoltaic (PV) Systems - Phase1 Request for Proposals (RFP) in support of efforts related to the Transitioning Los Angeles Unified School District to 100% Clean, Renewable Energy Resulting in Healthier Students and More Sustainable, Equitable Communities Board Resolution. The Board Resolution commits Los Angeles Unified to the goals of achieving 100% clean, renewable energy in its electricity sector by 2030 and in all energy sectors, including heating, ventilation, air conditioning (HVAC), cooking, and transportation, by 2040.

The installation of PV systems to generate electricity from solar power offers the District the opportunity to significantly offset its energy costs over the long term and to achieve its environmental stewardship and clean energy goals. Under the RFP, Los Angeles Unified sought proposals from firms to design, secure agency

approval, install, commission, maintain and guarantee production of all-inclusive, fully operational, DSA-approved PV canopies/ carport and/or roof-mounted systems at 14 school sites.

The school sites were selected within the geographic areas of two different utility providers, Los Angeles Department of Water and Power and Southern California Edison, to explore the different types of delivery and financing methods that could offer the greatest benefit for the PV system installations. Other factors considered were sites that had been identified for future roof replacement, and sites with newly installed roofs to avoid roof warranty issues and minimize roof penetrations that could cause water leakage.

Staff anticipates that construction activities related to the installation of the PV systems for all sites will begin in the fourth quarter of 2025 and that all sites be completed by the fourth quarter of 2028. Following completion, the Energy Contractors will secure permission to operate, which is the local electric provider's authorization to interconnect the PV system to the electrical grid.

Expected Outcomes:

Approve the proposed action, which will permit activities in support of Solar PV System Projects to be undertaken at 14 school sites. Staff estimates that the Projects will optimize the District's energy generation, conservation, and cost savings pursuant to California Government Code §4217.10 et seq. A cumulative utility cost savings of approximately \$35.1 million is anticipated over the life span of the equipment due to on-site electricity generation from the PV systems and benefits of the battery energy storage systems at five sites and electric vehicle charging stations infrastructure at nine sites. The anticipated savings in energy costs is set forth in Exhibit B.

Board Options and Consequences:

Adoption of staff's proposal will permit the District to proceed with the implementation of Solar PV System Projects at 14 school sites as part of the pathway for achieving the District's goal of 100% Clean, Renewable Energy Resulting in Healthier Students and More Sustainable, Equitable Communities Board Resolution.

If the proposed action is not adopted, the Projects will not be implemented, and the District will be unable to realize the anticipated cost savings of approximately \$35.1 million. Furthermore, staff would not be able to evaluate the Projects to determine applicability at other school sites in order to reach the District's 100% clean, renewable energy goals in its electricity sector by 2030.

Policy Implications:

The requested action does not change current District policies. Staff's proposal is consistent with Los Angeles Unified's clean energy goals and advances the 2022-2026 Strategic Plan Pillar 4 Operational Effectiveness Modernizing Infrastructure and supports the Transitioning Los Angeles Unified School District to 100% Clean, Renewable Energy Resulting in Healthier Students and More Sustainable, Equitable Communities Board Resolution.

Budget Impact:

Project costs associated with the Solar PV System Projects will be funded by Energy Contractors. The aggregate value of the Agreements is approximately \$98.4 million (\$31.4 million for Ameresco, Inc. and \$67 million for Centrica). After Energy Contractors have secured permission from the utility providers to operate the PV systems, the District will make payments to the firms based on the funded construction costs and annual maintenance and Performance Guarantee amounts. The payments, estimated at \$98.4 million over 25 years for the 14 school sites, will be funded by General Funds. This action is projected to provide approximately \$35.1 million in net cost savings to the District in utility bills over the 25-year period, as set forth in Exhibit B.

Student Impact:

Once completed, the Solar PV System Projects will help reduce energy consumption, thus lowering the utilities cost impact to the General Fund and allow for more financial resources to be allocated to support educational programs. Additionally, clean renewable energy technologies at schools, such as carport and rooftop solar PV systems, battery energy storage systems and Level 2 EV charging stations, provide an educational opportunity for students to learn about real-world energy issues. Such project-based and hands-on experience can help further their STEM education.

Equity Impact:

The school sites were selected within the geographic areas of two different utility providers, Los Angeles Department of Water and Power and Southern California Edison, to explore the different types of delivery and financing methods that could offer the greatest benefit for the PV system installations.

Issues and Analysis:

The proposed action will enable Los Angeles Unified to install up to 10.6 megawatts (MW) of solar power on 14 school sites within the framework of a 25-year turnkey agreement with operations and maintenance included in the fee for services. (A turnkey agreement is a contract for design, construction, installation, permitting, operations, and maintenance, whereby the contracted entity assumes total responsibility for the project.) The Solar PV Projects require compliance with all laws, rules, regulations, and standards for public school construction, the cost of which will be borne by Energy Contractors, Ameresco, Inc. and Centrica.

The overall projected net cost savings to the District is approximately \$35.1 million over 25 years, as provided in the Resolution. At the conclusion of a 25-year Agreement with Ameresco, Inc. and 20-year agreement with Centrica, the District will have ownership rights to the Projects installed at all 14 sites. The District will also have the option to purchase the Projects prior to the end of each agreement without prepayment penalties.

Government Code section 4217.12 allows public agencies to use the procurement method it determines is in the best interests of the public agency. To satisfy the requirements of Government Code section 4217.12, the Board shall adopt the proposed Resolution, making findings and determinations of the energy cost savings, at a regularly scheduled public hearing of which public notice is given at least two weeks in advance. Public Notice of the proposed Resolution and Public Hearing was provided at the December 12, 2023, Meeting of the Board of Education.

Attachments:

Exhibit A - List of School Sites


Exhibit B - Resolution to Make Findings Pursuant To Government Code Section 4217.10 Et Seq., and
Authorize Entering into Energy Services Contracts with Ameresco, Inc. and Centrica Business
Solutions Services, Inc.

Informatives:

Not Applicable.

Submitted:

12/11/23

RESPECTFULLY SUBMITTED,


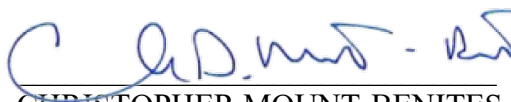
ALBERTO M. CARVALHO
Superintendent

APPROVED BY:


PEDRO SALCIDO
Deputy Superintendent,
Business Services and Operations

REVIEWED BY:


DEVORA NAVERA REED
General Counsel

APPROVED & PRESENTED BY:


CHRISTOPHER MOUNT-BENITES
Chief Procurement Officer
Procurement Services Division

☒ Approved as to form.

REVIEWED BY:


NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance

APPROVED AND PRESENTED BY:


KRISZTINA TOKES
Chief Facilities Executive
Facilities Services Division

☒ Approved as to budget impact statement.

APPROVED AND PRESENTED BY:


CHRISTOS CHRYSLIOU
Chief Eco-Sustainability Officer
Office of the Superintendent

Exhibit A
List of School Sites

BD	REG	Energy Contractor	School Site	Utility Provider	PV System Size (MW)	EV Charging Infrastructure	Battery Storage
1	South	Centrica	Crenshaw Magnets: Science Tech Engineer Math & Medicine	LADWP	1.207	Yes	No
1	South	Centrica	John Muir Middle School	LADWP	0.612	No	No
1	South	Centrica	Susan Miller Dorsey Senior High	LADWP	0.846	No	No
2	East	Centrica	Benjamin Franklin High School	LADWP	0.763	No	No
3	North	Ameresco, Inc.	Northridge Middle School	LADWP	0.674	Yes*	Yes
4	North	Ameresco, Inc.	John A. Sutter Middle School	LADWP	0.510	Yes*	Yes
4	North	Ameresco, Inc.	Sherman Oaks Center for Enriched Studies (SOCES) Magnet	LADWP	0.527	Yes*	Yes
5	East	Centrica	Bell Senior High School	SCE	0.959	No	No
6	North	Ameresco, Inc.	Pacoima Middle School	LADWP	0.588	Yes*	Yes
6	North	Ameresco, Inc.	Sun Valley Magnet	LADWP	0.423	Yes*	Yes
7	South	Centrica	Charles Drew Middle School	SCE	0.691	Yes	No
7	South	Centrica	John C. Fremont High School	LADWP	1.390	No	No
7	East	Centrica	Los Angeles Academy Middle School	LADWP	0.791	Yes	No
7	South	Centrica	Thomas A Edison Middle School	SCE	0.631	Yes	No

10.612

*This site includes two Level 2 EV charging stations in addition to the EV charging infrastructure.

EXHIBIT B

RESOLUTION TO MAKE FINDINGS PURSUANT TO GOVERNMENT CODE SECTION 4217.10 ET SEQ., AND AUTHORIZE ENTERING INTO AN ENERGY SERVICES CONTRACT WITH AMERSCO, INC. AND CENTRICA BUSINESS SOLUTIONS SERVICES, INC.

WHEREAS, Ameresco, Inc. and Centrica Business Solutions Services, Inc. (“**Energy Contractors**”) have represented to the Los Angeles Unified School District (“**District**”) that Energy Contractors have developed certain procedures for the design and installation of energy conservation measures as defined in Government Code section 4217.11 (“**Energy Conservation Measures**”); and

WHEREAS, Energy Contractors have analyzed the energy needs of the following District school sites:

- **Bell Senior High School, 4328 Bell Ave., Bell, CA 90035**
- **Benjamin Franklin High School, 820 N. Avenue 54, Los Angeles, CA 90042**
- **Charles Drew Middle School, 8511 Compton Ave., Los Angeles, CA 90001**
- **Crenshaw Magnets: Science Tech Engineer Math & Medicine, 5010 11th Ave., Los Angeles, CA 90043**
- **John C. Fremont High School, 7676 South San Pedro Street, Los Angeles, CA 90003**
- **John Muir Middle School, 5929 S. Vermont Ave., Los Angeles, CA 90044**
- **Los Angeles Academy Middle School, 644 E. 56th St., Los Angeles, CA 90011**
- **Susan Miller Dorsey Senior High, 3537 Farmdale Ave., Los Angeles, CA 90016**
- **Thomas A Edison Middle School, 6500 Hooper Ave., Los Angeles, CA 90001**
- **John A. Sutter Middle School, 7330 Winnetka Ave., Winnetka, CA 91306**
- **Northridge Middle School, 17960 Chase St., Northridge, CA 91325**
- **Pacoima Middle School, 9919 Laurel Canyon Blvd., Pacoima, CA 91331**
- **Sherman Oaks Center for Enriched Studies (SOCES) Magnet, 18605 Erwin St., Reseda, CA 91335**
- **Sun Valley Magnet, 7330 Bakman Ave., Sun Valley, CA 91352**

(collectively “**School Sites**”) and have represented that Energy Contractors’ providing the Energy Conservation Measures at the School Sites will result in a reduction in energy consumption or demand that will result in net cost savings to the District (“**Cost Savings**”). A list of the School Sites and an energy analysis is attached as **Attachment A** and incorporated herein (“**School Sites List**” and “**Energy Analysis**”); and

WHEREAS, Energy Contractors have represented to the District that Energy Contractors can provide, install, and construct the Energy Conservation Measures; and

WHEREAS, based upon the Energy Analysis and presentation by District staff and its consultants, the anticipated cost of \$98.4 million to the District for Energy Contractors to design, provide, install, construct and maintain the Energy Conservation Measures will be less than the anticipated marginal cost of \$133.5 million to the District of thermal, electrical, or other energy that would

have been consumed by the District in the absence of the Energy Conservation Measures resulting in a cost savings of \$35.1 million; and

WHEREAS, Government Code section 4217.12 (a) authorizes a public agency to enter into an energy services contract if the determination is made at a regularly scheduled public hearing, public notice of which is given at least two weeks in advance, and if the governing body finds that the anticipated cost to the public agency for thermal or electrical energy or conservation services provided by the energy conservation facility under the contract will be less than the anticipated marginal cost to the public agency of thermal, electrical, or other energy that would have been consumed by the public agency in the absence of those purchases; and

WHEREAS, on this date, pursuant to Government Code section 4217.10 et seq., the District's Governing Board held a public hearing with respect to the District entering into energy services contracts with Energy Contractors ("**Energy Services Contract**"); and

WHEREAS, the Governing Board has determined that the anticipated cost of the energy consumption or demand to the District pursuant to an Energy Services Contract will be less than the anticipated marginal cost to the District in the absence of the Energy Conservation Measures and an Energy Services Contract; and

WHEREAS, the District desires to retain Energy Contractors to design, provide, install, and construct the Energy Conservation Measures pursuant to the terms and conditions of an Energy Services Contract.

NOW, THEREFORE, it is found, determined, and resolved by the Governing Board of the District as follows:

1. That the District held a public hearing at a regularly scheduled meeting of the Governing Board.
2. Based upon reports of staff, reviewed by the Governing Board in connection herewith, and pursuant to Government Code section 4217.12, the anticipated cost of the energy consumption or demand to the District pursuant to an Energy Services Contract will be less than the anticipated marginal cost to the District in the absence of the Energy Conservation Measures and an Energy Services Contract.
3. It is in the best interest of the District to enter an Energy Services Contract with the Energy Contractors.
4. That the District's superintendent or designee is authorized to enter into an Energy Service Contract with the Energy Contractors for the sites listed in the School Sites List and Energy Analysis attached as **Attachment A**, subject to the District's standard terms and conditions approved by the Office of the General Counsel.

PASSED AND ADOPTED by the Board of Education of the Los Angeles Unified School District,
on _____, 20____, by the following vote:

AYES:

NOES:

ABSTAINED:

ABSENT:

CERTIFICATION

I, _____ Executive Officer of the Board of Education of the City of Los Angeles, Los Angeles County, State of California, do hereby certify that the foregoing Resolution was duly approved and adopted by the Board of Education of the City of Los Angeles at a meeting after a hearing that was held on _____, 20____, with a copy of the Resolution being on file in the District's Office of the Executive Officer.

Executive Officer, Board of
Education of the City of Los Angeles

Attachments:

Attachment A – School Sites List and Energy Analysis

ATTACHMENT A – School Sites List and Energy Analysis

School Site:

No.	School	Address	PV System Size (MW)
1	Bell Senior High School	4328 Bell Ave., Bell, CA 90035	0.959
2	Benjamin Franklin High School	820 N. Avenue 54, Los Angeles, CA 90042	0.763
3	Charles Drew Middle School	8511 Compton Ave., Los Angeles, CA 90001	0.691
4	Crenshaw Magnets: Science Tech Engineer Math & Medicine	5010 11 th Ave., Los Angeles, CA 90043	1.207
5	John C. Fremont High School	7676 South San Pedro Street, Los Angeles, CA 90003	1.390
6	John Muir Middle School	5929 S. Vermont Ave., Los Angeles, CA 9004	0.612
7	Los Angeles Academy Middle School	644 E. 56 th St., Los Angeles, CA 90011	0.791
8	Susan Miller Dorsey Senior High	3537 Farmdale Ave., Los Angeles, CA 90016	0.846
9	Thomas A Edison Middle School	6500 Hooper Ave., Los Angeles, CA 90001	0.631
10	John A. Sutter Middle School	7330 Winnetka Ave., Winnetka, CA 91306	0.510
11	Northridge Middle School	17960 Chase St., Northridge, CA 91325	0.674
12	Pacoima Middle School	9919 Laurel Canyon Blvd., Pacoima, CA 91331	0.588
13	Sherman Oaks Center for Enriched Studies (SOCES) Magnet	18605 Erwin St., Reseda, CA 91335	0.527
14	Sun Valley Magnet	7330 Bakman Ave., Sun Valley, CA 91352	0.423

Energy Analysis:

1. The Energy Contractors have agreed to finance the Energy Conservation Measures through an Energy Services Agreement which includes approximately 15% for District project soft costs. Therefore, the anticipated up front cost to the District for an Energy Services Contract is zero. Also, the proposed costs include the Investment Tax Credits available to the District, which can be up to 40% of eligible costs.
2. The projected net cost savings to the District is anticipated to be approximately \$35.1 million over the 25-year equipment life.

Assumptions:

- It is assumed that the solar photovoltaic panels have an equipment life of at least 25 years.
- Electricity rate escalation: 3%
- PV degradation rate: 0.5%

OVERVIEW

Energy Contractor	School Site	Agreement Term Length (Years)	25 Year Est. Cumulative Electricity Cost (3% Escalation)	Total Term Payments to Energy Contractors	25 Year Net Cost Savings
Centrica	Bell Senior High School	20	\$12,002,921	\$7,784,839	\$4,218,082
Centrica	Crenshaw Magnets: Science Tech Engineer Math & Medicine	20	\$14,867,756	\$10,240,044	\$4,627,712
Centrica	Susan Miller Dorsey Senior High	20	\$9,704,221	\$7,316,965	\$2,387,256
Centrica	Charles Drew Middle School	20	\$8,047,624	\$6,171,934	\$1,875,690
Centrica	Thomas A Edison Middle School	20	\$7,612,471	\$5,563,248	\$2,049,223
Centrica	Benjamin Franklin High School	20	\$9,348,745	\$7,026,377	\$2,322,368
Centrica	John C. Fremont High School	20	\$15,790,588	\$11,229,581	\$4,561,007
Centrica	Los Angeles Academy Middle School	20	\$9,090,695	\$6,548,938	\$2,541,757
Centrica	John Muir Middle School	20	\$7,051,490	\$5,161,649	\$1,889,841
Ameresco, Inc.	Northridge Middle School	25	\$9,310,926	\$7,494,087	\$1,816,839
Ameresco, Inc.	Pacoima Middle School	25	\$8,473,546	\$6,481,452	\$1,992,094
Ameresco, Inc.	Sherman Oaks Center for Enriched Studies (SOCES) Magnet	25	\$7,914,256	\$6,229,500	\$1,684,756
Ameresco, Inc.	Sun Valley Magnet	25	\$6,722,040	\$4,886,327	\$1,835,713
Ameresco, Inc.	John A. Sutter Middle School	25	\$7,621,406	\$6,287,085	\$1,334,321
TOTAL			\$133,558,685	\$98,422,026	\$35,136,659

**Cumulative Annual Net Cost Savings
14 School Sites**

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	16,832,157	\$3,842,959	\$4,412,760	-\$569,799
2	16,757,442	\$5,124,126	\$4,644,815	\$479,312
3	16,679,843	\$4,332,658	\$4,653,757	-\$321,099
4	16,602,605	\$4,433,038	\$4,667,991	-\$234,953
5	16,525,723	\$4,535,979	\$4,679,142	-\$143,164
6	16,449,197	\$4,641,864	\$4,692,222	-\$50,358
7	16,373,027	\$4,453,862	\$4,706,005	-\$252,143
8	16,297,211	\$4,565,148	\$4,718,308	-\$153,159
9	16,221,747	\$4,679,225	\$4,735,049	-\$55,823
10	16,146,633	\$4,796,163	\$4,747,858	\$48,306
11	16,071,868	\$4,916,037	\$4,762,744	\$153,290
12	15,997,449	\$5,038,914	\$4,776,437	\$262,475
13	15,923,376	\$5,164,730	\$4,792,807	\$371,922
14	15,849,649	\$5,293,850	\$4,807,532	\$486,315
15	15,776,260	\$5,426,208	\$4,824,483	\$601,728
16	15,703,214	\$5,561,888	\$4,841,339	\$720,549
17	15,630,506	\$5,700,971	\$4,860,876	\$840,095
18	15,558,137	\$5,843,544	\$4,878,729	\$964,814
19	15,486,103	\$5,989,539	\$4,894,722	\$1,094,814
20	15,414,402	\$6,139,354	\$1,671,681	\$4,467,673
21	15,343,036	\$6,292,930	\$1,312,697	\$4,980,233
22	15,271,999	\$6,450,364	\$1,321,397	\$5,128,967
23	15,201,291	\$6,611,743	\$1,330,323	\$5,281,419
24	15,130,914	\$6,777,009	\$1,339,481	\$5,437,528
25	15,060,862	\$6,946,591	\$1,348,877	\$5,597,714
	398,304,654	\$133,558,685	\$98,422,026	\$35,136,659

Bell Senior High School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	1,509,445	\$ 349,738	\$373,120	-\$23,382
2	1,502,652	\$ 358,610	\$402,354	-\$43,745
3	1,495,891	\$ 367,706	\$402,305	-\$34,600
4	1,489,159	\$ 377,033	\$403,946	-\$26,914
5	1,482,458	\$ 386,596	\$404,182	-\$17,586
6	1,475,787	\$ 396,402	\$405,062	-\$8,660
7	1,469,146	\$ 406,457	\$405,538	\$918
8	1,462,535	\$ 416,766	\$406,612	\$10,154
9	1,455,953	\$ 427,338	\$408,237	\$19,101
10	1,449,401	\$ 438,177	\$408,366	\$29,811
11	1,442,879	\$ 449,292	\$410,047	\$39,244
12	1,436,386	\$ 460,688	\$410,186	\$50,501
13	1,429,922	\$ 472,373	\$411,832	\$60,541
14	1,423,488	\$ 484,355	\$412,890	\$71,464
15	1,417,082	\$ 496,641	\$413,362	\$83,279
16	1,410,705	\$ 509,238	\$414,248	\$94,990
17	1,404,357	\$ 522,155	\$415,501	\$106,654
18	1,398,037	\$ 535,399	\$417,075	\$118,324
19	1,391,746	\$ 548,980	\$417,924	\$131,055
20	1,385,483	\$ 562,904	\$42,049	\$520,855
21	1,379,249	\$ 577,182	\$0	\$577,182
22	1,373,042	\$ 591,823	\$0	\$591,823
23	1,366,863	\$ 606,834	\$0	\$606,834
24	1,360,712	\$ 622,227	\$0	\$622,227
25	1,354,589	\$ 638,009	\$0	\$638,009
	35,766,969	\$12,002,921	\$7,784,839	\$4,218,082

Crenshaw Magnets: Science Tech Engineer Math & Medicine

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	1,905,910	\$ 433,213	\$486,935	-\$53,722
2	1,897,333	\$ 444,202	\$530,049	-\$85,847
3	1,888,795	\$ 455,469	\$530,631	-\$75,162
4	1,880,296	\$ 467,022	\$531,766	-\$64,744
5	1,871,834	\$ 478,868	\$533,405	-\$54,537
6	1,863,411	\$ 491,014	\$533,502	-\$42,488
7	1,855,026	\$ 503,469	\$535,106	-\$31,637
8	1,846,678	\$ 516,240	\$536,123	-\$19,883
9	1,838,368	\$ 529,334	\$537,553	-\$8,219
10	1,830,096	\$ 542,760	\$538,350	\$4,411
11	1,821,860	\$ 556,528	\$539,515	\$17,013
12	1,813,662	\$ 570,644	\$540,001	\$30,643
13	1,805,500	\$ 585,118	\$540,809	\$44,309
14	1,797,376	\$ 599,960	\$541,894	\$58,066
15	1,789,287	\$ 615,178	\$543,208	\$71,970
16	1,781,236	\$ 630,782	\$545,704	\$85,077
17	1,773,220	\$ 646,782	\$547,291	\$99,491
18	1,765,240	\$ 663,187	\$547,967	\$115,220
19	1,757,297	\$ 680,009	\$549,735	\$130,274
20	1,749,389	\$ 697,257	\$50,501	\$646,756
21	1,741,517	\$ 714,943	\$0	\$714,943
22	1,733,680	\$ 733,078	\$0	\$733,078
23	1,725,878	\$ 751,672	\$0	\$751,672
24	1,718,112	\$ 770,739	\$0	\$770,739
25	1,710,380	\$ 790,288	\$0	\$790,288
	45,161,383	\$14,867,756	\$10,240,044	\$4,627,712

Susan Miller Dorsey Senior High

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	1,288,785	\$ 282,759	\$352,170	-\$69,411
2	1,282,985	\$ 289,932	\$378,013	-\$88,081
3	1,277,212	\$ 297,286	\$378,396	-\$81,111
4	1,271,465	\$ 304,826	\$379,468	-\$74,642
5	1,265,743	\$ 312,558	\$380,181	-\$67,623
6	1,260,047	\$ 320,486	\$380,537	-\$60,051
7	1,254,377	\$ 328,615	\$381,536	-\$52,920
8	1,248,732	\$ 336,951	\$382,130	-\$45,179
9	1,243,113	\$ 345,498	\$383,322	-\$37,824
10	1,237,519	\$ 354,261	\$384,063	-\$29,802
11	1,231,950	\$ 363,247	\$385,355	-\$22,108
12	1,226,406	\$ 372,461	\$386,151	-\$13,690
13	1,220,887	\$ 381,908	\$386,452	-\$4,544
14	1,215,394	\$ 391,595	\$387,259	\$4,336
15	1,209,924	\$ 401,528	\$388,525	\$13,004
16	1,204,480	\$ 411,713	\$389,203	\$22,510
17	1,199,059	\$ 422,156	\$390,294	\$31,862
18	1,193,664	\$ 432,864	\$391,752	\$41,112
19	1,188,292	\$ 443,844	\$392,530	\$51,314
20	1,182,945	\$ 455,102	\$39,629	\$415,472
21	1,177,622	\$ 466,645	\$0	\$466,645
22	1,172,322	\$ 478,482	\$0	\$478,482
23	1,167,047	\$ 490,618	\$0	\$490,618
24	1,161,795	\$ 503,063	\$0	\$503,063
25	1,156,567	\$ 515,823	\$0	\$515,823
	30,538,332	\$9,704,221	\$7,316,965	\$2,387,256

Charles Drew Middle School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	1,110,274	\$ 234,490	\$303,025	-\$68,535
2	1,105,278	\$ 240,438	\$318,139	-\$77,701
3	1,100,304	\$ 246,536	\$318,651	-\$72,114
4	1,095,353	\$ 252,790	\$318,897	-\$66,107
5	1,090,424	\$ 259,202	\$319,878	-\$60,676
6	1,085,517	\$ 265,776	\$320,547	-\$54,771
7	1,080,632	\$ 272,518	\$321,904	-\$49,386
8	1,075,769	\$ 279,430	\$321,903	-\$42,473
9	1,070,928	\$ 286,518	\$322,592	-\$36,074
10	1,066,109	\$ 293,786	\$322,924	-\$29,138
11	1,061,311	\$ 301,237	\$323,899	-\$22,662
12	1,056,535	\$ 308,878	\$324,471	-\$15,593
13	1,051,781	\$ 316,713	\$325,641	-\$8,928
14	1,047,048	\$ 324,746	\$326,361	-\$1,615
15	1,042,336	\$ 332,984	\$327,633	\$5,351
16	1,037,646	\$ 341,430	\$328,410	\$13,020
17	1,032,976	\$ 350,090	\$329,692	\$20,398
18	1,028,328	\$ 358,970	\$330,434	\$28,536
19	1,023,701	\$ 368,075	\$330,635	\$37,440
20	1,019,094	\$ 377,412	\$36,298	\$341,114
21	1,014,508	\$ 386,985	\$0	\$386,985
22	1,009,943	\$ 396,801	\$0	\$396,801
23	1,005,398	\$ 406,865	\$0	\$406,865
24	1,000,874	\$ 417,186	\$0	\$417,186
25	996,370	\$ 427,768	\$0	\$427,768
	26,308,435	\$8,047,624	\$6,171,934	\$1,875,690

Thomas Edison Middle School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	1,001,854	\$ 221,810	\$276,323	-\$54,512
2	997,346	\$ 227,437	\$286,914	-\$59,477
3	992,858	\$ 233,206	\$286,872	-\$53,666
4	988,390	\$ 239,121	\$288,609	-\$49,488
5	983,942	\$ 245,186	\$288,028	-\$42,842
6	979,514	\$ 251,405	\$289,227	-\$37,822
7	975,106	\$ 257,782	\$289,111	-\$31,328
8	970,718	\$ 264,321	\$290,726	-\$26,406
9	966,350	\$ 271,025	\$289,980	-\$18,955
10	962,002	\$ 277,900	\$291,967	-\$14,067
11	957,673	\$ 284,949	\$291,546	-\$6,597
12	953,363	\$ 292,177	\$292,812	-\$635
13	949,073	\$ 299,588	\$293,670	\$5,917
14	944,802	\$ 307,187	\$294,122	\$13,065
15	940,551	\$ 314,978	\$295,168	\$19,811
16	936,318	\$ 322,968	\$295,761	\$27,207
17	932,105	\$ 331,160	\$296,901	\$34,259
18	927,910	\$ 339,560	\$297,543	\$42,017
19	923,735	\$ 348,173	\$298,686	\$49,487
20	919,578	\$ 357,004	\$29,284	\$327,721
21	915,440	\$ 366,060	\$0	\$366,060
22	911,320	\$ 375,345	\$0	\$375,345
23	907,219	\$ 384,865	\$0	\$384,865
24	903,137	\$ 394,627	\$0	\$394,627
25	899,073	\$ 404,637	\$0	\$404,637
	23,739,375	\$7,612,471	\$5,563,248	\$2,049,223

Benjamin Franklin High School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	1,230,960	\$ 272,535	\$338,558	-\$66,023
2	1,224,805	\$ 279,307	\$361,790	-\$82,482
3	1,219,294	\$ 286,392	\$362,624	-\$76,232
4	1,213,807	\$ 293,656	\$363,149	-\$69,493
5	1,208,345	\$ 301,105	\$363,365	-\$62,261
6	1,202,907	\$ 308,742	\$364,273	-\$55,531
7	1,197,494	\$ 316,573	\$365,827	-\$49,254
8	1,192,105	\$ 324,603	\$365,979	-\$41,376
9	1,186,741	\$ 332,837	\$367,778	-\$34,941
10	1,181,400	\$ 341,279	\$368,129	-\$26,850
11	1,176,084	\$ 349,936	\$369,081	-\$19,145
12	1,170,792	\$ 358,812	\$370,587	-\$11,776
13	1,165,523	\$ 367,913	\$371,601	-\$3,688
14	1,160,278	\$ 377,245	\$372,124	\$5,121
15	1,155,057	\$ 386,814	\$373,156	\$13,658
16	1,149,859	\$ 396,626	\$374,651	\$21,975
17	1,144,685	\$ 406,686	\$375,562	\$31,124
18	1,139,534	\$ 417,002	\$376,891	\$40,111
19	1,134,406	\$ 427,579	\$377,591	\$49,988
20	1,129,301	\$ 438,424	\$43,662	\$394,762
21	1,124,219	\$ 449,545	\$0	\$449,545
22	1,119,160	\$ 460,948	\$0	\$460,948
23	1,114,124	\$ 472,640	\$0	\$472,640
24	1,109,111	\$ 484,628	\$0	\$484,628
25	1,104,120	\$ 496,921	\$0	\$496,921
	29,154,112	\$9,348,745	\$7,026,377	\$2,322,368

John C. Fremont High School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	2,182,650	\$ 460,103	\$532,818	-\$72,715
2	2,172,828	\$ 471,773	\$583,292	-\$111,518
3	2,163,050	\$ 483,740	\$583,672	-\$99,932
4	2,153,317	\$ 496,010	\$584,555	-\$88,545
5	2,143,627	\$ 508,591	\$585,894	-\$77,303
6	2,133,980	\$ 521,491	\$587,641	-\$66,150
7	2,124,377	\$ 534,719	\$587,751	-\$53,032
8	2,114,818	\$ 548,282	\$588,271	-\$39,988
9	2,105,301	\$ 562,189	\$590,154	-\$27,965
10	2,095,827	\$ 576,449	\$590,308	-\$13,859
11	2,086,396	\$ 591,071	\$591,779	-\$709
12	2,077,007	\$ 606,063	\$592,475	\$13,588
13	2,067,661	\$ 621,436	\$594,395	\$27,041
14	2,058,356	\$ 637,199	\$595,447	\$41,752
15	2,049,094	\$ 653,362	\$596,630	\$56,732
16	2,039,873	\$ 669,934	\$596,899	\$73,036
17	2,030,693	\$ 686,927	\$599,254	\$87,673
18	2,021,555	\$ 704,351	\$600,554	\$103,797
19	2,012,458	\$ 722,217	\$600,800	\$121,416
20	2,003,402	\$ 740,536	\$46,994	\$693,542
21	1,994,387	\$ 759,319	\$0	\$759,319
22	1,985,412	\$ 778,580	\$0	\$778,580
23	1,976,478	\$ 798,328	\$0	\$798,328
24	1,967,584	\$ 818,578	\$0	\$818,578
25	1,958,729	\$ 839,341	\$0	\$839,341
	51,718,860	\$15,790,588	\$11,229,581	\$4,561,007

Los Angeles Academy Middle School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	1,234,884	\$ 264,883	\$317,268	-\$52,385
2	1,229,327	\$ 271,601	\$337,050	-\$65,449
3	1,223,795	\$ 278,491	\$337,307	-\$58,816
4	1,218,288	\$ 285,554	\$338,299	-\$52,745
5	1,212,806	\$ 292,798	\$338,982	-\$46,184
6	1,207,348	\$ 300,224	\$339,354	-\$39,130
7	1,201,915	\$ 307,840	\$340,418	-\$32,579
8	1,196,506	\$ 315,648	\$341,126	-\$25,478
9	1,191,122	\$ 323,654	\$342,479	-\$18,824
10	1,185,762	\$ 331,864	\$343,430	-\$11,566
11	1,180,426	\$ 340,282	\$343,979	-\$3,698
12	1,175,114	\$ 348,913	\$345,129	\$3,784
13	1,169,826	\$ 357,763	\$345,832	\$11,931
14	1,164,562	\$ 366,838	\$347,088	\$19,749
15	1,159,321	\$ 376,142	\$347,852	\$28,291
16	1,154,104	\$ 385,683	\$349,124	\$36,560
17	1,148,911	\$ 395,466	\$349,857	\$45,609
18	1,143,741	\$ 405,497	\$351,053	\$54,444
19	1,138,594	\$ 415,783	\$352,665	\$63,118
20	1,133,470	\$ 426,329	\$40,646	\$385,683
21	1,128,370	\$ 437,143	\$0	\$437,143
22	1,123,292	\$ 448,231	\$0	\$448,231
23	1,118,237	\$ 459,600	\$0	\$459,600
24	1,113,205	\$ 471,258	\$0	\$471,258
25	1,108,196	\$ 483,211	\$0	\$483,211
	29,261,124	\$9,090,695	\$6,548,938	\$2,541,757

John Muir Middle School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	962,230	\$ 204,666	\$254,713	-\$50,046
2	961,749	\$ 210,701	\$264,120	-\$53,419
3	957,421	\$ 216,045	\$264,809	-\$48,763
4	953,113	\$ 221,525	\$265,281	-\$43,755
5	948,824	\$ 227,144	\$265,536	-\$38,392
6	944,554	\$ 232,906	\$266,576	-\$33,670
7	940,303	\$ 238,813	\$267,352	-\$28,539
8	936,072	\$ 244,871	\$267,867	-\$22,996
9	931,860	\$ 251,082	\$269,120	-\$18,038
10	927,666	\$ 257,451	\$270,065	-\$12,614
11	923,492	\$ 263,981	\$270,702	-\$6,721
12	919,336	\$ 270,677	\$271,032	-\$355
13	915,199	\$ 277,543	\$272,057	\$5,486
14	911,081	\$ 284,583	\$272,728	\$11,854
15	906,981	\$ 291,801	\$274,048	\$17,753
16	902,899	\$ 299,203	\$274,969	\$24,233
17	898,836	\$ 306,792	\$276,493	\$30,299
18	894,792	\$ 314,574	\$277,572	\$37,001
19	890,765	\$ 322,553	\$278,208	\$44,344
20	886,757	\$ 330,734	\$38,402	\$292,332
21	882,766	\$ 339,123	\$0	\$339,123
22	878,794	\$ 347,725	\$0	\$347,725
23	874,839	\$ 356,545	\$0	\$356,545
24	870,902	\$ 365,589	\$0	\$365,589
25	866,983	\$ 374,862	\$0	\$374,862
	22,888,215	\$7,051,490	\$5,161,649	\$1,889,841

Northridge Middle School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	1,101,465	\$261,864	\$281,753	-\$19,888.26
2	1,095,958	\$505,099	\$282,972	\$222,126.67
3	1,090,478	\$333,612	\$284,223	\$49,389
4	1,085,025	\$340,160	\$285,506	\$54,653
5	1,079,600	\$346,875	\$286,823	\$60,053
6	1,074,202	\$353,826	\$288,173	\$65,653
7	1,068,831	\$301,637	\$289,558	\$12,079
8	1,063,487	\$308,935	\$290,979	\$17,956
9	1,058,170	\$316,411	\$292,437	\$23,974
10	1,052,879	\$324,070	\$293,933	\$30,138
11	1,047,615	\$331,917	\$295,468	\$36,449
12	1,042,376	\$339,955	\$297,042	\$42,912
13	1,037,165	\$348,161	\$298,658	\$49,503
14	1,031,979	\$356,597	\$300,316	\$56,281
15	1,026,819	\$365,238	\$302,018	\$63,221
16	1,021,685	\$374,091	\$303,764	\$70,328
17	1,016,576	\$383,161	\$305,556	\$77,605
18	1,011,493	\$392,453	\$307,395	\$85,057
19	1,006,436	\$401,941	\$309,283	\$92,658
20	1,001,404	\$411,692	\$311,220	\$100,472
21	996,397	\$421,683	\$313,209	\$108,473
22	991,415	\$431,917	\$315,251	\$116,666
23	986,458	\$442,402	\$317,346	\$125,056
24	981,525	\$453,111	\$319,498	\$133,614
25	976,618	\$464,116	\$321,706	\$142,410
	25,946,056	\$9,310,926	\$7,494,087	\$1,816,839

Pacoima Middle School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	946,743	\$237,452	\$242,938	-\$5,486
2	942,009	\$480,056	\$244,047	\$236,009
3	937,299	\$307,931	\$245,184	\$62,747
4	932,613	\$313,825	\$246,350	\$67,476
5	927,950	\$319,872	\$247,545	\$72,327
6	923,310	\$326,140	\$248,771	\$77,369
7	918,693	\$273,251	\$250,028	\$23,223
8	914,100	\$279,832	\$251,317	\$28,516
9	909,529	\$286,574	\$252,638	\$33,936
10	904,982	\$293,480	\$253,994	\$39,486
11	900,457	\$300,554	\$255,384	\$45,170
12	895,955	\$307,801	\$256,810	\$50,991
13	891,475	\$315,195	\$258,273	\$56,922
14	887,017	\$322,799	\$259,773	\$63,026
15	882,582	\$330,588	\$261,312	\$69,276
16	878,169	\$338,568	\$262,891	\$75,677
17	873,779	\$346,742	\$264,511	\$82,231
18	869,410	\$355,115	\$266,172	\$88,943
19	865,063	\$363,661	\$267,877	\$95,784
20	860,737	\$372,448	\$269,626	\$102,821
21	856,434	\$381,449	\$271,421	\$110,028
22	852,151	\$390,670	\$273,263	\$117,407
23	847,891	\$400,116	\$275,153	\$124,963
24	843,651	\$409,758	\$277,092	\$132,666
25	839,433	\$419,671	\$279,082	\$140,589
	22,301,432	\$8,473,546	\$6,481,452	\$1,992,094

Sherman Oaks Center for Enriched Studies (SOCES) Magnet

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	843,661	\$221,118	\$234,061	-\$12,943
2	839,443	\$463,305	\$235,091	\$228,214
3	835,245	\$290,756	\$236,147	\$54,609
4	831,069	\$296,216	\$237,229	\$58,986
5	826,914	\$301,817	\$238,339	\$63,479
6	822,779	\$307,632	\$239,476	\$68,156
7	818,665	\$254,277	\$240,642	\$13,635
8	814,572	\$260,382	\$241,837	\$18,544
9	810,499	\$266,635	\$243,062	\$23,572
10	806,447	\$273,040	\$244,318	\$28,721
11	802,415	\$279,600	\$245,606	\$33,994
12	798,402	\$286,321	\$246,926	\$39,394
13	794,410	\$293,175	\$248,280	\$44,894
14	790,438	\$300,226	\$249,669	\$50,557
15	786,486	\$307,448	\$251,092	\$56,356
16	782,554	\$314,846	\$252,552	\$62,294
17	778,641	\$322,425	\$254,049	\$68,376
18	774,748	\$330,188	\$255,585	\$74,603
19	770,874	\$338,107	\$257,160	\$80,947
20	767,020	\$346,253	\$258,775	\$87,477
21	763,185	\$354,596	\$260,432	\$94,164
22	759,369	\$363,144	\$262,132	\$101,012
23	755,572	\$371,899	\$263,875	\$108,024
24	751,794	\$380,833	\$265,664	\$115,168
25	748,035	\$390,020	\$267,499	\$122,521
	19,873,238	\$7,914,256	\$6,229,500	\$1,684,756

Sun Valley Magnet

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	696,500	\$186,022	\$182,381	\$3,641
2	693,018	\$427,357	\$183,277	\$244,079
3	689,552	\$253,928	\$184,195	\$69,732
4	686,105	\$258,485	\$185,136	\$73,350
5	682,674	\$263,162	\$186,099	\$77,063
6	679,261	\$268,025	\$187,085	\$80,939
7	675,864	\$213,696	\$188,095	\$25,600
8	672,485	\$218,801	\$189,131	\$29,671
9	669,123	\$224,030	\$190,191	\$33,839
10	665,777	\$229,386	\$191,277	\$38,109
11	662,448	\$234,872	\$192,390	\$42,482
12	659,136	\$240,491	\$193,531	\$46,960
13	655,840	\$246,217	\$194,699	\$51,518
14	652,561	\$252,111	\$195,896	\$56,215
15	649,298	\$258,148	\$197,123	\$61,025
16	646,052	\$264,332	\$198,380	\$65,952
17	642,822	\$270,666	\$199,669	\$70,997
18	639,607	\$277,153	\$200,989	\$76,164
19	636,409	\$283,767	\$202,343	\$81,424
20	633,227	\$290,573	\$203,730	\$86,843
21	630,061	\$297,545	\$205,152	\$92,392
22	626,911	\$304,685	\$206,610	\$98,075
23	623,776	\$312,000	\$208,104	\$103,896
24	620,657	\$319,458	\$209,636	\$109,822
25	617,554	\$327,132	\$211,207	\$115,925
	16,406,720	\$6,722,040	\$4,886,327	\$1,835,713

John A. Sutter Middle School

Year	Annual Energy Production (kWh)	Annual Energy Cost Savings (\$)	Annual Payments (\$)	Net Annual Cost Savings After Payment (\$)
1	816,796	\$212,306	\$236,699	-\$24,393
2	812,712	\$454,309	\$237,707	\$216,602
3	808,648	\$281,560	\$238,741	\$42,820
4	804,605	\$286,814	\$239,800	\$47,014
5	800,582	\$292,204	\$240,885	\$51,319
6	796,579	\$297,796	\$241,998	\$55,798
7	792,596	\$244,215	\$243,138	\$1,077
8	788,633	\$250,086	\$244,307	\$5,779
9	784,690	\$256,100	\$245,505	\$10,595
10	780,767	\$262,260	\$246,734	\$15,526
11	776,863	\$268,570	\$247,993	\$20,577
12	772,979	\$275,034	\$249,284	\$25,750
13	769,114	\$281,628	\$250,607	\$31,020
14	765,268	\$288,410	\$251,965	\$36,445
15	761,442	\$295,357	\$253,356	\$42,001
16	757,635	\$302,473	\$254,783	\$47,691
17	753,846	\$309,763	\$256,246	\$53,517
18	750,077	\$317,231	\$257,746	\$59,485
19	746,327	\$324,850	\$259,285	\$65,565
20	742,595	\$332,686	\$260,863	\$71,823
21	738,882	\$340,713	\$262,482	\$78,231
22	735,188	\$348,935	\$264,142	\$84,793
23	731,512	\$357,358	\$265,845	\$91,513
24	727,854	\$365,954	\$267,591	\$98,363
25	724,215	\$374,793	\$269,383	\$105,409
	19,240,407	\$7,621,406	\$6,287,085	\$1,334,321

TAB 5



Board of Education Report

File #: Rep-060-23/24, **Version:** 1

Approval of Facilities Contracts Actions

January 23, 2024

Procurement Services Division - Facilities Contracts

Action Proposed:

Ratify the Procurement Services Division (PSD) contract actions taken by Facilities Contracts under delegated authority as listed in Attachment “A” including: award of advertised construction contracts; award of job order contract amendments; approval of change orders; completion of contracts; award of informal contracts; award of architectural and engineering contracts; award of professional/technical services amendment; extra services/amendments for architectural and engineering contracts and approve the proposed contracts listed in Attachment B including public safety radio system services contract capacity increase amendment, roofing and waterproofing repair and maintenance services task order contracts and asbestos abatement and lead remediation services task order contracts.

Background:

Facilities Contracts staff prepares monthly reports for contract actions necessary for the execution of projects approved by the Board and contained in the FSD Strategic Execution Plan (SEP), and for the maintenance and operation of District facilities in accordance with District policies and Board-delegated authority. As described in the November 12, 2013, Board Report #048-13/14 Informative, detailed information is provided on the Facilities Services website.

Expected Outcomes:

Approval of these items will allow services provided by these contracts to proceed in support of FSD projects, District policies and goals, and the Board-approved FSD-SEP.

Board Options and Consequences:

The Board can approve all actions presented or postpone selected actions pending receipt of additional information. Non-ratification of actions awarded under delegated authority in Attachment “A” will result in the immediate discontinuance of services. While non-ratification may be legally defensible, it will likely result in costly litigation over discontinued payments or if the District attempts to reclaim payments made to a vendor. District costs will likely increase as fewer contractors compete for future procurements.

Policy Implications:

This action does not change District policy and conforms to California Education Code section 17604 that permits the Board of Education to delegate authority for Facilities Contracts (Board Report #444-17/18), which the Board exercised on May 08, 2018.

Budget Impact:

The contract actions presented are within the budget authority previously approved by the Board. Unless indicated otherwise, all contract actions are Bond funded.

Student Impact:

The contract actions will help ensure that the students are provided with safe and healthy environments, and up to-date facilities that promote learning.

Equity Impact:

Not Applicable.

Issues and Analysis:

There are no policy implications on these agreements.

Attachments:

Attachment "A" - Ratification of Facilities Contracts Actions Awarded Under Delegated Authority

Attachment "B" - Approval of Facilities Contracts Actions Not Under Delegated Authority

Linked Materials

Previously adopted Board report(s) referenced:

- In the background [Board Report No. 048-13/14 <https://drive.google.com/file/d/1q-FUsW7AXKe8h0A4KY-J3OVby30HueD6/view>](https://drive.google.com/file/d/1q-FUsW7AXKe8h0A4KY-J3OVby30HueD6/view), dated November 12, 2013, Informative
- In the policy implications [Board Report No. 444-17/18 <https://drive.google.com/file/d/16sRw7yPe-tScbr2wG8AMTWB9QSeiQazM/view>](https://drive.google.com/file/d/16sRw7yPe-tScbr2wG8AMTWB9QSeiQazM/view), dated May 8, 2018.

Informatives:

Not Applicable.

Submitted:

12/12/23

RESPECTFULLY SUBMITTED,



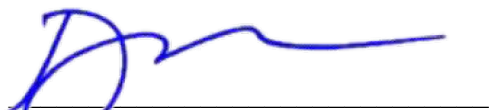
ALBERTO M. CARVALHO
Superintendent

APPROVED BY:



PEDRO SALCIDO
Deputy Superintendent,
Business Services & Operations

REVIEWED BY:



DEVORA NAVERA REED
General Counsel

☒ Approved as to form.

APPROVED:



SUNG YON LEE
Deputy Chief Business Officer
Business Services and Operations

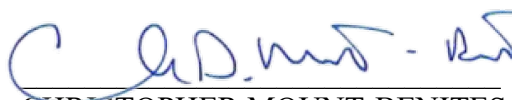
REVIEWED BY:



NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance

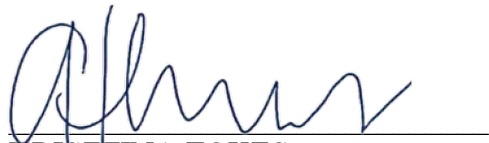
☒ Approved as to budget impact statement

APPROVED & PRESENTED BY:



CHRISTOPHER MOUNT-BENITES
Chief Procurement Officer
Procurement Services Division

REVIEWED BY:



KRISZTINA TOKES
Chief Facilities Executive

☒ Approved as to facilities impact

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

AWARD OF ADVERTISED CONSTRUCTION CONTRACTS

Item A

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Pacific Single Ply Roofing, Inc. (SBE)	2410009 / 4400012407	<u>Richland Avenue ES</u> Roofing Board Member: <u>Nick Melvoin</u>	<i>Bond Funds</i> (100%)	\$1,298,519

Ratification of formally competed contract selected from three (3) bids received to provide new roofing as authorized on September 14, 2021 ([Board Report No. 036-21/22](#)).

The project will provide approximately 47,430 square feet of new roofing sitewide, including installation of new gutters and downspouts. Pillar 4 is supported by this action.

The contractor is new to the District.

Contract Term: 12/06/23 through completion

Contract Value: \$1,298,519

Requester:

India Griffin, Director
Maintenance & Operations
Facilities Services Division

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

AWARD OF ADVERTISED CONSTRUCTION CONTRACTS

Item B

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Beta Investments and Contracts, Inc. (SBE)	2410010 / 4400012278	<u>Curtiss MS</u> Ceiling System Improvements Board Member: <u>Tanya Ortiz Franklin</u>	<i>Bond Funds</i> (100%)	\$1,780,800

Ratification of formally competed contract selected from two (2) bids received to provide ceiling system improvements as authorized on May 13, 2014 ([Board Report No. 393-13/14](#)).

The project will provide seismic upgrades by installing additional structural support (seismic bracing) and wire support. The project will address approximately 77,850 square feet of a suspended ceiling system to improve structural integrity. This project includes replacement of deteriorated ceiling tiles asbestos abatement, and removal of impacted components beyond their remaining service life. Pillar 4 is supported by this action.

The contractor has worked with the District since 1994. Project was awarded to lowest responsive responsible bidder.

Contract Term: 12/01/23 through completion

Contract Value: \$1,780,800

Requester:

India Griffin, Director
Maintenance & Operations
Facilities Services Division

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

AWARD OF ADVERTISED CONSTRUCTION CONTRACTS

Item C

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Best Contracting Services, Inc.	2410011 / 4400012299	<u>South Gate MS</u> Roofing Board Member: <u>Jackie Goldberg</u>	<i>Bond Funds</i> (100%)	\$4,367,666

Ratification of formally competed contract selected from four (4) bids received to provide roofing as authorized on April 23, 2019 ([Board Report No. 323-18/19](#)).

The project will provide approximately 119,590 square feet of new roofing including new gutters, downspouts, installation of skylights and painting of affected areas. Pillar 4 is supported by this action.

The contractor has worked with the District since 1990.

Contract Term: 11/13/23 through completion

Contract Value: \$4,367,666

Requester:

India Griffin, Director
Maintenance & Operations
Facilities Services Division

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

AWARD OF ADVERTISED CONSTRUCTION CONTRACTS

Item D

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Reliable Floor Covering, Inc. (SBE)	2410022 / 4400012394	<u>Fairfax HS</u> Flooring Replacement Board Member: <u>Nick Melvoin</u>	<i>Bond Funds</i> (100%)	\$2,993,500

Ratification of formally competed contract selected from three (3) bids received to provide flooring replacement as authorized on April 23, 2019 ([Board Report No. 323-18/19](#)).

The project will replace approximately 117,530 square feet of deteriorated flooring sitewide. Pillar 4 is supported by this action.

The contractor has worked with the District since 1998.

Contract Term: 12/01/23 through completion

Contract Value: \$2,993,500

Requester:

India Griffin, Director
Maintenance & Operations
Facilities Services Division

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

JOB ORDER CONTRACT AMENDMENTS

Item E

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Thomasville Construction, Inc. (SBE)	2230005 / 4400010335 (2230005.04)	Districtwide Job Order Contract Amendment	<i>Bond Funds (100%)</i>	\$500,000*

Ratification of Job Order Contract Amendment to increase contract capacity of a formally competed contract to provide general contracting services Districtwide.

The contractor has worked with the District since 2015. These services provide operational effectiveness and modernize infrastructure. Pillar 4 is supported by this action.

Contract term including this amendment: 03/08/22 through 03/06/24. One (1) one-year option remaining.

Initial Contract Value:	\$ 500,000
Amendment No. 1	\$1,500,000
Amendment No. 2	\$0
	Terms Revised
	Option Year 1
Amendment No. 3	\$ 250,000
*Amendment No. 4	\$ 500,000
<i>(Executed Date: 11/16/23)</i>	

Aggregate Contract Value: \$2,750,000

Requester:

Greg Garcia, Director
Project Execution
Facilities Services Division

* *Current Ratification*

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

JOB ORDER CONTRACT AMENDMENTS

Item F

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Geronimo Concrete, Inc. (SBE)	2330006 / 4400011622 (2330006.01)	Districtwide Job Order Contract Amendment	<i>Bond Funds (100%)</i>	\$650,000*

Ratification of Job Order Contract Amendment to increase contract capacity of a formally competed contract to provide general contracting services Districtwide.

The contractor has worked with the District since 2005. These services provide operational effectiveness and modernize infrastructure. Pillar 4 is supported by this action.

Contract term including this amendment: 06/09/23 through 06/07/24.

Initial Contract Value:	\$ 350,000
*Amendment No. 1	\$ 650,000
<i>(Executed Date: 11/01/23)</i>	

Aggregate Contract Value: \$1,000,000

Requester:

Greg Garcia, Director
Project Execution
Facilities Services Division

* *Current Ratification*

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

Item G

B. APPROVAL OF CHANGE ORDERS

November 2023 = \$6,113,684

		<u>QUANTITY</u>	<u>AMOUNT</u>
	i. New Construction contract change orders that do not individually exceed 10 percent for November 2023 (Average Transaction: \$39,561; Median Transaction: \$9,762)	51	\$2,017,608
	ii. New Construction contract credit change orders for November 2023:	1	<\$49,386>
	iii. Existing Facilities contract change orders that do not individually exceed 15 percent for November 2023 (Average Transaction: \$14,446; Median Transaction: \$6,036):	307	\$4,435,061
	iv. Existing Facilities contract credit change orders for November 2023:	14	<\$289,599>
	v. Existing Facilities contract change orders that individually exceed 15 percent (but do not exceed 25 percent) for November 2023, requiring 75 percent approval by the Board:	0	\$0

C.	COMPLETION OF CONTRACTS – November 2023	13	\$4,972,779
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D.	AWARD OF INFORMAL CONTRACTS (Not Exceeding \$109,300)		
	A & B Letters for November 2023 (Average Transaction: \$51,514; Median Transaction: \$50,394)	28	\$1,442,401

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

AWARD OF ARCHITECTURAL AND ENGINEERING CONTRACTS

Item H

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Lehrer Architects LA, Inc. (SBE)	2420007/ 4400011108	<u>Dymally HS</u> Football Stadium Upgrade Project Board Member: <u>Tanya Ortiz Franklin</u>	<i>Bond Funds (100%)</i>	\$620,741

Ratification of design contract to provide architectural and engineering services procured via RFQ R-19012.

Architectural and engineering services for site investigation/preliminary planning, construction document, bid/proposal and award, and construction and closeout for the Dymally High School football stadium upgrade project as authorized on June 20, 2023 ([Board Report No. 127-22/23](#)).

The project includes, but is not limited to design and construction of two new permanent buildings located at the existing football stadium to provide home and visitor restrooms, concessions, ticket booths, and custodial/mechanical support spaces, new shot put area, fencing, and gates, and other associated upgrades, including landscape, hardscape, and infrastructure; demolition and removal of the existing shot put area; improvements to ensure compliance with local, state, and federal requirements including ADA, DSA, CEQA and DTSC.

Pillar 4 is supported by this action. These services provide operational effectiveness and modernize infrastructure.

Contract Term: 11/15/23 through closeout

Contract Value: \$620,741

Requester:

Aaron Bridgewater, Director
Asset Management
Facilities Services Division

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

AWARD OF ARCHITECTURAL AND ENGINEERING CONTRACTS

Item I

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
CO Architects	2420014/ 4400012141	<u>Fairfax HS</u> Major Modernization Project Board Member: <u>Nick Melvoin</u>	<i>Bond Funds (100%)</i>	\$432,645

Ratification of design contract to provide architectural and engineering services procured via RFQ R-13019.

Architectural and engineering services for site analysis phase and project criteria development phase in support of the design-build process for a major modernization project as authorized on June 13, 2023 ([Board Report No. 281-22/23](#)). The project includes but is not limited to construction of approximately five specialty classrooms and support spaces, new gymnasium, and new maintenance and operations building; demolition of the existing gymnasium, shop building, and maintenance and operations building; exterior painting of all remaining buildings to provide a uniform appearance; associated landscape, hardscape, parking improvements, and infrastructure upgrades including, but not limited to, sanitary sewer, water, storm water, and electrical utilities.

Pillar 4 is supported by this action. These services provide operational effectiveness and modernize infrastructure.

Contract Term: 09/27/23 through closeout

Contract Value: \$432,645

Requester:

Aaron Bridgewater, Director
Asset Management
Facilities Services Division

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

AWARD OF ARCHITECTURAL AND ENGINEERING CONTRACTS

Item J

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>AMOUNT</u>
Perkins Eastman Architects, DPC	2420020/ 4400012224	<u>Girls Academic Leadership Academy, Dr. Michelle King School for STEM</u> Campus Reconfiguration and Upgrade Project Board Member: <u>Dr. George J. McKenna III</u>	<i>Bond Funds (100%)</i>	\$652,941

Ratification of design contract to provide architectural and engineering services procured via RFQ R-13019.

Architectural and engineering services for site investigation/preliminary planning, construction document, bid/proposal and award, construction administration and closeout for campus reconfiguration and upgrade project as authorized on September 12, 2023 ([Board Report No. 037-23/24](#)). The project includes but is not limited to: deliver and permanently install approximately nine (9) classrooms, support spaces, and restrooms in relocatable buildings; demolition and removal of three (3) existing non-DSA certified relocatable classroom buildings; minor interior improvements at existing classrooms; installation of lockers to accommodate GALA students; associated landscape, hardscape, parking adjustments, security improvements, and infrastructure upgrades including, but not limited to, sanitary sewer, water, storm water, and electrical utilities; requirements from the Americans with Disabilities Act (ADA), Division of the State Architect (DSA), California Environmental Quality Act (CEQA), Department of Toxic Substances Control (DTSC), or other improvements to ensure compliance with local, state, and federal requirements.

Pillar 4 is supported by this action. These services provide operational effectiveness and modernize infrastructure.

Contract Term: 10/30/23 through closeout

Contract Value: \$652,941

Requester:

Aaron Bridgewater, Director
Asset Management
Facilities Services Division

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

AWARD OF PROFESSIONAL/TECHNICAL SERVICES AMENDMENTS

Item K

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>	<u>DESCRIPTION</u>	<u>SOURCE OF FUNDS</u>	<u>NOT-TO- EXCEED AMOUNT</u>
Chicago Title Company	1990006 / 4400007202	<u>Districtwide</u> Real Estate Title and Escrow Services	<i>Bond Funds (90%) General Funds (10%)</i>	\$40,000*

Ratification of amendment to increase contract capacity to provide real estate title and escrow services for on-going site evaluations and acquisition services selected via RFP R-19007 and approved April 23, 2019 ([Board Report No. 294-18/19](#)). The authority to increase or decrease individual amount for this formally competed contract will be limited to the total aggregate amount of \$250,000.00. The amount awarded will be based upon the needs of the Program.

Pillar 4 is supported by this action. These services provide operational effectiveness and modernize infrastructure.

Contract term including this amendment: 03/01/19 through 02/29/24, includes four (4) one-year renewal options

Original Contract Value:	\$210,000
*Additional Requested Value	\$ 40,000

Aggregate Contract Value: \$250,000

Requester:

Aaron Bridgewater, Director
Asset Management
Facilities Services Division

ATTACHMENT A

RATIFICATION OF CONTRACTS AWARDED UNDER DELEGATED AUTHORITY

**EXTRA SERVICES / AMENDMENTS FOR ARCHITECTURAL AND
ENGINEERING CONTRACTS****\$172,300****Item L**

CONTRACT NOS.	1620147/4400004891; 1620149/4400004866; 1720046/4400005910; 1820007/4400006097; 1820028/4400006234; 1820028/4400006234; 1820028/4400006234; 1820028/4400006234; 1820031/4400006280; 1920003/4400006934; 2020005/4400007945; 2120137/4400009424
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Extra services are for design work that is not covered under the original Agreement. October Extra Services are listed at the link provided.

These services provide operational effectiveness and modernize infrastructure. Pillar 4 is supported by this action.

[BOE 060 Extra Services](#)

ATTACHMENT B
APPROVAL OF CONTRACTS NOT UNDER DELEGATED AUTHORITY

A. AUTHORIZATION TO AWARD A GOODS & GENERAL SERVICES CONTRACT AMENDMENT **\$3,000,000**

Item M

<u>CONTRACTOR</u>	<u>IDENTIFICATION</u> <u>NO.</u>	<u>SOURCE OF</u> <u>FUNDS</u>	<u>AMOUNT</u>
Motorola Solutions, Inc.	2290014.01 / 4400010081	<i>Bond</i> <i>Funds</i> (100%)	\$3,000,000*

Authorization to increase contract capacity of a formally competed contract to provide public safety radio system including infrastructure equipment, software, and support services.

Pillar 4 is supported by this action.

Contract term including this amendment: 03/31/22 through 02/28/27

Original Value: \$20,601,700

*Additional Requested Value: \$ 3,000,000

NOT-TO-EXCEED AGGREGATE AMOUNT

\$23,601,700* (100% Bond Funds)

Requester:

Soheil Katal, Chief Information Officer
Information Technology Services

ATTACHMENT B
APPROVAL OF CONTRACTS NOT UNDER DELEGATED AUTHORITY

B. APPROVAL OF TECHNICAL SERVICES TASK ORDER CONTRACTS **\$6,000,000**
(PCC 20118.5-.9)

Item N

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>
Best Contracting Services, Inc.	2480028/4400012400
Danny Letner, Inc. (SBE)	2480029/4400012401

Authorization to award two (2) formally competed task order contracts to provide roofing and waterproofing repair and maintenance services Districtwide procured via IFB R-24014. The authority to increase or decrease individual amounts for these contracts will be limited to \$3,000,000 each. Pillar 4 is supported by this action.

Contract Term: 02/01/24 through 01/31/27 plus two (2) one-year renewal options

NOT-TO-EXCEED AGGREGATE AMOUNT
 \$6,000,000* (100% Restricted Maintenance Funds)

Requester:

India Griffin, Director
 Maintenance & Operations
 Facilities Services Division

ATTACHMENT B
APPROVAL OF CONTRACTS NOT UNDER DELEGATED AUTHORITY

C. APPROVAL OF TECHNICAL SERVICES TASK ORDER CONTRACTS **\$15,000,000**
(PCC 20118.5-.9)

Item O

<u>CONTRACTOR</u>	<u>IDENTIFICATION NO.</u>
Asbestos Instant Response, Inc. (SBE)	2480033/4400012372
ATI Restoration, LLC	2480034/4400012373
Eagle Contracting, Inc. (SBE)	2480035/4400012374
Karcher Environmental, Inc. (SBE)	2480036/4400012375
Tri Span, Inc. (SBE)	2480037/4400012376

Authorization to award five (5) formally competed task order contracts to provide asbestos abatement and lead remediation services Districtwide procured via IFB R-24001. The authority to increase or decrease individual amounts for these contracts will be limited to \$3,000,000 each. Pillar 4 is supported by this action.

Contract Term: 02/01/24 through 01/31/27, plus two (2) one-year renewal options

NOT-TO-EXCEED AGGREGATE AMOUNT

\$15,000,000* (100% Restricted Maintenance Funds)

Requester:

India Griffin, Director
Maintenance & Operations
Facilities Services Division

TAB 6



Board of Education Report

File #: Rep-151-23/24, **Version:** 1

Define and Approve the Angeles Mesa Elementary School Auditorium Ceiling Replacement Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein

January 23, 2024

Facilities Services Division

Action Proposed:

Define and approve the Angeles Mesa Elementary School Auditorium Ceiling Replacement Project (Project) and amend the Facilities Services Division (Facilities) Strategic Execution Plan (SEP) to incorporate therein. The total budget for the proposed Project is \$813,711.

Authorize the Chief Procurement Officer and/or the Chief Facilities Executive and/or their designee(s) to execute all instruments necessary, as legally permissible, to implement the proposed Project, including budget modifications and the purchase of equipment and materials.

Background:

Priorities for the expenditure of capital funding are evaluated to ensure the District's most pressing priorities are being addressed. More than 70 percent of Los Angeles Unified School District (Los Angeles Unified or District) school buildings were built more than 50 years ago, and more than \$50 billion of unfunded school facilities needs have been identified District-wide, and these needs grow every year. As the District's capital needs far exceed available funding, the most pressing unfunded critical needs will continue to be addressed based on an evaluation of known facilities conditions and needs at schools. Projects developed under this category of need, Critical Replacements and Upgrades of School Building/Site Systems and Components, will replace failing building systems that create safety concerns and are disruptive to school operations. Systems in the worst condition, especially those that pose a safety hazard and/or will negatively impact school operations and other building systems if not addressed, will be addressed first.

The proposed Project aligns with these priorities. This Project replaces the auditorium ceiling system attached to the existing wood framing including installing acoustical ceiling tiles, painting interior walls/finishes, and providing accessibility upgrades. Construction is anticipated to begin in the first quarter of 2024 and be completed in the third quarter of 2024.

Bond Oversight Committee Recommendations:

This item was considered by the School Construction Bond Citizens' Oversight Committee (BOC) at its meeting on January 11, 2024. Staff has concluded that this proposed Facilities SEP amendment is in alignment with BOC recommendations and will facilitate Los Angeles Unified's ability to successfully implement the Facilities SEP.

Expected Outcomes:

Staff anticipates that the Board of Education will adopt the proposed amendment to the Facilities SEP to define and approve the proposed Project to address critical replacement and upgrade needs. Approval will authorize staff to proceed with the implementation of the proposed Project to improve student health, safety, and

educational quality.

Board Options and Consequences:

Adoption of the proposed action will authorize staff to proceed with the expenditure of Bond Program funds to undertake the proposed Project in accordance with the provisions set forth in Los Angeles Unified local bond measures K, R, Y, Q, and RR. If the proposed action is not approved, Bond Program funds will not be expended, and critical replacement and upgrade needs will remain unaddressed.

Policy Implications:

The proposal is consistent with Los Angeles Unified's long-term goal to address unmet school facilities needs and significantly improve the conditions of aging and deteriorating school facilities as described in Los Angeles Unified local bond measures. The proposed action advances Los Angeles Unified's 2022-2026 Strategic Plan, Pillar 4 Operational Effectiveness, Modernizing Infrastructure by providing critical replacements and upgrades at schools.

Budget Impact:

The Project budget is \$813,711 and will be funded with Bond Program funds earmarked specifically for critical replacements and upgrades of school building/site systems and components.

The Project budget was prepared based on the current information known and assumptions about the proposed Project scope, site conditions, and market conditions. The Project budget will be reviewed as new information becomes known or unforeseen conditions arise and will be adjusted accordingly to enable the successful completion of the proposed Project.

Student Impact:

Approval of the proposed Project enables the District to continue ongoing efforts to undertake facilities improvements that help ensure the approximately 295 students attending Angeles Mesa Elementary School (Board District 1, Region West) are provided with a safe school environment that promotes teaching and learning.

Equity Impact:

Building components/systems in the worst condition, especially those that pose a safety hazard and/or negatively impact school operations and other building systems if not addressed, will be addressed first.

Issues and Analysis:

The auditorium's ceiling requires replacement due to water damage from rain. The roof has been repaired to ensure there is no further water intrusion and Regular, Routine & General Maintenance funds were used for the demolition of the existing ceiling. Design for the ceiling replacement is complete and under review with the Division of the State Architect which will allow construction to begin in the first quarter of 2024.

Attachments:

Exhibit A - BOC Resolution

Informatives:

None

Submitted:

11/29/23

RESPECTFULLY SUBMITTED,




ALBERTO M. CARVALHO
Superintendent

APPROVED BY:



PEDRO SALCIDO
Deputy Superintendent,
Business Services and Operations

REVIEWED BY:



DEVORA NAVERA REED
General Counsel

☒ Approved as to form.

APPROVED BY:



KRISZTINA TOKES
Chief Facilities Executive
Facilities Services Division

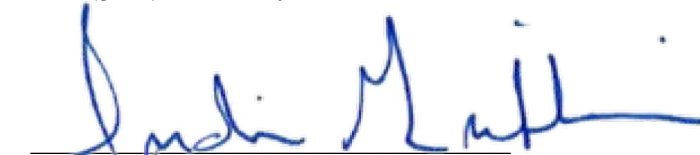
REVIEWED BY:



NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance

☒ Approved as to budget impact statement.

PRESENTED BY:



INDIA R. GRIFFIN
Director of Facilities Maintenance and Operations

LOS ANGELES UNIFIED SCHOOL DISTRICT**SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE****Margaret Fuentes, Chair**

LAUSD Student Parent

D. Michael Hamner, FAIA, Vice-Chair

American Institute of Architects

Dr. Samantha Rowles, Secretary

LAUSD Student Parent

Robert Campbell, Executive Committee

L.A. Co. Auditor-Controller's Office

Scott Pansky, Executive Committee

L.A. Area Chamber of Commerce

Neelura Bell

CA Charter School Association

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Tenth District PTSA

William O. Ross IV31st District PTSA**Santa Ramirez (Alternate)**

Tenth District PTSA

Connie Yee (Alternate)

L.A. Co. Auditor-Controller's Office

Vacant

AARP

Joseph P. Buchman – Legal Counsel

Burke, Williams & Sorensen, LLP

Lori Raineri and Keith Weaver – Oversight**Consultants**

Government Financial Services Joint

Powers Authority

Timothy Popejoy

Bond Oversight Administrator

Perla Zitle

Bond Oversight Coordinator

RESOLUTION 2024-01**BOARD REPORT 151-23/24****RECOMMENDING BOARD APPROVAL TO DEFINE AND APPROVE THE ANGELES MESA ELEMENTARY SCHOOL AUDITORIUM CEILING REPLACEMENT PROJECT AND AMEND THE FACILITIES SERVICES DIVISION STRATEGIC EXECUTION PLAN TO INCORPORATE THEREIN**

WHEREAS, District Staff proposes that the Board of Education (Board) define and approve the Angeles Mesa Elementary School Auditorium Ceiling Replacement Project with a budget of \$813,711 (the "Project") as described in Board Report 151-23/24 attached hereto, and amend the Facilities Services Division (Facilities) Strategic Execution Plan (SEP) to incorporate therein, and authorize the Chief Procurement Officer and/or the Chief Facilities Executive, and/or their designee(s), to execute all instruments necessary to implement the proposed Project; and

WHEREAS, Projects developed under the School Upgrade Program category of need, Critical Replacements and Upgrades of School Building/Site Systems and Components, replace failing building systems that create safety concerns and are disruptive to school operations; and

WHEREAS, This Project replaces the auditorium ceiling system attached to the existing wood framing including installing acoustical ceiling tiles, painting interior walls/finishes, and providing accessibility upgrades; and

WHEREAS, Construction is anticipated to begin in the first quarter of 2024 and be completed in the third quarter of 2024; and

WHEREAS, The proposed Project is consistent with the Los Angeles Unified School District (Los Angeles Unified or District)'s long-term goal to address unmet school facilities needs and significantly improve the conditions of aging and deteriorating school facilities as described in Los Angeles Unified local bond measures; and

RESOLUTION 2024-01**RECOMMENDING BOARD APPROVAL TO DEFINE AND APPROVE THE ANGELES MESA ELEMENTARY SCHOOL AUDITORIUM CEILING REPLACEMENT PROJECT AND AMEND THE FACILITIES SERVICES DIVISION STRATEGIC EXECUTION PLAN TO INCORPORATE THEREIN**

WHEREAS, District Staff has determined that the proposed Project is necessary to improve student health, safety, and educational quality; and

WHEREAS, the Board of Education's approval of the proposed Project will authorize District Staff to proceed with the expenditure of Bond Program funds to undertake the Project in accordance with the provisions set forth in Los Angeles Unified local bond measures K, R, Y, Q, and RR; and

WHEREAS, the District Office of General Counsel has reviewed the proposed Project and determined that it may proceed to the Bond Oversight Committee for its consideration for recommendation to the Board of Education.

WHEREAS, District staff has concluded that this proposed Facilities SEP amendment will facilitate Los Angeles Unified's ability to successfully complete the Facilities SEP.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School Construction Bond Citizens' Oversight Committee (BOC) recommends that the Board of Education define and approve the proposed Project with a budget of \$813,711, and amend the Facilities SEP to incorporate therein, as described in Board Report 151-23/24, a copy of which is attached hereto in the form it was presented to the BOC and is incorporated herein by reference.
2. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Oversight Committee's website.
3. The District is directed to track the above recommendation and to report on the adoption, rejection, or pending status of the recommendations as provided in section 6.2 of the Charter and Memorandum of Understanding between the Oversight Committee and the District.

ADOPTED on January 11, 2024, by the following vote:

AYES: 14

ABSTENTIONS: 0

NAYS: 0

ABSENCES: 0

/Margaret Fuentes/

Margaret Fuentes
Chair

/Michael Hamner/

D. Michael Hamner
Vice-Chair

TAB 7



Board of Education Report

File #: Rep-155-23/24, **Version:** 1

Define and Approve Six Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein

January 23, 2024

Facilities Services Division

Action Proposed:

Define and approve six Board District Priority (BDP) and Region Priority (RP) projects, as listed on Exhibit A, and amend the Facilities Services Division (Facilities) Strategic Execution Plan (SEP) to incorporate therein. The total budget for these proposed projects is \$790,630.

Authorize the Chief Procurement Officer and/or the Chief Facilities Executive and/or their designee(s) to execute all instruments necessary, as legally permissible, to implement the proposed projects, including budget modifications and the purchase of equipment and materials.

Background:

Projects are developed at the discretion of the Board Districts and/or Regions based upon an identified need. These projects are developed with support from Facilities Services Division staff and input from school administrators.

Project scopes, schedules, and budgets may vary depending on site conditions and needs. All projects must be capital in nature and adhere to bond language and laws.

Bond Oversight Committee Recommendations:

This item was considered by the School Construction Bond Citizens' Oversight Committee (BOC) at its meeting on January 11, 2024. Staff has concluded that this proposed Facilities SEP amendment is in alignment with BOC recommendations and will facilitate Los Angeles Unified's ability to successfully implement the Facilities SEP.

Expected Outcomes:

Execution of these proposed projects will help improve the learning environment for students, teachers, and staff.

Board Options and Consequences:

Adoption of the proposed action will allow staff to execute the projects listed on Exhibit A. Failure to approve this proposed action will delay the projects and ultimately the anticipated benefit to the school and its students.

Policy Implications:

The requested actions are consistent with the Board-Prioritized Facilities Programs for BDP and RP projects and the District's commitment to address unmet school facilities needs and provide students with a safe and healthy learning environment. The proposed action advances Los Angeles Unified's 2022-2026 Strategic Plan Pillar 4 Operational Effectiveness Modernizing Infrastructure by providing capital improvements at schools.

Budget Impact:

The total combined budget for the six proposed projects is \$790,630. Three projects are funded by Bond Program funds earmarked specifically for RP projects. Three projects are funded by Bond Program funds earmarked specifically for BDP projects.

Each project budget was prepared based on the current information known and assumptions about the proposed project scope, site conditions, and market conditions. Individual project budgets will be reviewed throughout the planning, design, and construction phases as new information becomes known or unforeseen conditions arise and will be adjusted accordingly to enable the successful completion of each proposed project.

Student Impact:

The proposed projects will upgrade, modernize, and/or improve school facilities to enhance the safety and educational quality of the learning environment to benefit approximately 3,650 students.

Equity Impact:

Board Districts and Regions consider a number of factors, including equity, when identifying the need for BDP and RP projects.

Issues and Analysis:

This report includes a number of time-sensitive, small to medium-sized projects that have been deemed critical by Board Districts and/or Regions and school administrators.

Attachments:

Exhibit A - Board District Priority and Region Priority Projects

Exhibit B - BOC Resolution

Informatives:

Not Applicable

Submitted:

11/30/23

RESPECTFULLY SUBMITTED,



ALBERTO M. CARVALHO
Superintendent

APPROVED BY:



PEDRO SALCIDO
Deputy Superintendent,
Business Services and Operations

REVIEWED BY:



DEVORA NAVERA REED
General Counsel

☒ Approved as to form.

APPROVED BY:



KRISZTINA TOKES
Chief Facilities Executive
Facilities Services Division

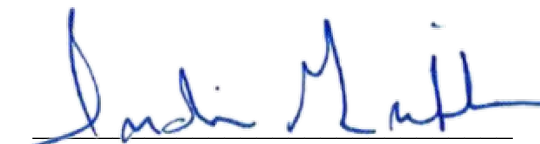
REVIEWED BY:



NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance

☒ Approved as to budget impact statement.

PRESENTED BY:



INDIA R. GRIFFIN
Director of Facilities Maintenance and Operations

EXHIBIT A

BOARD DISTRICT PRIORITY AND REGION PRIORITY PROJECTS

Item	Board District	Region	School	Project	Managed Program	Project Budget	Anticipated Construction Start	Anticipated Construction Completion
1	1	S	King ES**	Provide exterior lunch tables and benches	RP	\$ 52,629	Q1-2024	Q3-2024
2	1	S	Manhattan ES	Provide library furniture	RP	\$ 37,894	Q1-2024	Q3-2024
3	3	N	Blythe ES	Provide lunch tables	BDP	\$ 24,152	Q1-2024	Q3-2024
4	3	N	Carpenter Community Charter ES*	Upgrade video surveillance (CCTV) system	BDP	\$ 65,771	Q3-2024	Q4-2024
5	3	N	George Ellery Hale Charter Academy*	Auditorium lighting system upgrades	RP ¹	\$ 600,481	Q4-2024	Q1-2025
6	7	S	Dolores EEC	Provide interactive displays	BDP	\$ 9,703	Q1-2024	Q2-2024
TOTAL						\$ 790,630		

* LAUSD affiliated charter school

** LAUSD school with co-located charter(s)

¹ (George Ellery Hale Charter Academy) Although this is a Region North (RN) priority project, Board District 3 (BD3) will contribute \$150,000 towards this budget. The amount will be transferred from BD3's spending target to the RN spending target.

LOS ANGELES UNIFIED SCHOOL DISTRICT

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

Margaret Fuentes, Chair

LAUSD Student Parent

D. Michael Hamner, FAIA, Vice-Chair

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L.A. Co. Auditor-Controller's Office

Vacant

AARP

Joseph P. Buchman – Legal Counsel

Burke, Williams & Sorensen, LLP

Lori Raineri and Keith Weaver – Oversight**Consultants**

Government Financial Services Joint

Powers Authority

Timothy Popejoy

Bond Oversight Administrator

Perla Zitle

Bond Oversight Coordinator

RESOLUTION 2024-02

BOARD REPORT NO. 155-23/24

RECOMMENDING BOARD APPROVAL TO DEFINE AND APPROVE SIX BOARD DISTRICT PRIORITY AND REGION PRIORITY PROJECTS AND AMEND THE FACILITIES SERVICES DIVISION STRATEGIC EXECUTION PLAN TO INCORPORATE THEREIN

WHEREAS, District Staff proposes the Board of Education define and approve six Board District Priority and Region Priority Projects (as listed on Exhibit A of Board Report No. 155-23/24), amend the Facilities Services Division (Facilities) Strategic Execution Plan (SEP) to incorporate therein, and authorize the Chief Procurement Officer and/or the Chief Facilities Executive and/or their designee(s) to make any purchase associated with these proposed projects. The total combined budget for these proposed projects is \$790,630; and

WHEREAS, Projects are developed at the discretion of the Board Districts and/or Regions based upon an identified need with support from Facilities staff and input from school administrators; and

WHEREAS, District Staff has determined the proposed projects are consistent with the District's commitment to address unmet school facilities needs and provide students with a safe and healthy learning environment; and

WHEREAS, Funding for the six projects will come from Board District Priority Funds and Region Priority Funds; and

WHEREAS, the District Office of General Counsel has reviewed the proposed Project and determined that it may proceed to the Bond Oversight Committee for its consideration for recommendation to the Board of Education.

WHEREAS, District Staff has concluded this proposed Facilities SEP amendment will facilitate Los Angeles Unified's ability to successfully complete the Facilities SEP.

RESOLUTION 2024-02**RECOMMENDING BOARD APPROVAL TO DEFINE AND APPROVE SIX BOARD DISTRICT PRIORITY AND REGION PRIORITY PROJECTS AND AMEND THE FACILITIES SERVICES DIVISION STRATEGIC EXECUTION PLAN TO INCORPORATE THEREIN**

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School Construction Bond Citizens' Oversight Committee (BOC) recommends the Board of Education define and approve six Board District Priority and Region Priority Projects, with a combined budget of \$790,630, and amend the Facilities SEP to incorporate therein, as described in Board Report No. 155-23/24, a copy of which is attached hereto in the form it was presented to the BOC and is incorporated herein by reference.
2. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Oversight Committee's website.
3. The District is directed to track the above recommendation and to report on the adoption, rejection, or pending status of the recommendations as provided in section 6.2 of the Charter and Memorandum of Understanding between the Oversight Committee and the District.

ADOPTED on January 11, 2024, by the following vote:

AYES: 14

ABSTENTIONS: 0

NAYS: 0

ABSENCES: 0

/Margaret Fuentes/

Margaret Fuentes
Chair

/Michael Hamner/

D. Michael Hamner
Vice-Chair

TAB 8



Board of Education Report

File #: Rep-159-23/24, **Version:** 1

Report of Cash Disbursements

January 23, 2024

Accounting and Disbursements Division

Action Proposed:

1. Ratify cash disbursements totaling \$964,762,337.83 which were made against funds of the District from November 1, 2023, through November 30, 2023. These disbursements are within approved budgeted appropriations and were made in accordance with established Board policies.

a. "A" Warrants (Payroll) total of \$32,985,150.29.

Warrant Numbers:

3191724 - 3221170

3224523 - 3224537

b. Direct deposit payroll (Automated Clearing House -ACH) total of \$370,272,400.22

c. "B" Warrants (Accounts Payable) total of \$62,448,982.82

Warrant Numbers:

21296888 - 21297032 21321737 - 21321913

21299337 - 21299500 21324560 - 21324714

21301904 - 21302000 21327210 - 21327310

21303884 - 21304132 21329739 - 21329948

21306647 - 21306834 21332032 - 21332201

21309429 - 21309580 21335005 - 21335181

21313707 - 21313869 21337683 - 21338074

21316615 - 21316890 21340437 - 21340596

21319367 - 21319539 21342922 - 21343080

d. Accounts Payable ACH payments total of \$ 499,055,804.50.

Background:

This is a recurring monthly Board report for the Board to approve warrants or checks issued by the District for payroll and non-salary obligations that occur as part of school business.

Expected Outcomes:

The Board shall be approving routine District financial transactions.

Board Options and Consequences:

A YES vote ratifies the previously disbursed payments.

A NO vote would cause the cancellation of previously issued payments.

Policy Implications:

This Board report does not change any school policy.

Budget Impact:

This Board report approves financial transactions but does not change the budget authority.

Student Impact:

This Board report includes routine financial transaction, which support student achievement.

Equity Impact:

Not applicable. A routine transaction.

Issues and Analysis:

The Board shall be approving routine District financial transactions.

Attachments:

Not applicable

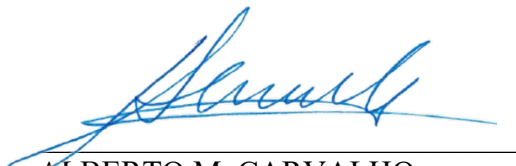
Informatives:

Not applicable

Submitted:

12/12/2023

RESPECTFULLY SUBMITTED,



ALBERTO M. CARVALHO
Superintendent

APPROVED & PRESENTED BY:



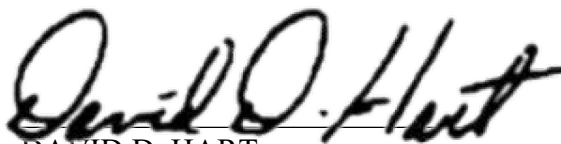
PEDRO SALCIDO
Deputy Superintendent,
Office of the Deputy Superintendent

REVIEWED BY:



DEVORA NAVERA REED
General Counsel

APPROVED & PRESENTED BY:



DAVID D. HART
Chief Business Officer
Office of the Chief Business Officer

✓ Approved as to form.

REVIEWED BY:



ROLBERTO DELGADILLO
Deputy Chief Business Officer, Finance

✓ Approved as to budget impact statement.

TAB 9



Board of Education Report

File #: Rep-160-23/24, **Version:** 1

Donations of Money to the District

January 23, 2024

Accounting and Disbursements Division

Action Proposed:

1. Approve the donation of money (District): It is recommended that the donations be accepted; that appreciation is expressed to the donors for their contribution by way of this report; the funds totaling \$620,639.22 be deposited; and the Controller be authorized to draw checks for the purposes indicated on the donation:

Date: 11/13/2023
Donor: Joan Glenna King
Donation: \$435,882.22
For use at: Bell Senior High School
Purpose: To provide funding for classroom materials, office supplies, technology, campus beautification, fieldtrips, and admissions, student incentives, staff appreciation, outdoor furniture, wellness center, and professional services contracts

Date: 11/15/2023
Donor: Anon Uchenna Nwosu Trust
Donation: \$80,000.00
For use at: Narbonne High School
Purpose: To provide funding for the Athletic Trainer position

Date: 11/29/2023
Donor: Palisades Enrichment Programs
Donation: \$104,757.00
For use at: Palisades Charter Elementary
Purpose: To provide funding for a Collaborative Strategic Reading teacher

Background:

The District receives donations from any individuals, foundations or organizations who desire to support its educational programs. Information such as donor name, amount or value, school or office receiving the donations and the purpose of the donation are presented in the board report for approval.

Expected Outcomes:

The Board shall be approving donations received.

File #: Rep-160-23/24, **Version:** 1

Board Options and Consequences:

A “YES” vote approves the donations of money made to the District.

A “NO” vote would cause the non-acceptance of cash donations made to the District.

Policy Implications:

This Board report does not change any school policy.

Budget Impact:

This Board report approves financial transactions but does not change the budget authority.

Student Impact:

This Board report highlights donations made to the District, which support its educational programs.

Equity Impact:

Not applicable. A routine transaction.

Issues and Analysis:

The Board shall be approving routine District financial transactions.

Attachments:

Not applicable

Informatives:

Not applicable

Submitted:

12/12/23

RESPECTFULLY SUBMITTED,


ALBERTO M. CARVALHO
Superintendent

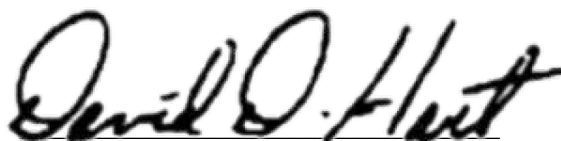
APPROVED & PRESENTED BY:


PEDRO SALCIDO
Deputy Superintendent,
Business Services & Operations

REVIEWED BY:


DEVORA NAVERA REED
General Counsel☒ Approved as to form.

APPROVED & PRESENTED BY:


DAVID D. HART
Chief Business Officer
Office of the Chief Business Officer

REVIEWED BY:


NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance☒ Approved as to budget impact statement.

TAB 10



Board of Education Report

File #: Rep-148-23/24, **Version:** 1

Approval of Routine Personnel Actions

January 23, 2024

Human Resources Division

Action Proposed:

Approve 3,045 routine personnel actions (including, but not limited to elections, promotions, transfers, leaves, terminations, separations, permits and approval of senior management contracts) according to the following breakdown:

Classified: 1,926
Certificated: 1,054
Unclassified: 65

It is proposed that the following routine personnel actions (including, but not limited to elections, promotions, transfers, leaves, terminations, separations, permits and senior management contracts) be approved.

SAP transaction numbers: 3537725 to 3727053

ROUTINE PERSONNEL ACTIONS

	Total (this report) (11/08/2023 to 12/05/2023)	Total (Year-to-date)
1. Classified	1,926	39,507
2. Certificated	1,054	51,878
3. Unclassified	<u>65</u>	<u>8,391</u>
TOTAL	3,045	99,776

BREAKDOWN OF ACTIONS:

Actions	Classified	Certificated	Unclassified	Total
Hires	494	199	44	737
Leaves/Paid	158	79	0	237
Leaves/Unpaid	7	13	0	20
Reassignments/Demotions	1	1	0	2
Reassignments/Promotions	53	58	0	111
Reassignments/Transfers	115	248	3	366

Actions	Classified	Certificated	Unclassified	Total
Retirements	26	5	0	31
Separations/Non-Resignations	101	40	2	143
Separations/Resignations	55	37	0	92
Other Actions*	916	374	16	1,306

*Other actions include absences, conversion codes from legacy, change of pay, and change of work schedule and benefits.

Background:

This report is presented at each Board Meeting for approval of routine personnel actions.

Expected Outcomes:

Not applicable

Board Options and Consequences:

Specifically in regard to disciplinary action, a no vote may nullify the disciplinary action due to legal time constraints. A no vote impacts the timeliness of processing personnel actions for classified and certificated employees regarding their assignment, salary/rate, transfer, and new appointment and may be in conflict with procedural rights and benefits afforded them under applicable Education Code provisions, Personnel Commission Rules, District Policy, and respective Collective Bargaining Agreements (UTLA, AALA, Teamsters, Los Angeles School Police Sergeants and Lieutenants Association). Employees have procedural rights that are based on their status (permanent or probationary) associated with the specific personnel action being submitted and the respective rights available to them in accordance with the above. Additionally, based on Personnel Commission Rules, permanent classified employees have rights to appeals.

Policy Implications:

Not applicable

Budget Impact:

Cost Neutral

Student Impact:

Not applicable

Equity Impact:

Not applicable

Issues and Analysis:

All actions affecting classified personnel and apprentice personnel reported herein are in accordance with Section 45123-45125, 45135, and 45240-45318 of the Education Code and with the Rules of the Personnel Commission.

File #: Rep-148-23/24, **Version:** 1

Attachments:

Attachment A: Administrative Regulations 4214

Attachment B: Number of Routine Personnel Actions

Attachment C: Routine Personnel Actions

Attachment D: Senior Management Contracts

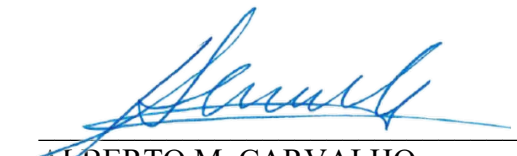
Informatives:

Not applicable

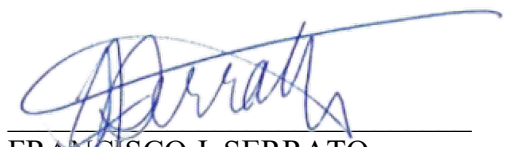
Submitted:

12/08/23

RESPECTFULLY SUBMITTED,


ALBERTO M. CARVALHO
Superintendent

APPROVED & PRESENTED BY:


FRANCISCO J. SERRATO
Interim Chief Human Resources Officer
Human Resources Division

REVIEWED BY:


DEVORA NAVERA REED
General Counsel☒ Approved as to form.

APPROVED BY:


PEDRO SALCIDO
Deputy Superintendent
Business Services & Operations

REVIEWED BY:


ROLBERTO DELGADILLO
Deputy Chief Business Officer, Finance☒ Approved as to budget impact statement.

CERTIFIED BY:


KARLA GOULD
Personnel Director
Personnel Commission

Los Angeles Unified School District
Human Resources Division

ATTACHMENT A

DATE: 12/6/23

ADMINISTRATIVE REGULATION: 4214 SAP Transaction #3537725-3727053

Each AR 4214 request has been reviewed and approved by a designee of the Superintendent.

TRANS#	NAME	FROM CLASS/LOCATION	TO CLASS	LOCATION
COMMENTS:				

NONE

Reasons For ESC Selection:

1. Special skills/special need (e.g. bilingual, school continuity, instructional expertise in literacy or math)
2. ESC recommends current limited acting incumbent
3. Reduction-in-Force (RIF)
4. Reassignment due to position closure/norm enrollment loss

LOS ANGELES UNIFIED SCHOOL DISTRICT
Personnel Commission

ATTACHMENT B

NUMBER OF ROUTINE PERSONNEL ACTIONS

This attachment addresses the total number of classified personnel actions (1,926) on the Board of Education Routine Personnel Actions Report for the January 23, 2024 meeting.

The following table represents a breakdown of the new hire, reassignment, and rehire actions for the January 23, 2024 board report for the period of November 8, 2023 to December 5, 2023.

Hire Data:

As presented in the attached table, the total number of classified hire and reassignment actions for the period of November 8, 2023 to December 5, 2023, is 1,171 of which 777 (66%) are rehires or reassignments, and 394 (34%) are new hires. With the exception of 93 assignments, all of the actions are for positions which are school-based or provide direct support to the schools or their operations.

All new hires to regular/permanent positions are for A, B, C, or E basis positions. The new hires consist of: .NET Developer, Accounting Technician II (2), Accounting Technician II (CPOS), Administrative Analyst, Associate Project Engineer I, Audiologic Resource Aide, Building and Grounds Worker (8), Bus Park Attendant (3), Carpenter, CTEIG-Linked Learning Coordinator, Deputy Chief Procurement Officer, Electrical Inspector, Engineering Aide, Food Service Worker (9), Heavy Bus Driver (4), Heavy Duty Bust-Truck Mechanic (2), Information Technology Support Assistant, Instructional Aide-Computer Lab, IT Customer Support Representative, IT Support Technician, Legal Secretary, Library Aide (7), Maintenance Worker (2), Office Technician (12), Police Officer (4), Senior Office Technician (3), Senior Paralegal, Student and Family Resources Navigator, Welder (2).

The following regular/permanent positions have been filled by promotional employees:

Administrative Secretary I, Area Bus Supervisor (3), Assistant Plant Manager I, Associate Computer Applications Specialist, Building and Grounds Worker, Continuation School Office Manager, Deputy Budget Director, Early Education Center Office Manager, Events Director, Financial Manager, Food Service Manager I, Head Accountant, Health Care Assistant (2), Heavy Bus Driver, Heavy Duty Bust-Truck Mechanic, IT Support Technician, Library Aide, Licensed Vocational Nurse, Maintenance Worker, Office Technician (2), Payroll Distribution Assistant (2), Plant Manager I (3), Plant Manager II, Police Officer, Principal Administrative Analyst, School Administrative Assistant (2), Senior Accounting Analyst, Senior Food Service Worker (2), Senior Office Technician (2), Senior Technical Project Manager, Special Education Assistant (13), Technical Specialist.

Hire Data of All Classified Employees								
From November 8, 2023 to December 5, 2023								
By New Hire, Reassignment, and Rehire								
Classification	Prov	Reg / Perm	Restr	Return Retiree	Subs	Temp 1GXX	Temp	Grand Total
NEW HIRE								
.NET Developer		1						1
Accounting Technician II		2						2
Accounting Technician II (CPOS)		1						1
Administrative Analyst		1						1
Administrative Intern I					1			1
Assignment Technician					1			1
Associate Project Engineer I		1						1
Athletics Assistant					25			25
Audiologic Resource Aide		1						1
Building and Grounds Worker		1			20			21
Bus Park Attendant		3						3
Campus Aide (Female/Restricted)			1					1
Campus Aide (Male/Restricted)			2					2
Campus Aide (Restricted)			29		1			30
Carpenter		1						1
Communication Support Assistant					1			1
Community Representative A and (Restricted)			2					2
Community Representative C and (Restricted)			13					13
CTEIG-Linked Learning Coordinator		1						1
Deaf and Hard of Hearing Instructional Aide					1			1
Deputy Chief Procurement Officer		1						1
Early Education Center Aide I & (Restricted)					35			35
Education Aide III & (Restricted)			3					3
Electrical Inspector		1						1
Engineering Aide		1						1
Food Service Worker		9			24			33
Gardener					1			1
Health Office Clerk					1			1
Heavy Bus Driver		4						4
Heavy Duty Bus-Truck Mechanic		2						2
Information Technology Support Assistant		1						1
Instructional Aide (Literacy) & (Restricted)			4					4
Instructional Aide (Transitional Kindergarten) & (Restricted)			33					33
Instructional Aide I & (Restricted)			10					10
Instructional Aide-Computer Lab		1						1
IT Customer Support Representative		1						1
IT Electronics Communications Technician					1			1
IT Support Technician		1						1
Legal Secretary		1						1
Library Aide		7						7

Hire Data of All Classified Employees								
From November 8, 2023 to December 5, 2023								
By New Hire, Reassignment, and Rehire								
Classification	Prov	Reg / Perm	Restr	Return Retiree	Subs	Temp 1GXX	Temp	Grand Total
Office Technician		12			3			15
Out-of-School Program Worker and (Restricted)						19		19
Police Officer		4						4
School Climate Advocate & (Restricted)			1					1
School Facilities Attendant (Restricted)					1			1
School Supervision Aide and (Restricted)			36		1	4		41
Senior Assignment Technician					1			1
Senior Office Technician		3						3
Senior Paralegal		1						1
Special Education Assistant					35			35
Special Education Trainee					14			14
Student and Family Resources Navigator		1						1
Student Integration Helper & (Restricted)			1					1
Toolkeeper	1							1
Welder		2						2
New Hire Total	1	68	135		167	23		394
REASSIGNMENT								
Accounting Analyst		1						1
Accounting Technician II		1						1
Administrative Secretary I		1						1
Administrative Staff Aide	2							2
Area Bus Supervisor		4					1	5
Assignment Technician	1							1
Assistant Area Bus Supervisor		3						3
Assistant Plant Manager I		2						2
Associate Computer Applications Specialist		1						1
Athletics Assistant					1			1
Building and Grounds Worker		30			15			45
Campus Aide (Male/Restricted)			1					1
Campus Aide (Restricted)		3	9				3	15
Class "A" Commercial Truck Driver		1						1
Community Representative C and (Restricted)			2					2
Complex Project Manager		2						2
Continuation School Office Manager		1					1	2
Counselor Aide		1						1
Credentials and Contract Specialist		1						1
Deputy Budget Director	1	1						2
Early Education Center Aide I & (Restricted)		3	26		7			36
Early Education Center Attendant		1						1
Early Education Center Office Manager		1						1

Hire Data of All Classified Employees								
From November 8, 2023 to December 5, 2023								
By New Hire, Reassignment, and Rehire								
Classification	Prov	Reg / Perm	Restr	Return Retiree	Subs	Temp 1GXX	Temp	Grand Total
Education Aide III & (Restricted)			2					2
Education Aide III (Spanish Language/Restricted)			1					1
Educational Resource Aide (Restricted)							3	3
Events Director		1						1
Financial Manager		1						1
Food Service Manager I	9	5					2	16
Food Service Manager II	6	5						11
Food Service Manager III	3							3
Food Service Manager IV	2							2
Food Service Manager V	1	2					1	4
Food Service Manager VI		1						1
Food Service Training Specialist		1						1
Food Service Worker		36			32			68
Food Service Worker II (Driving)	1							1
Gardener		1						1
Head Accountant		1						1
Health Care Assistant		7					2	9
Heavy Bus Driver		10						10
Heavy Duty Bus-Truck Mechanic		1						1
Human Resources Specialist III					1			1
Infant Care Aide and (Restricted)			2					2
Instructional Aide (Literacy) & (Restricted)		2	5				4	11
Instructional Aide (Math) & (Restricted)			2				2	4
Instructional Aide (Transitional Kindergarten) & (Restricted)			39				13	52
Instructional Aide I & (Restricted)			1					1
Instructional Aide-Computer Lab					1			1
Insurance Technician		1						1
Interpreter Aide (Spanish Language)		1						1
IT Operations Manager	1							1
IT Support Technician		4						4
Library Aide		1						1
Licensed Vocational Nurse		1						1
Light Bus Driver		1						1
Logistics Supervisor	1							1
Maintenance Worker		1						1
Office Technician		13			2		3	18
Out-of-School Program Coordinator	1							1
Out-of-School Program Supervisor and (Restricted)						3		3
Out-of-School Program Worker and (Restricted)						2		2
Parent Resource Liaison					1			1
Payroll Distribution Assistant		1						1
Plant Manager I		4					2	6

Hire Data of All Classified Employees								
From November 8, 2023 to December 5, 2023								
By New Hire, Reassignment, and Rehire								
Classification	Prov	Reg / Perm	Restr	Return Retiree	Subs	Temp 1GXX	Temp	Grand Total
Plant Manager II		3						3
Plant Manager III		4					1	5
Police Officer		1						1
Principal Administrative Analyst		1						1
Principal Human Resources Specialist	1							1
Program and Policy Development Coordinator	1							1
Relocatable Housing Coordinator	1							1
Return to Work Specialist	1							1
School Administrative Assistant		3					1	4
School Climate Advocate & (Restricted)			2				1	3
School Facilities Attendant (Restricted)		1						1
School Office Computer Coordinator (Adult)		1						1
School Supervision Aide and (Restricted)		1	6			1	2	10
Senior Accounting Analyst		1						1
Senior Financial Analyst	1							1
Senior Food Service Worker	4	30					1	35
Senior Human Resources Specialist							1	1
Senior Office Technician		4					3	7
Senior Resident Construction Engineer	1							1
Senior Technical Project Manager		1						1
Special Education Assistant		99		2	70		16	187
Special Education Assistant (Male)		1						1
Special Education Trainee					23			23
Student Integration Helper & (Restricted)			1					1
Technical Specialist		1						1
Transportation Router							3	3
Reassignment Total	31	404	150	2	195		91	873
Rehire								
Administrative Staff Aide					1			1
Athletics Assistant					5			5
Building and Grounds Worker		5			4			9
Campus Aide (Female/Restricted)			1					1
Campus Aide (Restricted)		1	2					3
Communication Support Assistant					2			2
Community Representative C and (Restricted)			2					2
Early Education Center Aide I & (Restricted)		1			14			15
Early Education Center Attendant		1						1
Education Aide III & (Restricted)			1					1
Food Service Worker		4			2			6
Instructional Aide (Literacy) & (Restricted)		1						1

Hire Data of All Classified Employees								
From November 8, 2023 to December 5, 2023								
By New Hire, Reassignment, and Rehire								
Classification	Prov	Reg / Perm	Restr	Return Retiree	Subs	Temp 1GXX	Temp	Grand Total
Instructional Aide (Transitional Kindergarten) & (Restricted)			10					10
Instructional Aide I & (Restricted)		1	4					5
IT Support Technician					1			1
Library Aide		1						1
Light Bus Driver		1						1
Office Technician		3						3
Parent Community Facilitator (MCD)		1						1
Parent Education Support Assistant (Spanish Language)		1						1
Plant Manager III		1						1
Police Officer		1						1
School Administrative Assistant					1			1
School Supervision Aide and (Restricted)		1	3					4
Senior Office Technician		1						1
Special Education Assistant		10			5			15
Special Education Trainee					5			5
Student and Family Resource Ambassador		2						2
Reassignment Total		37	23		40			100
Rehire								
Administrative Staff Aide					1			1
Athletics Assistant					5			5
Building and Grounds Worker		5			4			9
Campus Aide (Female/Restricted)			1					1
Campus Aide (Restricted)		1	2					3
Communication Support Assistant					2			2
Community Representative C and (Restricted)			2					2
Early Education Center Aide I & (Restricted)		1			14			15
Early Education Center Attendant		1						1
Education Aide III & (Restricted)			1					1
Food Service Worker		4			2			6
Instructional Aide (Literacy) & (Restricted)		1						1
Instructional Aide (Transitional Kindergarten) & (Restricted)			10					10
Instructional Aide I & (Restricted)		1	4					5
IT Support Technician					1			1
Library Aide		1						1
Light Bus Driver		1						1
Office Technician		3						3
Parent Community Facilitator (MCD)		1						1
Parent Education Support Assistant (Spanish Language)		1						1

Hire Data of All Classified Employees								
From November 8, 2023 to December 5, 2023								
By New Hire, Reassignment, and Rehire								
Classification	Prov	Reg / Perm	Restr	Return Retiree	Subs	Temp 1GXX	Temp	Grand Total
Plant Manager III		1						1
Police Officer		1						1
School Administrative Assistant					1			1
School Supervision Aide and (Restricted)		1	3					4
Senior Office Technician		1						1
Special Education Assistant		10			5			15
Special Education Trainee					5			5
Student and Family Resource Ambassador		2						2
Grand Total	40	417	257	2	360	29	66	1,171

Summary

Temporary and Substitute employees are often needed for short periods of time to assume responsibilities for regular employees when they are unavailable; they are not intended to replace regular employees for an extended period of time. Positions for several classifications, such as Education Aides and Instructional Aides, are typically filled by restricted status employees.

LOS ANGELES UNIFIED SCHOOL DISTRICT
Human Resources Division

ATTACHMENT C

ROUTINE PERSONNEL ACTIONS

The Human Resources Division reports 199 certificated new hires during the time period covered by this report and a summary list of hires appears below. The 199 certificated new hires serve at schools and programs throughout the District and are comprised of both former employees selected from rehire lists and newly employed certificated employees. Substitute teachers continue to be hired to ensure increased coverage capacity for teacher absences.

Assistant Principal, Elementary Instructional Specialist	1
Counselor, Pupil Services & Attendance	6
Counselor, Secondary School	2
Early Childhood Ed Teacher, Substitute	2
Elementary Teacher	10
Elementary Teacher, Day-to-Day Substitute	86
Psychiatric Social Worker	6
ROC/ROP Teacher	2
Secondary Teacher	16
Special Education Teacher, MMD	2
Special Education Teacher, RSP	2
Teacher Assistant-Degree Track	64

LOS ANGELES UNIFIED SCHOOL DISTRICT
Human Relations Division

ATTACHMENT D

ROUTINE PERSONNEL ACTIONS – SENIOR MANAGEMENT

Approval of contract of employment for senior management employees appointed by the Board of Education in closed session on December 12, 2023. See attached list.

LOS ANGELES UNIFIED SCHOOL DISTRICT
SENIOR MANAGEMENT CONTRACTS
DECEMBER 12, 2023

NAME	TITLE	SERVICE	START DATE	END DATE	SALARY	*STEP	AUTO/ALLOWANCE/ OTHER
Rebekah Salgado	Senior Director of Communications	Classified	1/24/2024	6/30/2025	\$202,963.32	3 of 5	\$250 per month
Drue Rutledge	Deputy Chief Risk Officer	Classified	1/24/2024	6/30/2025	\$190,766.64	4 of 5	\$250 per month

*Employees who are in classifications with steps and are not at top step are eligible for an increase during contract.

TAB 11



Board of Education Report

File #: Rep-149-23/24, **Version:** 1

Provisional Internship Permits

January 23, 2024

Human Resources Division

Action Proposed:

Approve request for 24 teachers to be employed under the Provisional Internship Permit pursuant to Title 5 California Code of Regulations, Section 80021.1.

Background:

The Provisional Internship Permit became effective on July 1, 2005 in anticipation of the phasing out of the former authorizing document. The Provisional Internship Permit is valid for one year and may not be renewed. During the first year of employment, the Provisional Intern teacher must meet all requirements for entrance into an accredited intern program.

The Los Angeles County Office of Education grants authority to the District to employ potential Provisional Interns on a Temporary County Certificate until such time that the Board of Education approves their employment under the Provisional Internship Permit. Commission on Teacher Credentialing (CTC) regulations require that the request to employ Provisional Interns be approved by the Board and submitted to the CTC within three months of the teachers beginning their assignment.

The CTC requires that the governing board be presented with a list of teachers to be employed under the Provisional Internship Permit (Attachment A). Additionally, the CTC requires that the approval of these Permits be an action item on the agenda and not part of the consent agenda.

Expected Outcomes:

The approval of Provisional Internship Permits will enable the District to continue to staff teacher vacancies in shortage subject fields with individuals committed to completing the requirements to enter into an intern program and subsequently earn a full credential.

Board Options and Consequences:

Approval of Provisional Internship Permits will afford the District the opportunity to hire new special education, multiple subject, mathematics, social science, biological science and physical education teachers who will be required to follow a prescribed and rigorous pathway that results in the earning of both full state and federal teacher certification.

If the Provisional Internship Permits are not approved, and a full-time teacher cannot be hired, classroom vacancies would be staffed by a series of individuals in possession of only Emergency 30-Day Substitute Teaching Permits. Day-to-day substitutes are not required to be enrolled in a teacher education program, and may only remain in a special education classroom for a maximum of twenty days, after which time they are deemed by the State as inappropriately assigned.

File #: Rep-149-23/24, **Version:** 1

Policy Implications:

This action does not change District policy.

Budget Impact:

There is no impact on the District's budget.

Student Impact:

The goal of Human Resources Division is to insure that there is an appropriately authorized teacher in every classroom. In areas of high need such as special education, multiple subject, mathematics, social science, biological science and physical education where there might be a teacher shortage, the District may approve the use of Provisional Internship Permits, which authorize a teacher candidate to step into the classroom as the teacher of record while they take the necessary steps to enroll in a credential program.

Equity Impact:

Not applicable

Issues and Analysis:

Not applicable

Attachments:

Attachment A - Teachers with Provisional Intern Permits

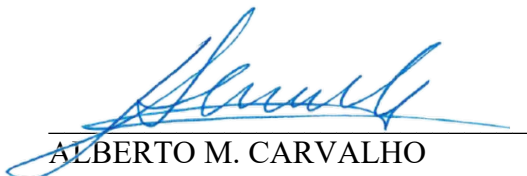
Informatives:

Not applicable

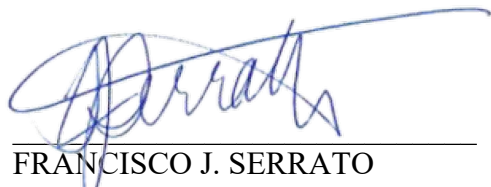
Submitted:

12/08/23


RESPECTFULLY SUBMITTED,


ALBERTO M. CARVALHO
Superintendent

APPROVED & PRESENTED BY:


FRANCISCO J. SERRATO
Interim Chief Human Resources Officer
Human Resources Division

REVIEWED BY:


DEVORA NAVERA REED
General Counsel☒ Approved as to form.

APPROVED & PRESENTED BY:


PEDRO SALCIDO
Deputy Superintendent
Business Services & Operations

REVIEWED BY:


NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance☒ Approved as to budget impact statement.

Teachers with Provisional
Intern Permits

Attachment A

No.	Name	School	Region	BD	Subject	Effective
1	Julia Lopez	Woodcrest EL	S	1	Multiple Subject	12/1/2023
2	Nemanja Bisenic	32nd Street USC Media Arts/Engineer Magnet	S	1	Mathematics	11/21/2023
3	Keven Jackson	Ramon C Cortines School of VPA	E	2	Biological Science	11/13/2023
4	Diana Zalapa	10th Street EL	E	2	Multiple Subject	12/6/2023
5	Poline Calkins	Castlebay Lane Charter	N	3	Multiple Subject	11/14/2023
6	Brian Nassau	Columbus MS	N	3	Mild/Moderate Support Needs and Extensive Support Needs	12/4/2023
7	Ricardo Corbera	Sylvan Park EL	N	3	Multiple Subject	11/2/2023
8	Alina Park	West Hollywood EL	W	4	Multiple Subject	11/15/2023
9	Claudia Galvez-Ruiz	Stanley Mosk EL	N	4	Multiple Subject	11/15/2023
10	Denisse McKinley	Broadway EL	W	4	Multiple Subject	12/1/2023
11	Mario De Leon Estrada	Irving MS MME Magnet	W	5	Mathematics	11/29/2023
12	Cynthia Delgado Rodriguez	William Jefferson Clinton MS	E	5	Multiple Subject	11/17/2023
13	Adrian Gomez	Elizabeth Learning Center	E	5	Social Science	11/2/2023
14	Alan Leon	Sylmar Charter HS	N	6	Mathematics	11/7/2023
15	Amanda Ferguson	James Madison MS	N	6	Multiple Subject	11/29/2023
16	Diana Barrios	Roy Romer MS	N	6	Mild/Moderate Support Needs and Extensive Support Needs	11/15/2023
17	Lucia Hernandez	Apperson EL	N	6	Mild/Moderate Support Needs and Extensive Support Needs	11/9/2023
18	Gabriel Cerna	Polytechnic SH	N	6	Physcial Education	12/1/2023

Teachers with Provisional
Intern Permits

Attachment A

No.	Name	School	Region	BD	Subject	Effective
19	Kimberly Baggelaar	Olive Vista MS	N	6	Multiple Subject	12/6/2023
20	Hailee Corbin	Vista MS Gifted STEAM Magnet	N	6	Mathematics	11/7/2023
21	Quentin Collier	Mc Kinley Ave EL	S	7	Multiple Subject	11/29/2023
22	Cindy Gutierrez	Normont EL	S	7	Multiple Subject	11/13/2023
23	Gabriela Hernandez	Benjamin Banneker CTC	S	7	Mild/Moderate Support Needs and Extensive Support Needs	11/9/2023
24	Gricelda Gutierrez Acevedo	Los Angeles Academy MS	E	7	Mild/Moderate Support Needs and Extensive Support Needs	11/8/2023

TAB 12



Board of Education Report

File #: Rep-118-23/24, **Version:** 1

Amendment to the Information Technology Services Strategic Execution Plan to Approve the School Network Systems Upgrade, Phase 2 Project

January 23, 2024

Information Technology Services

Action Proposed:

Approve amendment of the Information Technology Services (ITS) Strategic Execution Plan (SEP) to approve the definition, allocate funds, and take the associated actions for the School Network Systems Upgrade, Phase 2 project, as described in Attachments A, B, C, and D1-6.

The proposed actions are as follows:

- Move \$60,329,626 from the "Upgrade and Equip with 21st Century Technology" SUP category of need to the "Technology Infrastructure and System Upgrades" SUP category of need.
- Redirect \$13,604,405 in cost savings from completed projects.
- Allocate a total of \$382,487,934 of bond funds to complete the School Network Systems Upgrade, Phase 2 project.
- Approve filing of E-rate applications for School Network Systems Upgrade, Phase 2 project schools for network equipment upgrades and related services.
- Approve execution of the School Network Systems Upgrade, Phase 2 project.

Background:

On August 24, 2021, the Board of Education approved the update to the SUP to integrate Measure RR funding and priorities (Brd. Rpt. 027-21/22, dated August 24, 2021), the next phase of the District's Bond Program, which will modernize, build, and repair school facilities to improve student health, safety and educational quality. The Board's action approved the overarching goals and principles, funding sources, specific categories of need, and spending targets for the SUP. As proposed projects are developed, they are submitted to the Bond Oversight Committee (BOC) for consideration and the Board of Education for approval.

The SUP includes a spending target to address "Technology Infrastructure and System Upgrades." The intended outcome of the proposed project to be executed within this spending target is:

- School Network Systems Upgrade, Phase 2: This project will upgrade the network and telecommunications system infrastructure at 349 K-12 school sites by replacing obsolete, end-of-life, and/or failing fiber optic cable, local area network (LAN), wireless local area network (WLAN), private branch exchange (PBX) equipment and telephones, and public address (PA) equipment. Older technologies, such as PBX and PA, will be replaced with new, Internet Protocol-based equipment and integrated with each school's network. \$382,487,934 Bond Funds (100%). Anticipated completion June 2028. If approved, ITS will provide quarterly updates on the project.

Bond Oversight Committee Recommendations:

The School Construction Bond Citizens' Oversight Committee (BOC), at its January 11, 2024, meeting, considered this item. Staff has concluded that this proposed SEP Amendment will facilitate the implementation of the ITS SEP, and therefore it will not adversely affect the District's ability to successfully complete the ITS SEP.

Expected Outcomes:

Staff anticipates that the Board will amend the ITS SEP to define the new project described herein and allocate \$382,487,934 of Bond Program funding. This project will enable the District to provide stable school site network services, including local area network, wireless local area network, public address and phone systems, at 349 schools. These systems are required for teaching, learning and daily operations.

Furthermore, this project directly contributes to the achievement of the 2022-2026 Los Angeles Unified School District Strategic Plan goals of providing high-quality instruction, eliminating opportunity gaps, and developing college and career readiness (Pillar 1: Academic Excellence); creating welcoming learning environments (Pillar 2: Joy and Wellness); building strong relationships (Pillar 3: Engagement & Collaboration); and modernizing infrastructure (Pillar 4: Operational Efficiency).

Board Options and Consequences:

Failure or delay of approval will postpone the execution and/or implementation of the proposed project and the associated benefits to the schools and students.

Policy Implications:

This action is consistent with the District's long-term goal to address unmet school needs as described in Proposition BB and Measures K, R, Y, Q, and RR.

Budget Impact:

The proposed project has a total budget of \$382,487,934, all of which will come from Bond Program funding. The bond funds will be allocated from the "Technology Infrastructure and System Upgrades" SUP category of need. Upon completion of the project, no new funds will be needed to maintain the new systems deployed.

Student Impact:

The proposed project has the following outcomes and benefits that impact students:

- Improve speeds for streaming instructional content, utilizing applications such as Zoom, and accessing / downloading i.e., digital textbook content from the District's learning management system.
- Improve access to online content and provide a safer connection for increased security to enhance online and remote learning instruction.
- Improve safety and emergency communications throughout the schools and classrooms.
- Allow teachers, support staff, and administrators to connect with parents and other school stakeholders more easily and reliably.

File #: Rep-118-23/24, Version: 1

Equity Impact:

Component	Score	Score Rationale
Recognition	4	The Technology Condition Assessment was conducted in 2023 to identify schools' technologies' conditions, including systems' ages, systems' failures, and the useful life of systems. Additional factors, such as SENI Index and IStar data, were also considered in prioritizing the order of schools to be upgraded under the School Network Systems Upgrade, Phase 2 project.
Resource Prioritization	4	This program utilizes District resources to meet student needs. Internet access and sufficient bandwidth is vital to delivery of learning programs to students on campus (fiber optic cabling, local area network and wireless local area network). This is important to closing the opportunity gap for students most in need. Furthermore, upgrade of communication systems on school sites is vital to ensuring student safety on campus (public address and telephone).
Results	4	This program directly contributes to eliminating opportunity gaps at District schools. Furthermore, this program contributes to other pillars and priorities of the 2022-2026 LAUSD Strategic Plan, including: High-Quality Instruction and College and Career Readiness (Pillar 1: Academic Excellence), Welcoming Learning Environments (Pillar 2: Joy and Wellness), Strong Relationships (Pillar 3: Engagement and Collaboration), and Modernize Infrastructure (Pillar 4: Operational Efficiency).
TOTAL	12	

Issues and Analysis:

The School Network Systems Upgrade, Phase 2 project upgrades are critical to (1) providing the systems and upgrades needed to support the increased use of online teaching and learning tools that support student learning and (2) take advantage of Internet Protocol (IP)-based communications systems to support school communications and safety. Ensuring the District is equipped to satisfy these demands has become even more critical as students now have access to a District computing device 24 hours a day, seven days a week.

District schools' current telephone and public address / intercommunications systems are 15-20+ years old and most of the existing telecommunications cabling infrastructure is 15-30+ years old. Systems have reached the end of their useful lives and must be upgraded now to ensure availability at District school sites.

Attachments:

Attachment A - Project Definition

Attachment B - Bond Oversight Committee Resolution

Attachment C - Presentation Slide Deck

Attachment D1-D6 - Implementation Schedules by Site and Board District

Previously adopted Board report(s) referenced:

- In the background [Brd. Rpt. 027-21/22](#)
https://drive.google.com/file/d/1zFCTkt0vcebc2R7IQM_bPi64HQMLSWBQ/view?usp=sharing,
dated: August 24, 2021.

File #: Rep-118-23/24, **Version:** 1

Informatives:

None

Submitted:

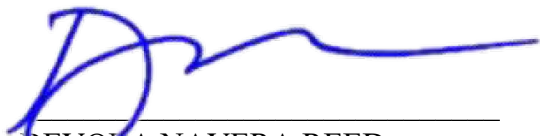
12/1/23

RESPECTFULLY SUBMITTED,

ALBERTO CARVALHO
Superintendent

APPROVED BY:

PEDRO SALCIDO
Deputy Superintendent
Business Services & Operations

REVIEWED BY:

DEVORA NAVERA REED
General Counsel

☒ Approved as to form.

APPROVED & PRESENTED BY:

SOHEIL KATAL
Chief Information Officer
Information Technology Services

REVIEWED BY:

NORBERTO DELGADILLO
Deputy Chief Business Officer, Finance
Office of the Chief Business Officer

☒ Approved as to budget impact statement.

Program: Safety, Communications, and Security
Project: School Network Systems Upgrade Project, Phase 2 (349 Sites)
Budget: \$382,487,934 (100% Bond)

Introduction

Critical updates to high-speed fiber network systems and equipment, wired local area network (LAN), wireless local area network (WLAN), telephone, and public address (PA) are required at 1,094 K-12 Los Angeles Unified schools located on 611 sites, serving 366,225 students. The School Network Systems Upgrade, Phase 2 (349 Sites) project will upgrade systems and equipment at 349 of the 611 sites (or 613 of the 1,094 schools) requiring updates, benefiting 204,844 students. Phase 1 was approved by the Board of Education in November 2021 and is currently underway, updating 262 sites (481 schools).

School Network Systems Upgrade Program			
	Sites	Schools	Students Served
Phase 1	262	481	161,381
Phase 2	349	613	204,844
Total	611	1,094	366,225
Note: multiple schools may reside on a single site			

The School Network Systems upgrades are critical to (1) providing the systems and upgrades needed to support the increased use of online teaching and learning tools that support student learning and (2) taking advantage of Internet Protocol (IP)-based communications systems to support school communications and safety. Ensuring the District is equipped to satisfy these demands has become even more critical as LAUSD has become, in an extraordinarily short period of time, a school district where students have been provided access to a District computing device for both onsite and offsite learning.

Phase 2 will upgrade systems and equipment to facilitate meeting and supporting this increased demand for speedy, efficient, and reliable communications and network systems.

Telecommunications services are essential to instruction, operation, and safety on school campuses. The District's Information Technology Services (ITS) continuously explores advancements in technologies and telephone and public address systems to provide reliable and cost-effective voice services at schools and offices.

The Los Angeles Unified schools' current telephone and public address / intercommunications systems are 15-20+ years old and most of the existing telecommunications cabling infrastructure is 15-30+ years old.

Scope

The School Network Systems Upgrade Program will upgrade the network and telecommunications system infrastructure at K-12 school sites. This project will replace and modernize obsolete, end-of-life, and/or failing fiber optic cable, local area network (LAN), wireless local area network (WLAN), private branch exchange (PBX) equipment and telephones, and public address (PA) equipment.

The project scope includes the following:

- Replace aging fiber optic cable with 10 Gb, laser-optimized fiber optic cable, thereby significantly improving network performance.
- Replace obsolete, end of life, or failing LAN and WLAN network equipment to improve reliability and availability of critical communications in offices, classrooms, and the outside perimeter of the school.
- Replace PBX equipment with new Voice over Internet Protocol (VoIP) equipment and integrate equipment with each school's data network equipment and cabling.
- Replace PBX phones with VoIP telephony in offices, classrooms, and administrative support areas.
- Replace obsolete, end of life, and failing PA equipment with Internet Protocol (IP) public address equipment and interfaced equipment with existing District systems as required.
- Replace aging network routers with new routers.
- Replace HVAC control systems in MDF rooms to provide continuous cooling for critical network and telephony equipment.

Expected Outcomes

Expected project outcomes include:

- Improved speeds for streaming instructional content, utilizing applications, such as Zoom, and accessing/downloading, i.e. digital textbook content from the District's Learning Management System, through upgrade of the Local Area Network and Fiber Optic cabling.
- Enhanced learning and teaching opportunities for students and educators by improving connectivity to the schools' wireless network.
- Reliable voice communications services for 349 K-12 school sites to meet daily and emergency communication needs/allow teachers, support staff, and

administrators to connect with parents and other school stakeholders more easily and reliably.

- Improved reliability and quality of school telephone services.
- Enhanced monitoring of equipment and reduced phone failures.
- Improved communications, and reliability and availability of classroom notifications, throughout schools and classrooms.
- Improved operational efficiencies.
- Reduced service and support costs.
- Directly contributes to achievement of LAUSD 2022-2026 Strategic Plan goals of providing high-quality instruction, eliminating opportunity Gaps and developing college and career readiness (Pillar 1: Academic Excellence), create Welcoming Learning Environments (Pillar 2: Joy and Wellness), build Strong Relationships (Pillar 3: Engagement & Collaboration), and Modernize Infrastructure (Pillar 4: Operational Efficiency).

Schedule

Estimated completion is September 30, 2028. Schedule and budget information is provided in Attachments D1 - D6.

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

Margaret Fuentes, Chair

LAUSD Student Parent

D. Michael Hamner, FAIA, Vice-Chair

American Institute of Architects

Dr. Samantha Rowles, Secretary

LAUSD Student Parent

Robert Campbell, Executive Committee

L.A. Co. Auditor-Controller's Office

Scott Pansky, Executive Committee

L.A. Area Chamber of Commerce

Neelura Bell

CA Charter School Association

Chad Boggio

L.A. Co. Federation of Labor AFL-CIO

Jeffrey Fischbach

CA Tax Reform Assn.

Aleigh Lewis

L.A. City Controller's Office

Patrick MacFarlane

Early Education Coalition

Jennifer McDowell

L.A. City Mayor's Office

Brian Mello

Assoc. General Contractors of CA

Dr. Clarence Monteclaro

Tenth District PTSA

William O. Ross IV31st District PTSA**Santa Ramirez (Alternate)**

Tenth District PTSA

Connie Yee (Alternate)

L.A. Co. Auditor-Controller's Office

Vacant

AARP

Joseph P. Buchman – Legal Counsel

Burke, Williams & Sorensen, LLP

Lori Raineri and Keith Weaver – Oversight**Consultants**

Government Financial Services Joint

Powers Authority

Timothy Popejoy

Bond Oversight Administrator

Perla Zitle

Bond Oversight Coordinator

RESOLUTION 2023-39**BOARD REPORT 118-23/24****RECOMMENDING BOARD APPROVAL FOR THE AMENDMENT OF THE INFORMATION TECHNOLOGY SERVICES STRATEGIC EXECUTION PLAN TO APPROVE THE SCHOOL NETWORK SYSTEMS UPGRADE, PHASE 2**

WHEREAS, District Staff proposes that the Board of Education amend the Information Technology Services (ITS) Strategic Execution Plan (SEP) to approve the definition, allocate funds, and take the associated actions for the School Network Systems Upgrade, Phase 2 project, as described in Attachments A, B, C, and D1-6; and

WHEREAS, District Staff proposes the following actions:

- Move \$60,329,626 from the "Upgrade and Equip with 21st Century Technology" SUP category of need to the "Technology Infrastructure and System Upgrades" SUP category of need.
- Redirect \$13,604,405 in cost savings from completed projects.
- Allocate a total of \$382,487,934 of bond funds to complete the School Network Systems Upgrade, Phase 2 project.
- Approve filing of E-rate applications for School Network Systems Upgrade, Phase 2 project schools for network equipment upgrades and related services.
- Approve execution of the School Network Systems Upgrade, Phase 2 project; and

WHEREAS, On August 24, 2021, the Board of Education approved the update to the SUP to integrate Measure RR funding and priorities (Brd. Rpt. 027-21/22), the next phase of the District's Bond Program, which will modernize, build, and repair school facilities to improve student health, safety and educational quality. The Board's action approved the overarching goals and principles, funding sources, specific categories of need, and spending targets for the SUP. As proposed projects are developed, they are submitted to the Bond Oversight Committee (BOC) for consideration and the Board of Education for approval; and

WHEREAS, The SUP includes spending targets to address "Technology Infrastructure and System Upgrades." The intended outcome of the proposed project to be executed within this spending targets is:

RECOMMENDING BOARD APPROVAL FOR THE AMENDMENT OF THE INFORMATION TECHNOLOGY SERVICES STRATEGIC EXECUTION PLAN TO APPROVE THE SCHOOL NETWORK SYSTEMS UPGRADE, PHASE 2

- School Network Systems Upgrade, Phase 2: This project will upgrade the network and telecommunications system infrastructure at 349 K-12 school sites by replacing obsolete, end-of-life, and/or failing fiber optic cable, local area network (LAN), wireless local area network (WLAN), private branch exchange (PBX) equipment and telephones, and public address (PA) equipment. \$382,487,934 Bond Funds (100%)

If approved, ITS will provide quarterly updates on the project; and

WHEREAS, District Staff anticipates that the Board will amend the ITS SEP to define the new project described herein and allocate \$382,487,934 of Bond Program funding. This project directly contributes to the achievement of the 2022-2026 Los Angeles Unified School District Strategic Plan goals of providing high-quality instruction, eliminate opportunity gaps, and developing college and career readiness (Pillar 1: Academic Excellence); creating welcoming learning environments (Pillar 2: Joy and Wellness); building strong relationships (Pillar 3: Engagement & Collaboration), and modernizing infrastructure (Pillar 4: Operational Efficiency); and

WHEREAS, the District Office of General Counsel has reviewed the proposed Project and determined that it may proceed to the Bond Oversight Committee for its consideration for recommendation to the Board of Education.

WHEREAS, District Staff has concluded this proposed ITS SEP amendment will facilitate Los Angeles Unified's ability to successfully complete the ITS SEP.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School Construction Citizens' Bond Oversight Committee recommends that the Board of Education adopt the amendment of the Information Technology Services Strategic Execution Plan to approve the IT Infrastructure to Support Learning Program listed above as described in Board Report 118-23/24, a copy of which is attached hereto in the form it was presented to the BOC and is incorporated herein by reference.
2. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Bond Oversight Committee's website.
3. The District is directed to track the above recommendation and to report on the adoption, rejection, or pending status of the recommendations as provided in section 6.2 of the Charter and Memorandum of Understanding between the Bond Oversight Committee and the District.

ADOPTED on January 11, 2024, by the following vote:

AYES: 13

ABSTENTIONS: 0

NAYS: 0

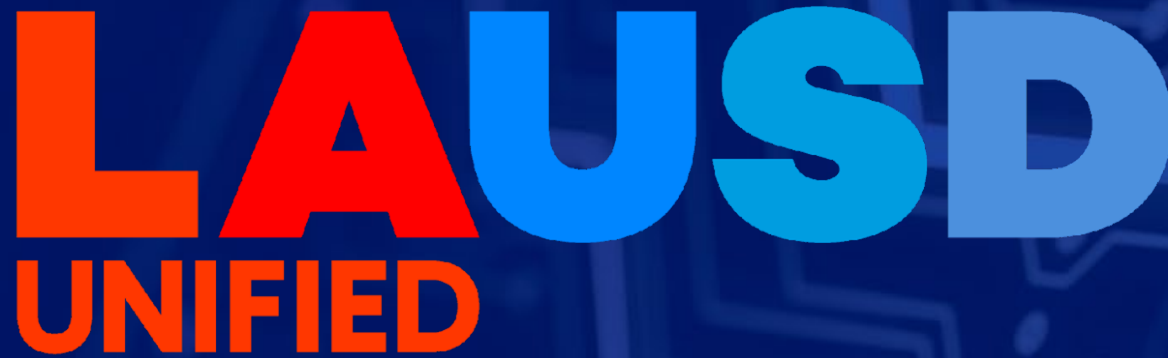
ABSENCES: 1

/Margaret Fuentes/

Margaret Fuentes
Chair

/Michael Hamner/

D. Michael Hamner
Vice-Chair



**Amendment to the ITS Strategic Execution
Plan to Approve the IT Infrastructure to
Support Learning Program**

Soheil Katal, Chief Information Officer
Dr. Frances Baez, Chief Academic Officer
January 23, 2024

Proposed Projects (slides 3 through 9)

As devices and online content become more and more essential to student learning and embedded in everyday life, the District's IT Infrastructure must be modernized to support this new learning paradigm

Proposed Projects (Slides 10 through 35)

1. Network Infrastructure Modernization (BOE #134-23/24) – Slides 11-18
2. School Network Systems Upgrade, Phase 2 (BOE # 118-23/24)– Slides 19-29
3. Intelligent School Network Controls (BOE #135-23/24)– Slides 30-35

Recommendation (Slide 36)

THE EXPERTS BELIEVE INSTRUCTIONAL TECHNOLOGY HAS THE CATALYTIC POWER TO TRANSFORM EDUCATION

U.S. Department of Education, Office of Education Technology:

Technology can be a powerful tool for transforming learning. It can help affirm and advance relationships between educators and students, reinvent our approaches to learning and collaboration, shrink long-standing equity and accessibility gaps, and adapt learning experiences to meet the needs of all learners

[Link: National Education Technology Plan Update](#)

&

Recommends building a robust technology infrastructure as a tool for equity

[Link: Building Robust Infrastructure as a Tool for Equity | by Office of Ed Tech | Medium](#)

Consortium for School Network:

Student access to robust digital tools is key to their success as 21st-century citizens.

Institute for Digital Transformation:

Identifies lack of IT infrastructure capable of enabling digital learning platforms as a top barrier to Digital Transformation

[Digital Strategy in Education \(institutefordigitaltransformation.org\)](https://institutefordigitaltransformation.org/)

STUDENTS USE LEARNING DEVICES TO ACCESS:



Learning Management System – Schoology



California Standardized Tests



Email and Collaboration Tools



E-curriculum



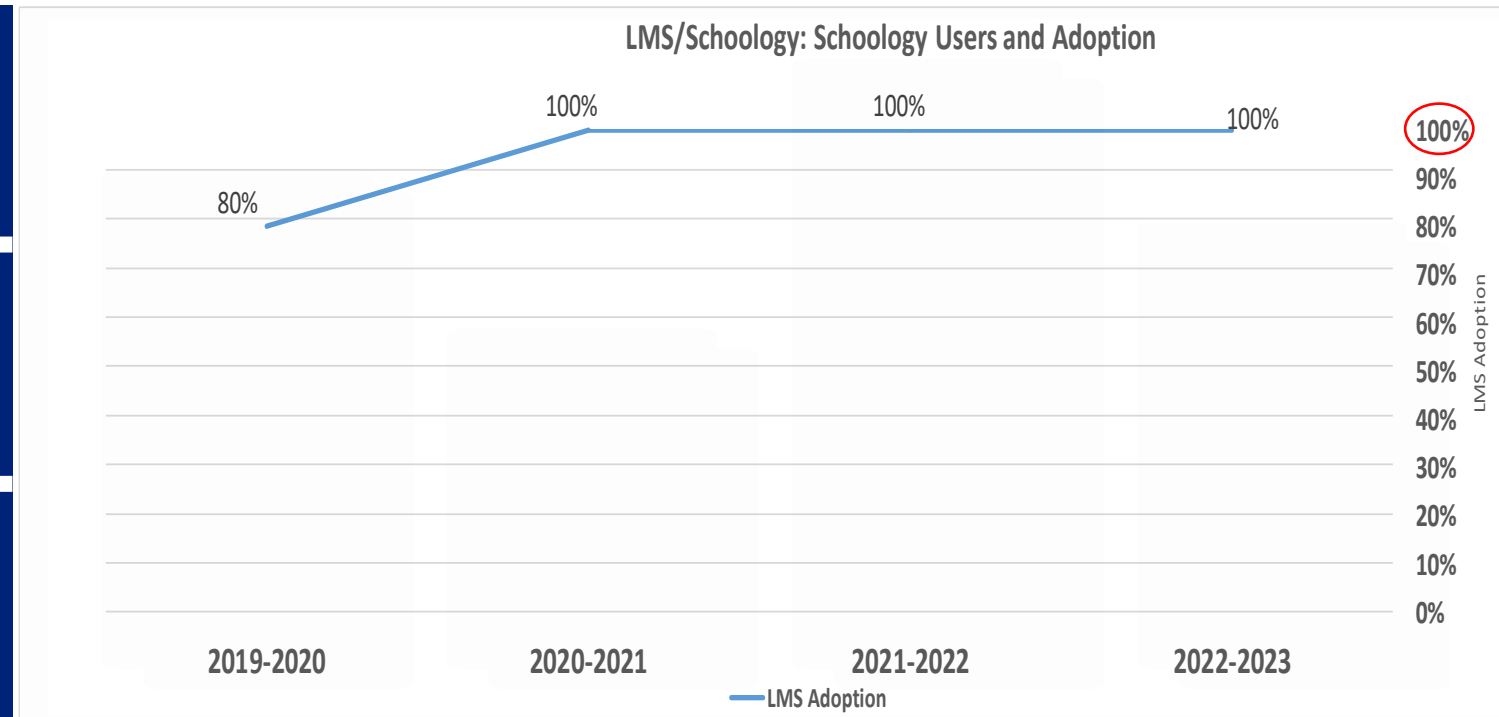
Credit recovery and online opportunities via Edgenuity



Video Conferencing

THE GROWTH IN ONLINE EDUCATION CONTENT: LEARNING MANAGEMENT SYSTEM (LMS) USAGE

- The LMS is a portal to student learning and engagement
- First introduced in 2016, the LMS was fully adopted by all District students by 2020-2021
- Teachers, Support staff, parents and others also utilize the LMS



INTERNET BANDWIDTH USAGE TRENDS & CAPACITY GROWTH FORECASTS

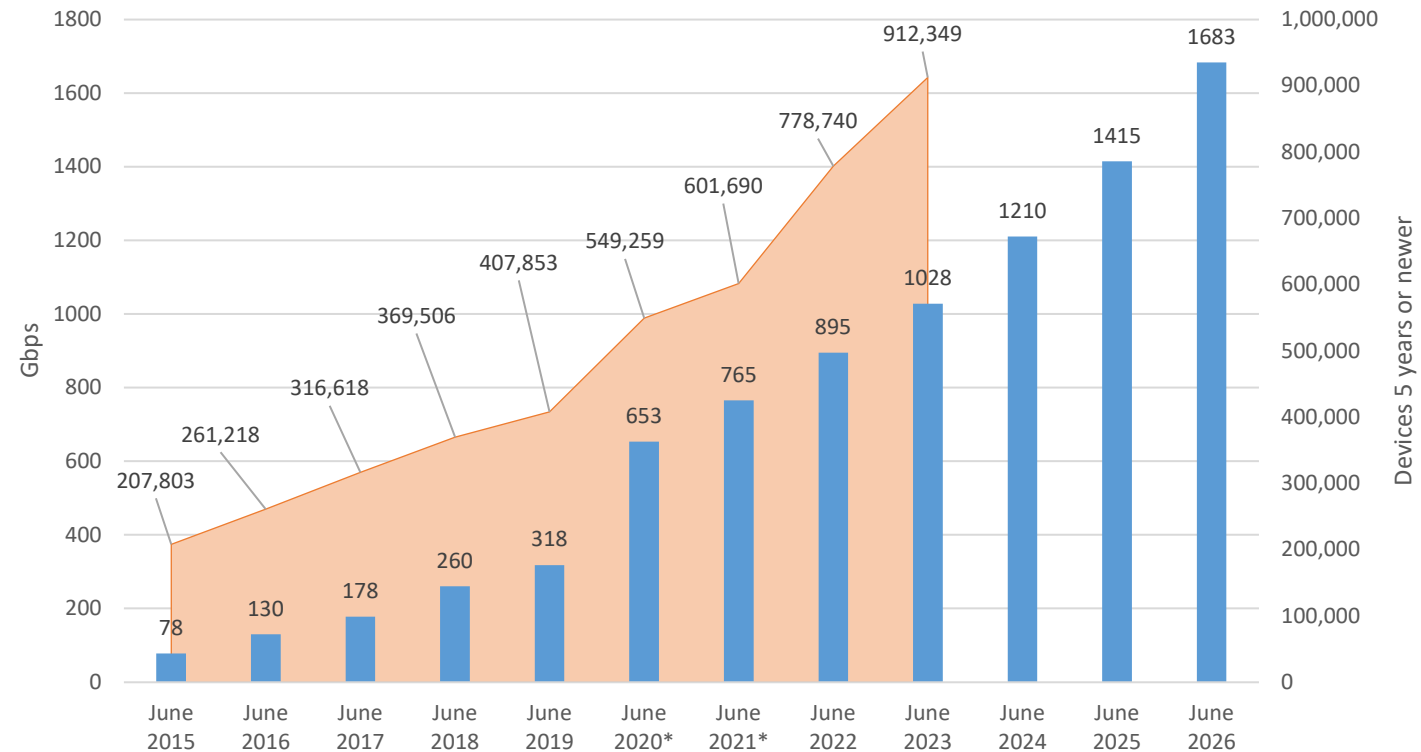
Best practice¹ guidelines for large K-12 districts

- 10 Gbps capacity per 1,000 students
- 1.4 Mbps per student

LAUSD bandwidth

- 4X increase in school computing devices
- 400 Gbps total for 435K students + staff
- 10 Gbps max capacity at each school
- 10X growth between 2015 and 2023
- 30% average annual growth rate
- Bandwidth usage is increasing due to online testing, increased digital content, and other instructional uses.

Site Bandwidth Usage & Estimated Growth



¹ State Educational Technology Directors Association & Federal Communications Commission recommendations

GROWTH IN SCHOOL-SITE LEARNING AND SUPPORT TECHNOLOGIES

- **Internet of Things (IoT)** describes the network of physical objects—“things”—that are embedded with sensors, software, and other technologies for the purpose of connecting and exchanging data with other devices and systems over the internet.
- **A school site's IoT-enabled universe can include:**
 - Instructional/ Teaching Devices, such as Virtual Reality Headsets, Interactive Whiteboards, Media Streamers, etc.
 - STEAM/STEM, Robotics, E-Sports program equipment
 - Building Automation Systems (BAS), such as Lighting Management, HVAC (Heating, Ventilating, and Air Conditioning), Low Voltage (Irrigation, Power Control, etc.), Photovoltaic (Solar, Battery, Energy Management, etc.), Food Service Kiosks, CCTV, Intrusion Alarms, Master Clocks, Bells, Speakers and Phones.



THE GROWTH IN SCHOOL-SITE LEARNING AND SUPPORT TECHNOLOGIES

Streaming
media adapter



eSports
computers & consoles



building
automation systems



Instructional Technology Growth / A New Learning Paradigm

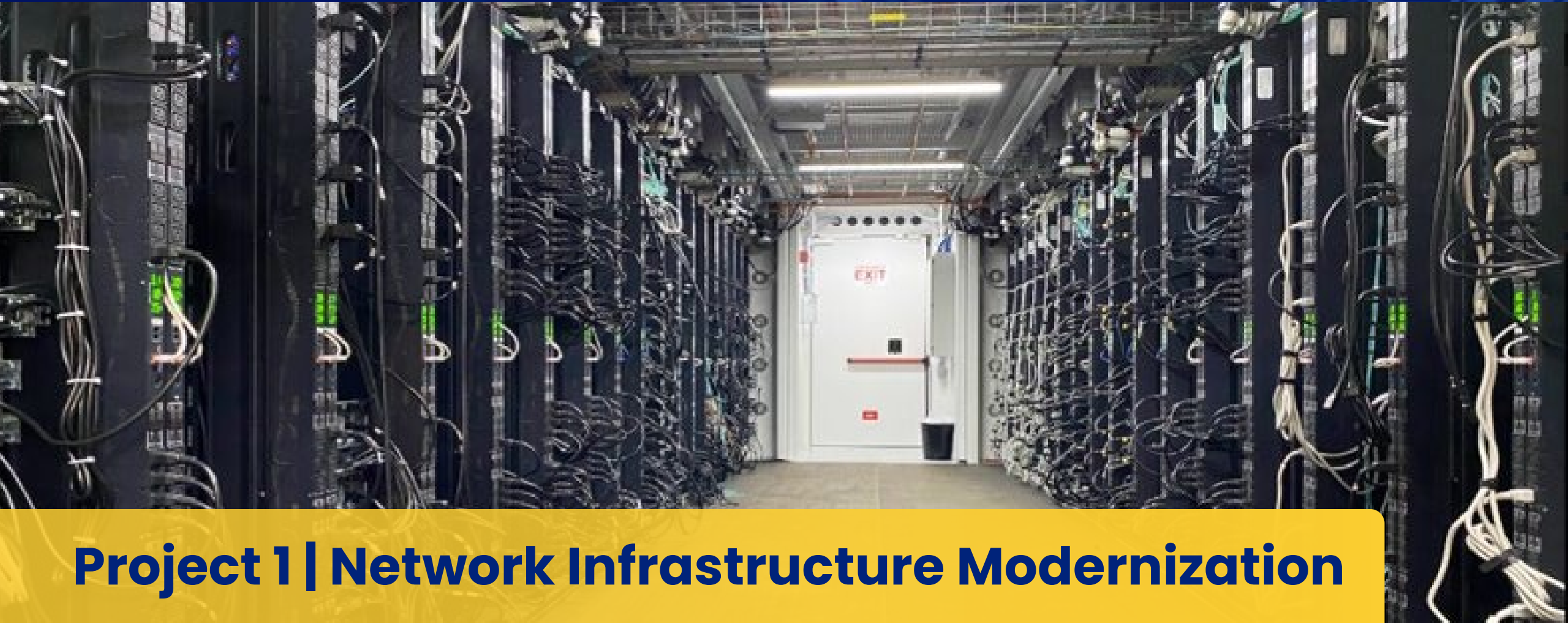
217



The District's IT Infrastructure must be modernized to support the new learning paradigm.

PROPOSED PROJECTS

1) Network Infrastructure Modernization	Board Report 134-23/24	Slides 11-18
2) School Network Systems Upgrade, Ph 2	Board Report 118-23/24	Slides 19-29
3) Intelligent School Network Controls	Board Report 135-23/24	Slides 30-35



Project 1 | Network Infrastructure Modernization

Network Infrastructure Modernization: Outcomes & Benefits

220

Supports anticipated future growth of high-performance student and teacher computing devices

Delivers technology infrastructure that contributes to a safe and healthy learning environments

Delivers new network infrastructure equipment that will be supported by the manufacturer for the next 7-10 years

Improves space and power efficiency

Directly contributes to the achievement of the District's Goals to Eliminate Opportunity Gaps (Pillar 1: Academic Excellence), create Welcoming Learning Environments (Pillar 2: Joy and Wellness), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

Strong Social-Emotional Skills

Outstanding Attendance

3

Engagement and Collaboration

Strong Relationships

Accessible Information

Leading for Impact

Honoring Perspectives

4

Operational Effectiveness

Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

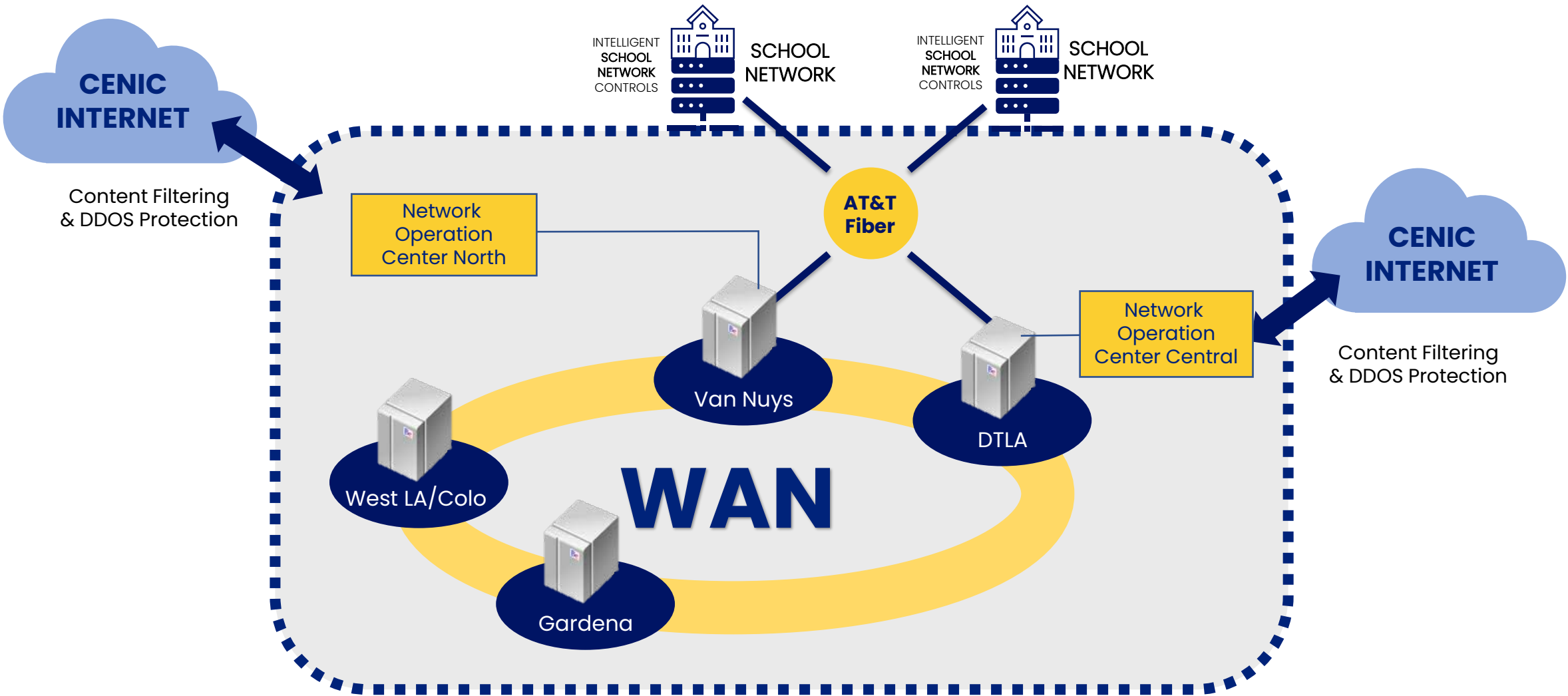
Diverse Workforce

Professional Learning

Staff Wellness

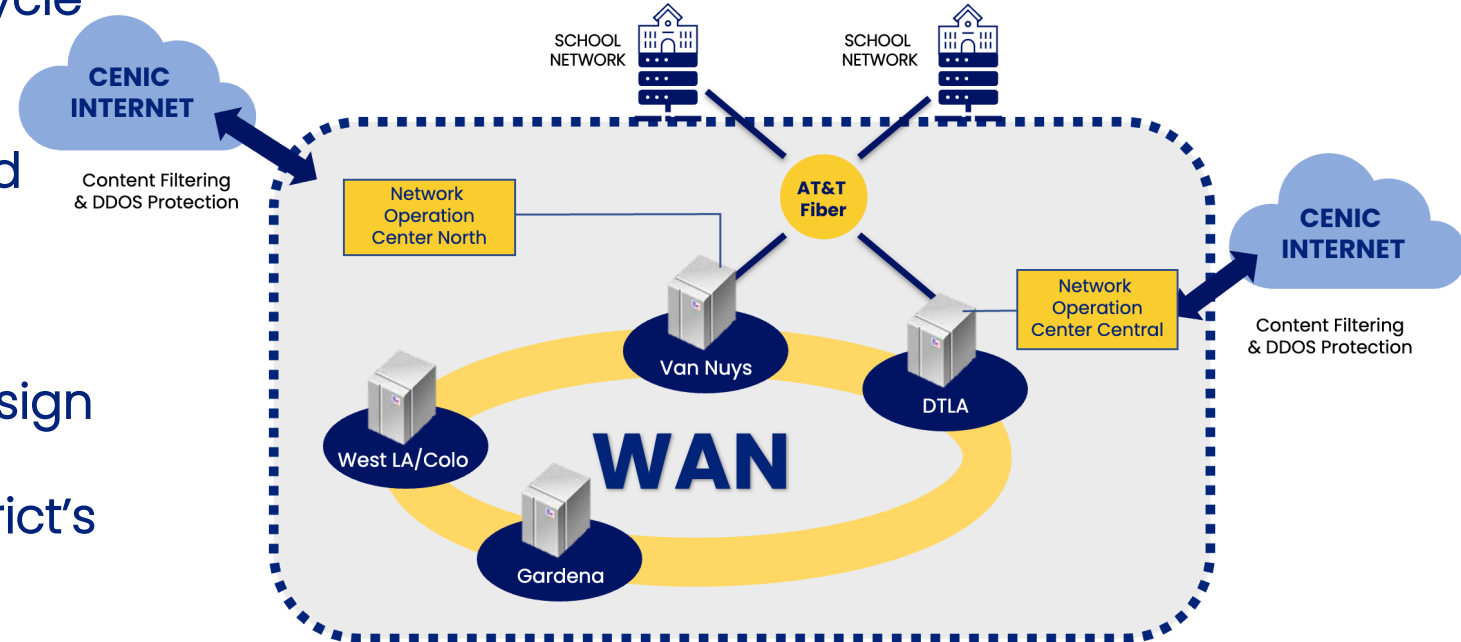
High Performance Standards

Los Angeles Unified's IT Infrastructure, High-Level Architecture



EXISTING CORE NETWORK HARDWARE IS:

- Nearing end of planned 7-10 year lifecycle
- Will reach End-of-Support from manufacturer starting in June 2024
 - Limited replacement parts for failed equipment
 - No security updates to patch vulnerabilities
- Operating at maximum equipment design capacity
- Cannot add capacity to meet the District's growth needs

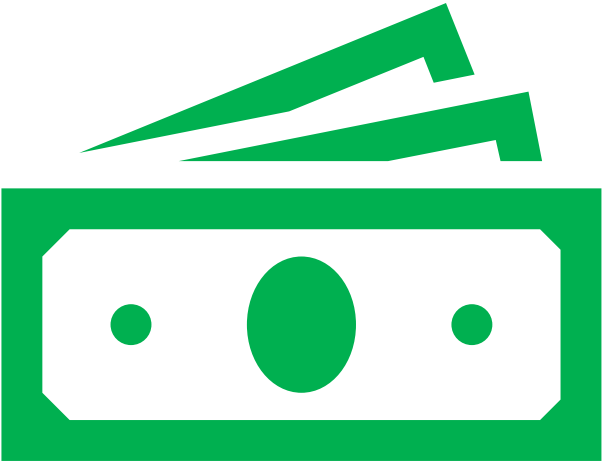


Network Infrastructure Modernization: Scope & Approach

Phase 1 Node Modernization	Phase 2 Data Center Routers & Firewall Modernization	Phase 3 Core Switches & WAN Routers Modernization	Stabilization & Closeout
<p>Replace wide area network (WAN) core routers and optical equipment at 4 nodes</p> <p>Increases capacity from 400Gbps to 1.6Tbps</p>	<p>Replace data center routers and switches at 2 data centers</p> <p>Upgrade data center firewalls at 2 data centers</p>	<p>Upgrade core switches at 4 nodes</p> <p>Upgrade WAN routers that connect to WAN service provider</p>	<p>Monitor & optimize performance</p> <p>Project closeout</p> <p>Update network documentation</p>



	2023				2024				2025				2026			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Network Infrastructure Modernization																
Phase 1: Node Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Phase 2: Data Center Routers & Firewall Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Phase 3: Core Switch & WAN Router Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Stabilization & Closeout																



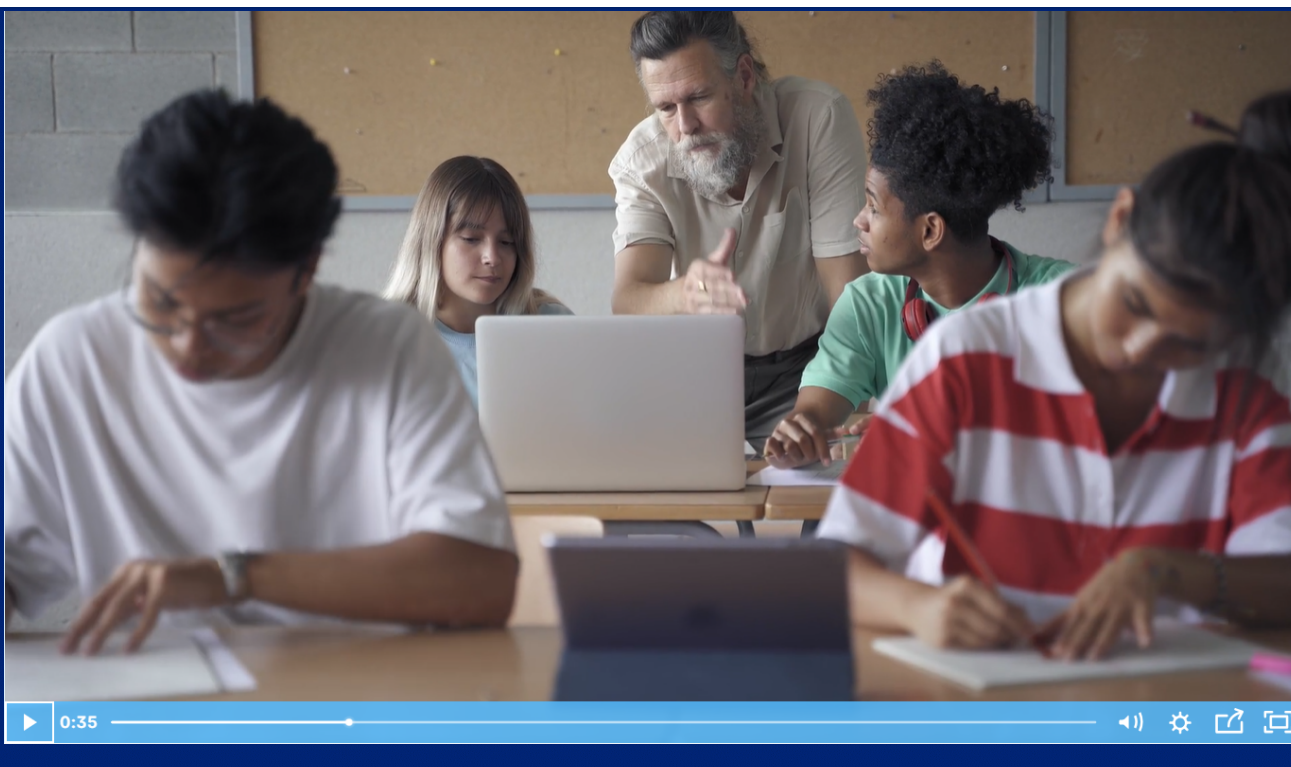
Cost Component	\$12,281,000*
Hardware **	\$11,569,000
Node Modernization (\$3,600,000)	
WAN & Data Center Routers (\$5,800,000)	
Core Switches Modernization (\$2,169,000)	
Labor & Professional Services	\$712,000

* Project will leverage 95% Bond Funds (\$11,666,950) and 5% General Funds (\$614,050)
** Funds may shift between phases depending upon several variables



Project 2 | School Network Systems Upgrade: Phase 2

School Network Systems Upgrades - School Feedback



“Due to the network upgrades classrooms are able to stay connected all day long.”

–Mathew Needleman (Principal – Melrose ES)

“It’s more accessible to today’s technology.”

–Frances Valadez (Principal – West Vernon ES)

“New systems reduce a lot of the [service] calls.”

–Paul Fallat II (Complex Project Manager)

“Teachers feel more connected to the office in an emergency.”

–Yadira Andrade (School Administrative Assistant – Bell HS)

“[New] phones are much more versatile than previous phones.”

–Andrea Kittelson (Principal – Walgrove ES)

Video: <https://lausd.wistia.com/medias/fh26c8ovtc>

School Network Systems Upgrade 228

Phase 2: Outcomes & Benefits

Improves speeds for streaming instructional content, utilizing applications such as Zoom, and accessing / downloading i.e., digital textbook content from the District's LMS.

Improves access to online content

Develops opportunities for career exploration, work-based learning, post-secondary pathways, and employment for students.

Promotes collaboration with DACE and ITS to provide apprenticeship opportunities for high school students to obtain a technical certification to qualify for employment as an Associate IT Electronics Communication technician.

Directly contributes to the achievement of the District's Goals of provide High-Quality Instruction, Eliminate Opportunity Gaps, and developing College and Career Readiness (Pillar 1: Academic Excellence)



School Network Systems Upgrade 229

Phase 2: Outcomes & Benefits

Improves communications throughout the schools and classrooms.

Provides a safer connection for increased security to enhance online and remote learning instruction.

Allows teachers, support staff, and administrators to connect with parents and other school stakeholders more easily and reliably.

Delivers new, reliable IT Infrastructure

Directly contributes to the achievement of the District's Goals to create Welcoming Learning Environments (Pillar 2: Joy and Wellness), build Strong Relationships (Pillar 3: Engagement & Collaboration), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

Strong Social-Emotional Skills

Outstanding Attendance

3

Engagement and Collaboration

Strong Relationships

Accessible Information

Leading for Impact

Honoring Perspectives

4

Operational Effectiveness

Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

Diverse Workforce

Professional Learning

Staff Wellness

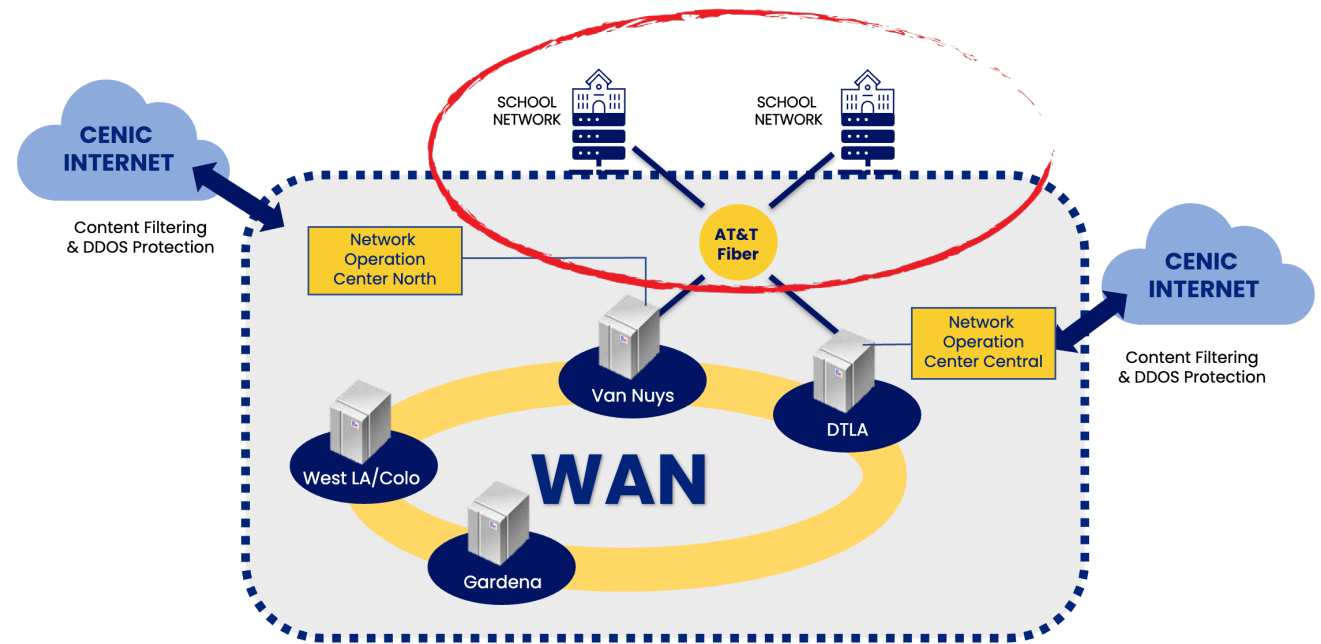
High Performance Standards

School Network Systems Upgrade, Phase 2: Challenges

230

Existing school network systems are:

- Beyond their planned lifecycles
 - Public address / intercommunications systems are 15–20+ years old
 - Telecommunications cabling infrastructure is 15–30+ years old
- Experiencing reliability & availability challenges



School Network Systems Upgrade, Phase 2: Roadmap

231

1

LAN Mod YR (2013–2015)

Measure K/R: 74 District school sites completed LAN Modernization.

2

Site Surveys (2015)

ITS conducted a two-year on-site IT infrastructure survey at all 713 schools.

3

S-A-F-E-T-I Criteria & Results (2017)

ITS Schools were assigned a score to assess their IT infrastructure conditions and were prioritized based on their level of repair need/urgency.

4

Identifying IT Upgrades (2017)

ITS developed Telecommunications Plan outlining IT upgrades needed at schools.

6

Upgrade Review (2020)

Development of a five-year plan To upgrade all schools to a Modern state.

5

Telecommunications Modernization Projects (TMP) (2018)

362 District school sites approved to receive combination of LAN, WLAN, PA, VoIP upgrades.

7

SNSU Ph 1 Project Approval (2021)

Group 1 (154 Sites) Projects In Progress.
Group 2 (108 Sites) :
• 21 Sites In Progress
• 87 Sites Awarded in 2023.

8

SNSU Ph 2 Project Approval (2024)

TCI Survey completed in 2023 to prioritize remaining group 3, 4, & 5 (349 Sites), which will go to Board for funding approval in January 2024

9

TMP 83/WLAN 160 Completion (2024)

Completion of Phone, PA, LAN, WLAN upgrades at 83 sites and Wireless Upgrades at 160 Sites (routers only) by June '24.

10

Next Refresh Cycle/SEP (2028)

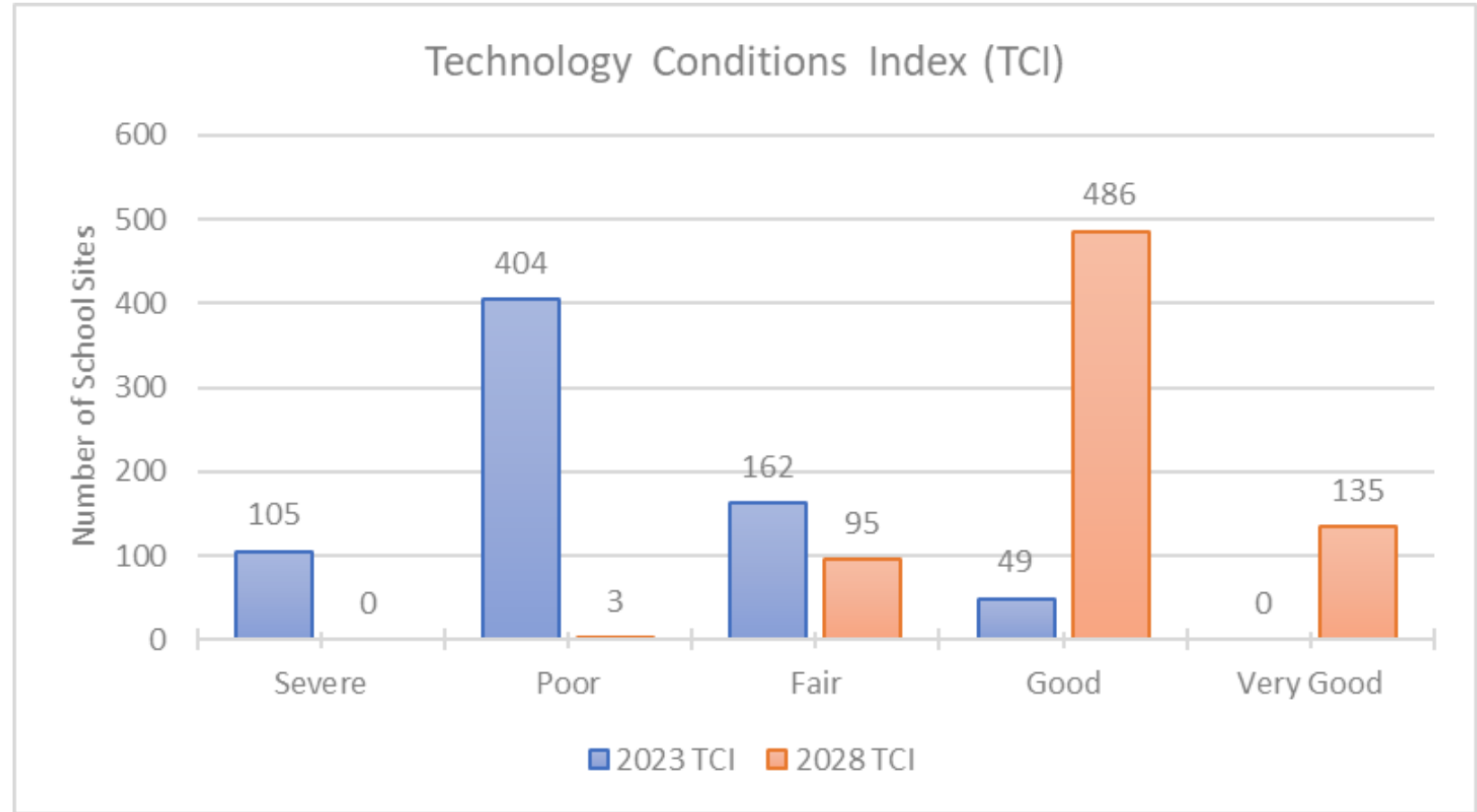
Approval of next Five-Year SEP to refresh LAN/WLAN for all schools including fiber optic cabling upgrades for 107 sites.

The Worst, First – Technology Conditions:

- 2023 Technology Condition Assessment data to prioritize the Phase 2 schools with the worst technology conditions based on age, system failures, and useful life.

The Distribution Ratio:

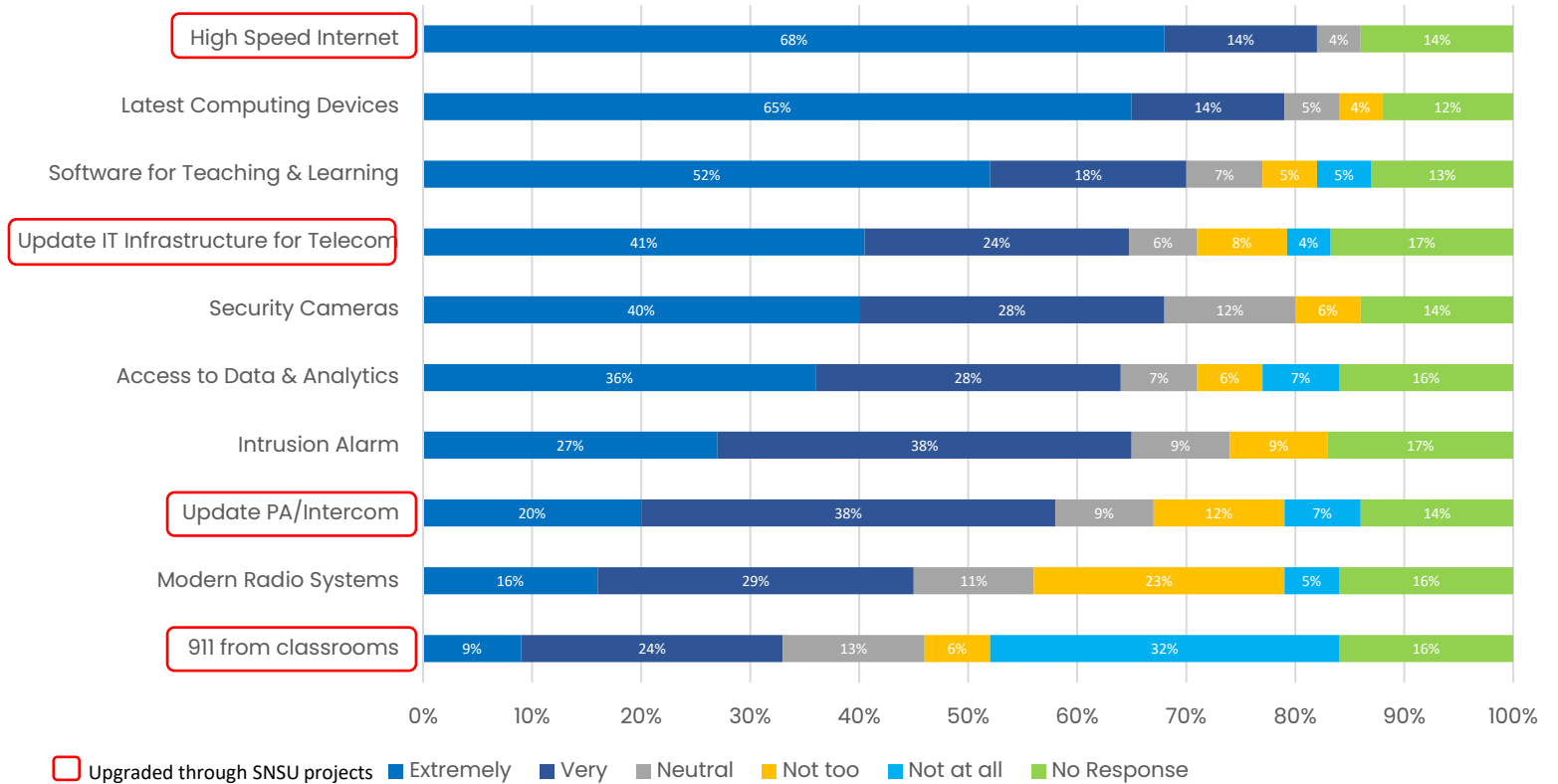
- Weighting additional factors such as the SENI score and ISTAR data along with technology conditions are applied to the Phase 2 schools list to achieve an equitable distribution for projects across the District.



School Leadership Feedback:

- Six (90-minute) Zoom sessions held with 54 participants to collect input through online polling tool and follow-up discussions.
- Participants included Region leadership and school administrators.
- Results prioritized “High Speed Internet” across all grade levels.

Importance of Technology Investments at Schools



School Network Systems Upgrades – Completions

LAN



NEW LAN



PA



NEW PA



PHONES



NEW PHONES



School Network Systems Upgrade, Phase 2 : Scope & Benefits

This project's scope includes surveying, planning, designing, procuring, installing, configuring, testing and acceptance of a new 10 Gigabit fiber infrastructure, LAN/WLAN, VoIP telephone system, and new integrated IP PA Intercommunications solution at the school sites.

Targeted Components

Project Output

Benefit to Students & Schools



Fiber Optic Cabling

10G fiber for improved capacity and bandwidth speeds

Improves access to online content and provides a safer connection for increased security to enhance online and remote learning instruction.



Local Area Network (LAN) / Wireless Local Area Network (WLAN)

Faster internet speeds to the classroom and **modernized** backup batteries

Improves speeds for streaming instructional content, utilizing applications such as Zoom, and accessing / downloading i.e., digital textbook content from the District's LMS.



Voice-over-Internet Protocol (VoIP) Phone

Enhanced calling service and integration with PA system with less risk of phone outages

Allows teachers, support staff, and administrators to connect with parents and other school stakeholders more easily and reliably.



Public Address (PA)

More reliable and integrated PA and phone systems

Improves public address communications throughout a school and school classrooms.

School Network Systems Upgrade, Phase 2 : Project Schedule

Phase 2 projects:

- Pending Board approval, project will commence in Q1 2024.

Phase 2 Schedule	2024				2025				2026				2027				2028			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
School Network Systems Upgrade, Phase 2																				
Group 3 (110 Sites)																				
Assess / Design																				
Installation																				
Group 4 (106 Sites)																				
Assess / Design																				
Installation																				
Group 5 (133 Sites)																				
Assess / Design																				
Installation																				

School Network Systems Upgrade, Phase 2 : Project Budget

237

Phase 2 projects:

Group 3 | 110 Sites

Group 4 | 106 Sites

Group 5 | 133 Sites

Phase/Year	Budget
Phase 2	\$382,487,934*
Group 3	\$97,184,427
Group 4	\$131,628,394
Group 5	\$153,675,113

* Project will leverage 100% Bond Funds



Project 3 | Intelligent School Network Controls

3

Intelligent School Network Controls: Outcomes & Benefits

239

Frees up high-value instructional time by allowing local school staff to quickly register smart school devices on the local network without requiring lengthy ITS processing delays.

Increases the quantity and type of usable smart devices for instructional purposes on the network.

Improves network accessibility and visibility and safeguards smart school devices from data breaches.

Complies with requirements to protect student and business information through network segmentation.

Provides analysis and insight into the performance and security of smart devices to sustain continued uptime for instructional use.

Directly contributes to the achievement of the District's Goals to provide High-Quality Instruction & Eliminate Opportunity Gaps (Pillar 1: Academic Excellence), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

Strong Social-Emotional Skills

Outstanding Attendance

3

Engagement and Collaboration

Strong Relationships

Accessible Information

Leading for Impact

Honoring Perspectives

4

Operational Effectiveness

Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

Diverse Workforce

Professional Learning

Staff Wellness

High Performance Standards

WHY DO SCHOOLS NEED INTELLIGENT SCHOOL NETWORK CONTROLS:

Intelligent School Network Controls allow IoT-enabled devices to quickly and securely connect to a school-site network. Without these Controls educators, students and facility managers may experience:

1. Limited number and type of smart devices capable of being used in the classroom.
2. Increased security risks due to lack of device segmentation.
3. Rejection of or delays in authorization for devices to use the network for communications.
4. Inability to compete in sanctioned eSports STEAM/STEM, and Robotics programs.

Intelligent School Network Controls: Scope / Approach

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Configure

school networks to support multiple categories/types of IoT devices.

Deploy

a device profiling system to categorize IoT devices for secure connectivity.

Create

security policies to safeguard and accommodate different types of devices.

Deliver

new network services needed by modern classroom instruction.

Provide

a self-service portal to register devices that cannot be categorized.

Intelligent School Network Controls: Project Schedule

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	2023				2024				2025			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Intelligent School Network Controls												
Workstream 1 - Configure School Networks												
Workstream 2 - Develop Policies and Procedures												
Workstream 3 - Configure Device Registration Portal												
Workstream 4 - Deploy Device Profiling and Automation												
Stabilization & Closeout												

Intelligent School Network Controls: Project Budget

Intelligent School Network Controls	\$5,471,000*
Hardware	\$1,200,000
Software	\$1,842,000
Labor & Professional Services	\$2,417,000
Training	\$12,000

* Project will leverage 100% Bond Funds

IT Infrastructure to Support Learning: Recommendation



ITS recommends amending the ITS Strategic Execution Plan to modernize the District's IT Infrastructure to Support Learning, utilizing a little over \$400M in existing bond & general funds, over the next 5 years.



Questions?

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D1 – Group 3 - Implementation Schedule by Site

246

Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
5863	116TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$827,471
5877	135TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q1	\$1,416,247
7329	232ND PL EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q3	\$795,655
3973	4TH ST EL	2	DR. ROCIO RIVAS	E	2025 Q1	\$1,137,931
3974	4TH ST PC	2	DR. ROCIO RIVAS	E	2025 Q2	\$542,366
3781	54TH ST EL	1	DR. GEORGE MCKENNA	W	2026 Q2	\$817,079
6616	7TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q3	\$777,271
5521	95TH ST EL	1	DR. GEORGE MCKENNA	S	2025 Q2	\$1,229,588
5505	9TH ST SPAN K8	2	DR. ROCIO RIVAS	E	2026 Q2	\$1,000,943
8507	AGGELER CHS	3	SCOTT SCHMERELSON	N	2025 Q4	\$331,641
2110	ANATOLA EL	3	SCOTT SCHMERELSON	N	2024 Q3	\$780,735
2117	ANDASOL AVE EL	3	SCOTT SCHMERELSON	N	2024 Q3	\$648,338
8852	ANGEL'S GATE HS (W/SAN PEDRO HS MAR/M/S MAG)	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$1,065,689
2146	ANNALEE AVE EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$827,064
4322	ARROYO SECO MUSM SCI MAG	2	DR. ROCIO RIVAS	E	2024 Q4	\$789,675
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2274	BALDWIN HILLS EL	1	DR. GEORGE MCKENNA	W	2025 Q2	\$864,021
8543	BELMONT SH	2	DR. ROCIO RIVAS	E	2025 Q2	\$1,758,247
2479	BRADDOCK DRIVE EL	4	NICK MELVOIN	W	2026 Q1	\$703,191
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8612	BURKE CHS (W PANORAMA SH)	6	KELLY GONEZ	N	2026 Q1	\$240,554
2781	CANTERBURY EL	6	KELLY GONEZ	N	2026 Q1	\$1,242,005
2815	CAROLDALE LC	7	TANYA ORTIZ FRANKLIN	S	2025 Q1	\$1,207,304
8045	CASTRO MS @ BELMONT	2	DR. ROCIO RIVAS	E	2025 Q2	\$254,669
8589	CDS JOHNSTON	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$417,938
8517	CONTRERAS LC BUS TOUR	2	DR. ROCIO RIVAS	E	2025 Q1	\$1,972,698
3288	CRESCENT HTS EL L/A/S/J	1	DR. GEORGE MCKENNA	W	2024 Q3	\$707,613
3384	DEL AMO EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$745,735
3425	DENKER AVE EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$966,672
3452	DOLORES ST EL	7	TANYA ORTIZ FRANKLIN	S	2024 Q4	\$979,156
3541	EL DORADO EL	6	KELLY GONEZ	N	2026 Q2	\$898,780
3575	ELYSIAN HTS EL	5	JACKIE GOLDBERG	W	2025 Q3	\$563,519
3616	ENCINO CHTR EL	4	NICK MELVOIN	N	2025 Q3	\$575,812
3753	FERNANGELES EL	6	KELLY GONEZ	N	2024 Q4	\$1,467,319
3849	FISHBURN EL	5	JACKIE GOLDBERG	E	2025 Q1	\$1,289,508
8127	FLEMING MS	7	TANYA ORTIZ FRANKLIN	S	2025 Q1	\$1,576,899
4027	FULLBRIGHT AVE EL	4	NICK MELVOIN	N	2024 Q3	\$764,553
4137	GLEN ALTA EL	2	DR. ROCIO RIVAS	E	2025 Q4	\$563,060
4164	GLENFELIZ BLVD EL	5	JACKIE GOLDBERG	W	2024 Q4	\$783,865
4219	GRAHAM EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$1,002,410
4301	GRIFFIN EL	2	DR. ROCIO RIVAS	E	2025 Q3	\$787,066
4342	HALLDALE AVE EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q3	\$835,238
4438	HARRISON EL	2	DR. ROCIO RIVAS	E	2024 Q4	\$1,040,247
4473	HAYNES CHTR EL FOR ENRICH STUD	3	SCOTT SCHMERELSON	N	2025 Q4	\$653,660
4562	HOLMES EL	5	JACKIE GOLDBERG	E	2026 Q1	\$808,507
4575	HOOPER AVE EL	5	JACKIE GOLDBERG	E	2025 Q4	\$1,276,828
4576	HOOPER PC	5	JACKIE GOLDBERG	E	2026 Q1	\$637,785
4630	HUNTINGTON DR EL	2	DR. ROCIO RIVAS	E	2025 Q3	\$965,862
8701	INTERNATIONAL ST LC	5	JACKIE GOLDBERG	E	2024 Q4	\$668,180
4699	KENTER CANYON EL	4	NICK MELVOIN	W	2024 Q3	\$653,119
4726	KESTER EL	3	SCOTT SCHMERELSON	N	2024 Q4	\$1,373,714
6534	KING JR EL	1	DR. GEORGE MCKENNA	S	2024 Q3	\$1,322,044
4767	LANE EL	2	DR. ROCIO RIVAS	E	2025 Q2	\$764,782
4790	LASSEN EL	6	KELLY GONEZ	N	2025 Q4	\$916,329
4829	LEAPWOOD EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$707,079
2307	LEE MED HLTH MAG	2	DR. ROCIO RIVAS	E	2026 Q2	\$791,425
4849	LEMAY ST EL	3	SCOTT SCHMERELSON	N	2025 Q2	\$580,855
5170	LEXINGTON AVE PC	2	DR. ROCIO RIVAS	W	2025 Q4	\$554,197
4877	LILLIAN EL	5	JACKIE GOLDBERG	E	2024 Q3	\$775,115
4887	LOCKHURST EL	3	SCOTT SCHMERELSON	N	2025 Q2	\$801,499
8230	MADISON MS	6	KELLY GONEZ	N	2024 Q4	\$1,681,928
5137	MARIANNA EL	2	DR. ROCIO RIVAS	E	2025 Q2	\$838,700
4983	MARIPOSA NABI PC	5	JACKIE GOLDBERG	W	2025 Q3	\$516,421
8882	MAYWOOD ACAD SH	5	JACKIE GOLDBERG	E	2026 Q2	\$978,672
5302	MIDDLETON PC	5	JACKIE GOLDBERG	E	2024 Q4	\$546,888
1910	MILLER CTC @ CLEVELAND SH	3	SCOTT SCHMERELSON	N	2024 Q3	\$777,271
5404	MOUNTAIN VIEW EL	6	KELLY GONEZ	N	2025 Q2	\$894,276

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D1 – Group 3 - Implementation Schedule by Site

247

Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
5466	NEVIN EL	5	JACKIE GOLDBERG	E	2025 Q4	\$1,224,279
8545	NEWMARK CHS (W BELMONT)	2	DR. ROCIO RIVAS	E	2025 Q2	\$99,127
5644	NORMONT EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$878,925
8787	NORTH HOLLYWOOD SH ZOO MAG	3	SCOTT SCHMERELSON	N	2026 Q2	\$403,922
2372	OCHOA LC	5	JACKIE GOLDBERG	E	2025 Q3	\$1,806,379
5889	OPEN CHARTER MAGNET	4	NICK MELVOIN	W	2024 Q3	\$521,809
5904	OVERLAND EL	1	DR. GEORGE MCKENNA	W	2025 Q3	\$684,496
4642	PACIFIC BLVD EL	5	JACKIE GOLDBERG	E	2024 Q4	\$1,615,115
5959	PALISADES CHTR EL	4	NICK MELVOIN	W	2025 Q1	\$647,388
5986	PALMS EL	1	DR. GEORGE MCKENNA	W	2025 Q1	\$723,303
8340	PALMS MS	1	DR. GEORGE MCKENNA	W	2025 Q3	\$1,296,499
6013	PARK WESTERN EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q3	\$828,830
3576	PARKS LC	6	KELLY GONEZ	N	2024 Q3	\$1,124,580
6052	PASEO DEL REY EL NAT SC	4	NICK MELVOIN	W	2025 Q4	\$685,353
6096	PLAINVIEW EL	6	KELLY GONEZ	N	2026 Q1	\$1,001,434
6123	PLUMMER EL	6	KELLY GONEZ	N	2024 Q3	\$1,196,014
6148	PRESIDENT EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$888,830
8868	RANCHO DOMINGUEZ PREP	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$1,974,791
6260	RICHLAND AVE EL	4	NICK MELVOIN	W	2025 Q1	\$826,886
6363	ROSCOMARE RD EL	4	NICK MELVOIN	W	2026 Q1	\$646,560
6884	ROYBAL-ALLARD EL	5	JACKIE GOLDBERG	E	2026 Q2	\$1,084,388
8851	SAN PEDRO HS MAR/M/S MAG	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$237,828
6507	SAN PEDRO ST EL	5	JACKIE GOLDBERG	E	2024 Q4	\$1,173,188
2644	SATURN EL	1	DR. GEORGE MCKENNA	W	2025 Q2	\$943,684
6712	SHIRLEY EL	4	NICK MELVOIN	N	2025 Q2	\$1,044,218
6740	SHORT AVE EL	4	NICK MELVOIN	W	2025 Q3	\$767,718
6753	SIERRA PARK EL	2	DR. ROCIO RIVAS	E	2026 Q2	\$1,022,163
7752	SOLIS LA	2	DR. ROCIO RIVAS	E	2026 Q2	\$1,021,657
8153	SOUTHEAST MS	5	JACKIE GOLDBERG	E	2025 Q1	\$1,524,607
6904	STANFORD AVE EL	5	JACKIE GOLDBERG	E	2024 Q3	\$849,997
7007	SUPERIOR EL	3	SCOTT SCHMERELSON	N	2025 Q2	\$713,507
7041	TARZANA EL	4	NICK MELVOIN	N	2025 Q1	\$711,863
7198	TOPANGA EL CS	4	NICK MELVOIN	W	2024 Q4	\$444,129
7205	TOWNE AVE EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$676,148
7438	VAN NUYS EL	3	SCOTT SCHMERELSON	N	2025 Q1	\$1,078,609
7548	VINEDALE EL	6	KELLY GONEZ	N	2026 Q1	\$699,326
8390	WALNUT PARK MS - SJ/SL	5	JACKIE GOLDBERG	E	2026 Q2	\$1,007,758
7630	WASHINGTON PC	1	DR. GEORGE MCKENNA	S	2025 Q1	\$430,638
7634	WEIGAND EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$733,700
3311	WESTSIDE GLOBAL AWARENESS MAGNET	4	NICK MELVOIN	W	2024 Q3	\$427,104
7774	WILBUR CHTR FOR ENRICH ACADEMICS	4	NICK MELVOIN	N	2024 Q4	\$878,969

\$97,184,427

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D2 – Group 3 - Implementation Schedule by Board District

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Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
3781	54TH ST EL	1	DR. GEORGE MCKENNA	W	2026 Q2	\$817,079
5521	95TH ST EL	1	DR. GEORGE MCKENNA	S	2025 Q2	\$1,229,588
4020	BAKEWELL PC	1	DR. GEORGE MCKENNA	S	2026 Q1	\$517,288
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5302	MIDDLETON PC	5	JACKIE GOLDBERG	E	2024 Q4	\$546,888
5466	NEVIN EL	5	JACKIE GOLDBERG	E	2025 Q4	\$1,224,279
2372	OCHOA LC	5	JACKIE GOLDBERG	E	2025 Q3	\$1,806,379

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D2 – Group 3 - Implementation Schedule by Board District

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6884	ROYBAL-ALLARD EL	5	JACKIE GOLDBERG	E	2026 Q2	\$1,084,388
6507	SAN PEDRO ST EL	5	JACKIE GOLDBERG	E	2024 Q4	\$1,173,188
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3753	FERNANGELES EL	6	KELLY GONEZ	N	2024 Q4	\$1,467,319
4790	LASSEN EL	6	KELLY GONEZ	N	2025 Q4	\$916,329
8230	MADISON MS	6	KELLY GONEZ	N	2024 Q4	\$1,681,928
5404	MOUNTAIN VIEW EL	6	KELLY GONEZ	N	2025 Q2	\$894,276
3576	PARKS LC	6	KELLY GONEZ	N	2024 Q3	\$1,124,580
6096	PLAINVIEW EL	6	KELLY GONEZ	N	2026 Q1	\$1,001,434
6123	PLUMMER EL	6	KELLY GONEZ	N	2024 Q3	\$1,196,014
7548	VINEDALE EL	6	KELLY GONEZ	N	2026 Q1	\$699,326
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4342	HALLDALE AVE EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q3	\$835,238
4829	LEAPWOOD EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$707,079
5644	NORMONT EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$878,925
6013	PARK WESTERN EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q3	\$828,830
6148	PRESIDENT EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$888,830
8868	RANCHO DOMINGUEZ PREP	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$1,974,791
8851	SAN PEDRO HS MAR/M/S MAG	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$237,828
7205	TOWNE AVE EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$676,148
7634	WEIGAND EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$733,700

\$97,184,427

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D3 – Group 4 - Implementation Schedule by Site

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Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
7082	10TH ST EL	2	DR. ROCIO RIVAS	E	2026 Q1	\$1,212,589
5808	156TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$880,472
3767	15TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$1,286,266
5753	186TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$1,688,091
6575	2ND ST EL	2	DR. ROCIO RIVAS	E	2025 Q4	\$1,172,203
3959	42ND ST EL	1	DR. GEORGE MCKENNA	S	2027 Q2	\$1,011,485
3932	49TH ST EL	7	TANYA ORTIZ FRANKLIN	E	2026 Q3	\$1,361,560
6781	6TH AVE EL	1	DR. GEORGE MCKENNA	W	2025 Q3	\$1,324,146
2250	ACAD ENRICH SCI MAG (OLD LULL SP ED CTR)	3	SCOTT SCHMERELSON	N	2027 Q1	\$713,225
2027	ALDAMA EL	2	DR. ROCIO RIVAS	E	2027 Q2	\$802,703
4356	ANTON EL	2	DR. ROCIO RIVAS	E	2026 Q2	\$1,345,317
2164	APPERSON EL	6	KELLY GONEZ	N	2027 Q1	\$935,690
2178	ARAGON EL	2	DR. ROCIO RIVAS	W	2026 Q4	\$1,034,661
8609	ARLETA SH	6	KELLY GONEZ	N	2025 Q3	\$1,551,803
2205	ARMINTA EL	6	KELLY GONEZ	N	2027 Q2	\$1,116,137
2288	BANDINI EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$768,480
1941	BANNEKER SP ED CTR	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$1,036,176
2315	BARTON HILL EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$1,473,549
3577	BELLINGHAM EL	6	KELLY GONEZ	N	2027 Q1	\$1,306,401
8057	BERENDO MS	5	JACKIE GOLDBERG	W	2026 Q3	\$2,122,084
2486	BRAINARD EL	6	KELLY GONEZ	N	2026 Q3	\$824,529
7164	BRIGHT EL	1	DR. GEORGE MCKENNA	W	2026 Q2	\$1,256,880
2527	BROAD EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$1,109,014
8066	BURBANK MS	2	DR. ROCIO RIVAS	E	2026 Q3	\$2,061,492
2658	BURTON EL	6	KELLY GONEZ	N	2025 Q3	\$1,020,929
8080	BYRD MS	6	KELLY GONEZ	N	2026 Q1	\$2,109,968
2685	CABRILLO EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q2	\$879,603
2699	CAHUENGA EL	5	JACKIE GOLDBERG	W	2025 Q3	\$949,279
7401	CARDENAS EL	3	SCOTT SCHMERELSON	N	2026 Q2	\$969,228
2836	CARSON EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$1,278,476
2939	CARSON-GORE ACAD EL	1	DR. GEORGE MCKENNA	W	2026 Q2	\$1,034,522
2959	CHANDLER EL	3	SCOTT SCHMERELSON	N	2027 Q2	\$1,041,740
2986	CHAPMAN EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$894,834
7715	CHAVEZ LA ARTES MAG	6	KELLY GONEZ	N	2026 Q2	\$1,857,599
3041	CHEREMOYA EL	5	JACKIE GOLDBERG	W	2027 Q2	\$696,273
3068	CIENEGA EL	1	DR. GEORGE MCKENNA	W	2026 Q3	\$1,129,661
3151	COLDWATER CYN EL	6	KELLY GONEZ	N	2026 Q3	\$1,514,277
3164	COLFAX EL	3	SCOTT SCHMERELSON	N	2026 Q1	\$1,283,911
8516	CORTINES SH OF VAPA	2	DR. ROCIO RIVAS	E	2027 Q2	\$1,894,489
8104	DANA MS	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$2,150,315
2301	DE LA TORRE JR EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$1,211,738
3397	DELEVAN DRIVE EL	5	JACKIE GOLDBERG	E	2026 Q3	\$977,531
3466	DOMINGUEZ EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q3	\$959,412
8607	EAST VALLEY SH	6	KELLY GONEZ	N	2025 Q4	\$1,762,790
3562	EL SERENO EL	2	DR. ROCIO RIVAS	E	2026 Q4	\$947,389
3610	ENADIA TECH ENR CTR (ENADIA EL)	3	SCOTT SCHMERELSON	N	2025 Q3	\$632,939
3877	FLETCHER DR EL	5	JACKIE GOLDBERG	W	2027 Q1	\$1,119,263
3986	FRANKLIN AVE EL	2	DR. ROCIO RIVAS	W	2025 Q4	\$762,335
4014	FRIES EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q3	\$1,119,374
8137	FROST MS	3	SCOTT SCHMERELSON	N	2026 Q4	\$1,976,329
6795	GARCETTI EL	1	DR. GEORGE MCKENNA	S	2026 Q1	\$1,374,520
8679	GARFIELD SH	2	DR. ROCIO RIVAS	E	2026 Q2	\$2,577,264
4123	GLASSELL PARK EL	5	JACKIE GOLDBERG	W	2026 Q4	\$1,852,886
8160	GOMPERS MS	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$2,248,080
4233	GRANADA COMM CTR	3	SCOTT SCHMERELSON	N	2025 Q3	\$904,644
8168	GRIFFITH MS	2	DR. ROCIO RIVAS	E	2025 Q4	\$1,881,856
8518	HARBOR TCHR PREP ACD	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$1,108,079
2042	HARVARD EL	5	JACKIE GOLDBERG	W	2027 Q1	\$859,390
4452	HASKELL EL	3	SCOTT SCHMERELSON	N	2025 Q4	\$1,043,750
4466	HAWAIIAN EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$1,195,501
8713	HAWKINS SH C/DAGS	1	DR. GEORGE MCKENNA	S	2027 Q1	\$1,677,382
4548	HOBART EL	5	JACKIE GOLDBERG	W	2026 Q3	\$1,658,690
8179	HOLLENBECK MS	2	DR. ROCIO RIVAS	E	2025 Q3	\$2,154,064
6549	HOLLYWOOD PC	5	JACKIE GOLDBERG	W	2027 Q1	\$617,643
2944	HUERTA EL	5	JACKIE GOLDBERG	E	2026 Q2	\$776,435
6880	INDEPENDENCE EL	5	JACKIE GOLDBERG	E	2025 Q4	\$1,312,326
8559	INDEPENDENCE HS @ BIRMINGHAM SH	3	SCOTT SCHMERELSON	N	2027 Q1	\$374,198
8189	IRVING MS MME MAG	5	JACKIE GOLDBERG	W	2026 Q1	\$2,150,215
2943	JONES EL	5	JACKIE GOLDBERG	E	2027 Q1	\$870,310
5112	JONES PC	1	DR. GEORGE MCKENNA	S	2027 Q1	\$597,466

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D3 – Group 4 - Implementation Schedule by Site

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Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
8721	JORDAN SH	7	TANYA ORTIZ FRANKLIN	S	2027 Q2	\$1,965,994
8064	KIM ACAD	5	JACKIE GOLDBERG	W	2026 Q3	\$1,075,769
8208	KING SH MAG FILM/MEDIA	2	DR. ROCIO RIVAS	W	2026 Q3	\$2,575,528
6179	KINGSLEY EL	5	JACKIE GOLDBERG	W	2026 Q4	\$695,028
7399	KORENSTEIN EL	6	KELLY GONEZ	N	2027 Q2	\$965,632
2543	LAFAYETTE PARK PC	2	DR. ROCIO RIVAS	E	2025 Q4	\$408,973
7390	LAKE BALBOA/VALLEY ALTERNATIVE MAG @ BIRMINGHAM HS	3	SCOTT SCHMERELSON	N	2025 Q3	\$999,390
1919	LANTERMAN HS (SP ED CTR)	5	JACKIE GOLDBERG	S	2027 Q1	\$964,679
8226	LE CONTE MS	5	JACKIE GOLDBERG	W	2025 Q3	\$1,956,462
8058	LIECHTY MS	2	DR. ROCIO RIVAS	E	2026 Q3	\$1,726,921
2544	MACARTHUR PARK EL VPA	2	DR. ROCIO RIVAS	E	2027 Q1	\$1,032,192
3210	MADISON EL	5	JACKIE GOLDBERG	E	2026 Q4	\$883,844
8235	MARINA DEL REY MS	4	NICK MELVOIN	W	2025 Q3	\$1,718,993
7725	MARQUEZ SH LIBRA	5	JACKIE GOLDBERG	E	2027 Q2	\$1,498,580
5205	MAYBERRY EL	5	JACKIE GOLDBERG	W	2025 Q4	\$875,131
5342	MONLUX EL	6	KELLY GONEZ	N	2025 Q4	\$1,408,972
8677	MONTEREY CHS (W GARFIELD)	2	DR. ROCIO RIVAS	E	2026 Q2	\$371,453
5479	NEWCASTLE EL	4	NICK MELVOIN	N	2026 Q2	\$816,356
8610	PANORAMA SH	6	KELLY GONEZ	N	2027 Q1	\$2,606,224
6005	PARK AVE EL	5	JACKIE GOLDBERG	E	2025 Q3	\$1,164,195
6027	PARTHENIA EL	3	SCOTT SCHMERELSON	N	2027 Q2	\$1,203,222
2311	POINDEXTER LAMOTTE EL	1	DR. GEORGE MCKENNA	S	2027 Q2	\$904,034
4776	PRIMARY ACAD	6	KELLY GONEZ	N	2026 Q1	\$625,811
6164	QUEEN ANNE EL	1	DR. GEORGE MCKENNA	W	2027 Q1	\$1,026,833
8807	RAMONA HS	2	DR. ROCIO RIVAS	E	2027 Q2	\$645,979
8723	RODIA HS	5	JACKIE GOLDBERG	E	2027 Q2	\$355,133
8116	ROMER MS	6	KELLY GONEZ	N	2026 Q4	\$2,097,597
4641	SAN ANTONIO EL	5	JACKIE GOLDBERG	E	2026 Q2	\$1,254,693
3574	SEDAK EL	6	KELLY GONEZ	N	2026 Q1	\$1,058,129
8406	SUTTER MS	4	NICK MELVOIN	N	2025 Q4	\$2,159,397
8883	THOREAU HS	4	NICK MELVOIN	N	2025 Q4	\$334,496
7419	VAN DEENE EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q3	\$1,072,762
7400	VISTA DEL VALLE ACAD	6	KELLY GONEZ	N	2025 Q3	\$909,361
4640	WALNUT PARK EL	5	JACKIE GOLDBERG	E	2026 Q4	\$1,574,156
2542	WHITE EL (INCLUDES MCALISTER HS)	2	DR. ROCIO RIVAS	E	2025 Q4	\$836,617
4658	YES ACAD	1	DR. GEORGE MCKENNA	S	2026 Q1	\$1,056,002
						\$131,628,394

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D4 – Group 4 - Implementation Schedule by Board District

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Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
3959	42ND ST EL	1	DR. GEORGE MCKENNA	S	2027 Q2	\$1,011,485
6781	6TH AVE EL	1	DR. GEORGE MCKENNA	W	2025 Q3	\$1,324,146
7164	BRIGHT EL	1	DR. GEORGE MCKENNA	W	2026 Q2	\$1,256,880
2939	CARSON-GORE ACAD EL	1	DR. GEORGE MCKENNA	W	2026 Q2	\$1,034,522
3068	CIENEGA EL	1	DR. GEORGE MCKENNA	W	2026 Q3	\$1,129,661
6795	GARCETTI EL	1	DR. GEORGE MCKENNA	S	2026 Q1	\$1,374,520
8713	HAWKINS SH C/DAGS	1	DR. GEORGE MCKENNA	S	2027 Q1	\$1,677,382
5112	JONES PC	1	DR. GEORGE MCKENNA	S	2027 Q1	\$597,466
2311	POINDEXTER LAMOTTE EL	1	DR. GEORGE MCKENNA	S	2027 Q2	\$904,034
6164	QUEEN ANNE EL	1	DR. GEORGE MCKENNA	W	2027 Q1	\$1,026,833
4658	YES ACAD	1	DR. GEORGE MCKENNA	S	2026 Q1	\$1,056,002
7082	10TH ST EL	2	DR. ROCIO RIVAS	E	2026 Q1	\$1,212,589
6575	2ND ST EL	2	DR. ROCIO RIVAS	E	2025 Q4	\$1,172,203
2027	ALDAMA EL	2	DR. ROCIO RIVAS	E	2027 Q2	\$802,703
4356	ANTON EL	2	DR. ROCIO RIVAS	E	2026 Q2	\$1,345,317
2178	ARAGON EL	2	DR. ROCIO RIVAS	W	2026 Q4	\$1,034,661
8066	BURBANK MS	2	DR. ROCIO RIVAS	E	2026 Q3	\$2,061,492
8516	CORTINES SH OF VAPA	2	DR. ROCIO RIVAS	E	2027 Q2	\$1,894,489
3562	EL SERENO EL	2	DR. ROCIO RIVAS	E	2026 Q4	\$947,389
3986	FRANKLIN AVE EL	2	DR. ROCIO RIVAS	W	2025 Q4	\$762,335
8679	GARFIELD SH	2	DR. ROCIO RIVAS	E	2026 Q2	\$2,577,264
8168	GRIFFITH MS	2	DR. ROCIO RIVAS	E	2025 Q4	\$1,881,856
8179	HOLLENBECK MS	2	DR. ROCIO RIVAS	E	2025 Q3	\$2,154,064
8208	KING SH MAG FILM/MEDIA	2	DR. ROCIO RIVAS	W	2026 Q3	\$2,575,528
2543	LAFAYETTE PARK PC	2	DR. ROCIO RIVAS	E	2025 Q4	\$408,973
8058	LIECHTY MS	2	DR. ROCIO RIVAS	E	2026 Q3	\$1,726,921
2544	MACARTHUR PARK EL VPA	2	DR. ROCIO RIVAS	E	2027 Q1	\$1,032,192
8677	MONTEREY CHS (W GARFIELD)	2	DR. ROCIO RIVAS	E	2026 Q2	\$371,453
8807	RAMONA HS	2	DR. ROCIO RIVAS	E	2027 Q2	\$645,979
2542	WHITE EL (INCLUDES MCALISTER HS)	2	DR. ROCIO RIVAS	E	2025 Q4	\$836,617
2250	ACAD ENRICH SCI MAG (OLD LULL SP ED CTR)	3	SCOTT SCHMERELSON	N	2027 Q1	\$713,225
7401	CARDENAS EL	3	SCOTT SCHMERELSON	N	2026 Q2	\$969,228
2959	CHANDLER EL	3	SCOTT SCHMERELSON	N	2027 Q2	\$1,041,740
3164	COLFAX EL	3	SCOTT SCHMERELSON	N	2026 Q1	\$1,283,911
3610	ENADIA TECH ENR CTR (ENADIA EL)	3	SCOTT SCHMERELSON	N	2025 Q3	\$632,939
8137	FROST MS	3	SCOTT SCHMERELSON	N	2026 Q4	\$1,976,329
4233	GRANADA COMM CTR	3	SCOTT SCHMERELSON	N	2025 Q3	\$904,644
4452	HASKELL EL	3	SCOTT SCHMERELSON	N	2025 Q4	\$1,043,750
8559	INDEPENDENCE HS @ BIRMINGHAM SH	3	SCOTT SCHMERELSON	N	2027 Q1	\$374,198
7390	LAKE BALBOA/VALLEY ALTERNATIVE MAG @ BIRMINGHAM HS	3	SCOTT SCHMERELSON	N	2025 Q3	\$999,390
6027	PARTHENIA EL	3	SCOTT SCHMERELSON	N	2027 Q2	\$1,203,222
8235	MARINA DEL REY MS	4	NICK MELVOIN	W	2025 Q3	\$1,718,993
5479	NEWCASTLE EL	4	NICK MELVOIN	N	2026 Q2	\$816,356
8406	SUTTER MS	4	NICK MELVOIN	N	2025 Q4	\$2,159,397
8883	THOREAU HS	4	NICK MELVOIN	N	2025 Q4	\$334,496
8057	BERENDO MS	5	JACKIE GOLDBERG	W	2026 Q3	\$2,122,084
2699	CAHUENGA EL	5	JACKIE GOLDBERG	W	2025 Q3	\$949,279
3041	CHEREMOYA EL	5	JACKIE GOLDBERG	W	2027 Q2	\$696,273
3397	DELEVAN DRIVE EL	5	JACKIE GOLDBERG	E	2026 Q3	\$977,531
3877	FLETCHER DR EL	5	JACKIE GOLDBERG	W	2027 Q1	\$1,119,263
4123	GLASSELL PARK EL	5	JACKIE GOLDBERG	W	2026 Q4	\$1,852,886
2042	HARVARD EL	5	JACKIE GOLDBERG	W	2027 Q1	\$859,390
4548	HOBART EL	5	JACKIE GOLDBERG	W	2026 Q3	\$1,658,690
6549	HOLLYWOOD PC	5	JACKIE GOLDBERG	W	2027 Q1	\$617,643
2944	HUERTA EL	5	JACKIE GOLDBERG	E	2026 Q2	\$776,435
6880	INDEPENDENCE EL	5	JACKIE GOLDBERG	E	2025 Q4	\$1,312,326
8189	IRVING MS MME MAG	5	JACKIE GOLDBERG	W	2026 Q1	\$2,150,215
2943	JONES EL	5	JACKIE GOLDBERG	E	2027 Q1	\$870,310
8064	KIM ACAD	5	JACKIE GOLDBERG	W	2026 Q3	\$1,075,769
6179	KINGSLEY EL	5	JACKIE GOLDBERG	W	2026 Q4	\$695,028
1919	LANTERMAN HS (SP ED CTR)	5	JACKIE GOLDBERG	S	2027 Q1	\$964,679
8226	LE CONTE MS	5	JACKIE GOLDBERG	W	2025 Q3	\$1,956,462
3210	MADISON EL	5	JACKIE GOLDBERG	E	2026 Q4	\$883,844
7725	MARQUEZ SH LIBRA	5	JACKIE GOLDBERG	E	2027 Q2	\$1,498,580
5205	MAYBERRY EL	5	JACKIE GOLDBERG	W	2025 Q4	\$875,131
6005	PARK AVE EL	5	JACKIE GOLDBERG	E	2025 Q3	\$1,164,195
8723	RODIA HS	5	JACKIE GOLDBERG	E	2027 Q2	\$355,133
4641	SAN ANTONIO EL	5	JACKIE GOLDBERG	E	2026 Q2	\$1,254,693
4640	WALNUT PARK EL	5	JACKIE GOLDBERG	E	2026 Q4	\$1,574,156
2164	APPERSON EL	6	KELLY GONEZ	N	2027 Q1	\$935,690

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D4 – Group 4 - Implementation Schedule by Board District

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Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
8609	ARLETA SH	6	KELLY GONEZ	N	2025 Q3	\$1,551,803
2205	ARMINTA EL	6	KELLY GONEZ	N	2027 Q2	\$1,116,137
3577	BELLINGHAM EL	6	KELLY GONEZ	N	2027 Q1	\$1,306,401
2486	BRAINARD EL	6	KELLY GONEZ	N	2026 Q3	\$824,529
2658	BURTON EL	6	KELLY GONEZ	N	2025 Q3	\$1,020,929
8080	BYRD MS	6	KELLY GONEZ	N	2026 Q1	\$2,109,968
7715	CHAVEZ LA ARTES MAG	6	KELLY GONEZ	N	2026 Q2	\$1,857,599
3151	COLDWATER CYN EL	6	KELLY GONEZ	N	2026 Q3	\$1,514,277
8607	EAST VALLEY SH	6	KELLY GONEZ	N	2025 Q4	\$1,762,790
7399	KORENSTEIN EL	6	KELLY GONEZ	N	2027 Q2	\$965,632
5342	MONLUX EL	6	KELLY GONEZ	N	2025 Q4	\$1,408,972
8610	PANORAMA SH	6	KELLY GONEZ	N	2027 Q1	\$2,606,224
4776	PRIMARY ACAD	6	KELLY GONEZ	N	2026 Q1	\$625,811
8116	ROMER MS	6	KELLY GONEZ	N	2026 Q4	\$2,097,597
3574	SEDAK EL	6	KELLY GONEZ	N	2026 Q1	\$1,058,129
7400	VISTA DEL VALLE ACAD	6	KELLY GONEZ	N	2025 Q3	\$909,361
5808	156TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$880,472
3767	15TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$1,286,266
5753	186TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$1,688,091
3932	49TH ST EL	7	TANYA ORTIZ FRANKLIN	E	2026 Q3	\$1,361,560
2288	BANDINI EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q2	\$768,480
1941	BANNEKER SP ED CTR	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$1,036,176
2315	BARTON HILL EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$1,473,549
2527	BROAD EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$1,109,014
2685	CABRILLO EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q2	\$879,603
2836	CARSON EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$1,278,476
2986	CHAPMAN EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$894,834
8104	DANA MS	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$2,150,315
2301	DE LA TORRE JR EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$1,211,738
3466	DOMINGUEZ EL	7	TANYA ORTIZ FRANKLIN	S	2025 Q3	\$959,412
4014	FRIES EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q3	\$1,119,374
8160	GOMPERS MS	7	TANYA ORTIZ FRANKLIN	S	2025 Q4	\$2,248,080
8518	HARBOR TCHR PREP ACD	7	TANYA ORTIZ FRANKLIN	S	2026 Q4	\$1,108,079
4466	HAWAIIAN EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q1	\$1,195,501
8721	JORDAN SH	7	TANYA ORTIZ FRANKLIN	S	2027 Q2	\$1,965,994
7419	VAN DEENE EL	7	TANYA ORTIZ FRANKLIN	S	2026 Q3	\$1,072,762
						\$131,628,394

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D5 – Group 5 - Implementation Schedule by Site

254

Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
5836	109TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$686,982
5740	118TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q2	\$764,681
3808	52ND ST EL	1	DR. GEORGE MCKENNA	S	2026 Q4	\$677,192
5548	92ND ST EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$835,506
5111	ALEXANDER SCI CTR SC	1	DR. GEORGE MCKENNA	S	2026 Q3	\$600,659
2041	ALEXANDRIA EL	2	DR. ROCIO RIVAS	E	2026 Q4	\$884,348
2082	ALTA LOMA EL	1	DR. GEORGE MCKENNA	W	2028 Q1	\$1,138,829
6426	AMANECER PC	2	DR. ROCIO RIVAS	E	2026 Q4	\$346,773
7722	ANGELOU COMM SH	7	TANYA ORTIZ FRANKLIN	E	2028 Q2	\$1,199,174
2151	ANNANDALE EL	5	JACKIE GOLDBERG	E	2028 Q1	\$648,727
2219	ASCOT EL	5	JACKIE GOLDBERG	E	2027 Q3	\$910,126
2247	AVALON GARDENS EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q3	\$615,095
8531	AVALON HS	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$251,092
2269	BALBOA EL G/HA MAG	3	SCOTT SCHMERELSON	N	2028 Q1	\$879,548
8536	BELL SH	5	JACKIE GOLDBERG	E	2026 Q4	\$1,800,844
8047	BELVEDERE MS	2	DR. ROCIO RIVAS	E	2028 Q1	\$1,065,727
2438	BERTRAND EL	4	NICK MELVOIN	N	2027 Q4	\$917,936
8754	BRAVO SH MEDICAL MAG	2	DR. ROCIO RIVAS	E	2028 Q1	\$1,780,662
2521	BRIDGE EL	2	DR. ROCIO RIVAS	E	2027 Q4	\$910,117
2534	BROADWAY EL	4	NICK MELVOIN	W	2028 Q1	\$1,013,395
8075	BURROUGHS MS	1	DR. GEORGE MCKENNA	W	2027 Q2	\$1,453,685
2706	CALAHAN ST EL	3	SCOTT SCHMERELSON	N	2026 Q4	\$611,920
2740	CANFIELD EL	1	DR. GEORGE MCKENNA	W	2027 Q2	\$515,163
3014	CHASE EL	6	KELLY GONEZ	N	2026 Q4	\$915,044
8590	CLEVELAND SH	3	SCOTT SCHMERELSON	N	2027 Q1	\$1,869,365
3123	CLOVER EL	1	DR. GEORGE MCKENNA	W	2027 Q4	\$865,081
6342	COEUR D ALENE EL	4	NICK MELVOIN	W	2028 Q2	\$746,376
7432	COLUMBUS AVE EL	3	SCOTT SCHMERELSON	N	2026 Q3	\$674,075
8102	COLUMBUS MS	3	SCOTT SCHMERELSON	N	2026 Q3	\$1,430,104
3205	COMPTON EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$710,467
5016	COUGHLIN EL	6	KELLY GONEZ	N	2028 Q1	\$1,048,675
3260	COWAN AVE EL	4	NICK MELVOIN	W	2027 Q1	\$583,051
3340	DARBY EL	3	SCOTT SCHMERELSON	N	2027 Q4	\$945,304
2386	DEL OLMO EL	2	DR. ROCIO RIVAS	E	2026 Q4	\$837,984
3438	DIXIE CYN COMM CHTR	3	SCOTT SCHMERELSON	N	2028 Q2	\$1,054,482
3479	DORRIS PL EL	5	JACKIE GOLDBERG	W	2027 Q3	\$563,807
8600	DORSEY SH	1	DR. GEORGE MCKENNA	S	2027 Q4	\$2,057,026
8738	DOWNTOWN BUSINESS MAGNET	2	DR. ROCIO RIVAS	E	2026 Q4	\$780,658
7667	DYMALLY SH	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$2,117,453
3545	EL ORO WAY CHTR ENRICH SCI	3	SCOTT SCHMERELSON	N	2026 Q4	\$605,960
3640	ESHELMAN EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q3	\$1,096,376
2383	ESPERANZA EL	2	DR. ROCIO RIVAS	E	2027 Q4	\$1,212,382
3890	FLORENCE EL	7	TANYA ORTIZ FRANKLIN	E	2027 Q3	\$1,276,680
4055	GARDEN GROVE EL	4	NICK MELVOIN	N	2027 Q3	\$950,932
4068	GARDNER EL	4	NICK MELVOIN	W	2027 Q1	\$639,604
4082	GARVANZA EL	2	DR. ROCIO RIVAS	E	2027 Q3	\$687,113
4110	GAULT EL	3	SCOTT SCHMERELSON	N	2028 Q1	\$973,584
8683	GRANT SH	6	KELLY GONEZ	N	2027 Q2	\$2,149,187
2385	GRATTS LA	2	DR. ROCIO RIVAS	E	2027 Q4	\$960,253
4295	GRIDLEY EL	6	KELLY GONEZ	N	2026 Q3	\$1,022,247
8686	HAMILTON SH	1	DR. GEORGE MCKENNA	W	2027 Q2	\$2,350,139
4425	HARBOR CITY EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q2	\$994,119
4681	HARMONY EL	5	JACKIE GOLDBERG	E	2026 Q3	\$818,992
6867	HARRY BRIDGES SPAN	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$1,411,761
4616	HUMPHREYS EL	2	DR. ROCIO RIVAS	E	2027 Q1	\$1,404,196
8700	HUNTINGTON PARK SH	5	JACKIE GOLDBERG	E	2027 Q2	\$1,802,155
4671	IVANHOE EL	5	JACKIE GOLDBERG	W	2027 Q2	\$604,081
8714	JEFFERSON SH	5	JACKIE GOLDBERG	E	2027 Q3	\$1,358,366
4692	JUSTICE ST ACAD CHTR	3	SCOTT SCHMERELSON	N	2026 Q4	\$557,785
8725	KENNEDY SH (INCLUDES ADDAMS HS)	3	SCOTT SCHMERELSON	N	2026 Q4	\$2,540,648
2701	KIM EL	5	JACKIE GOLDBERG	W	2027 Q4	\$684,451
6869	KNOX EL	7	TANYA ORTIZ FRANKLIN	S	2028 Q1	\$803,895
4764	LANAI EL	4	NICK MELVOIN	N	2027 Q4	\$821,957
4781	LANKERSHIM EL	6	KELLY GONEZ	N	2027 Q1	\$665,548
2312	LAWSON EL	1	DR. GEORGE MCKENNA	S	2027 Q3	\$966,763
8921	LEGACY SH STEAM	5	JACKIE GOLDBERG	E	2028 Q2	\$1,294,513
8729	LINCOLN SH	2	DR. ROCIO RIVAS	E	2027 Q3	\$2,141,075
4904	LOGAN EL	2	DR. ROCIO RIVAS	E	2027 Q2	\$1,575,233
1947	LOKRANTZ SP ED CTR	4	NICK MELVOIN	N	2026 Q3	\$753,104

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D5 – Group 5 - Implementation Schedule by Site

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Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
4973	LORNE EL	3	SCOTT SCHMERELSON	N	2026 Q3	\$869,718
4982	LOS ANGELES EL	5	JACKIE GOLDBERG	W	2028 Q1	\$1,196,418
4986	LOS FELIZ EL	2	DR. ROCIO RIVAS	W	2027 Q4	\$888,692
8917	MACES MAG	5	JACKIE GOLDBERG	E	2028 Q2	\$1,051,120
5068	MAIN ST EL	7	TANYA ORTIZ FRANKLIN	E	2027 Q4	\$1,288,951
7220	MAPLE PC	5	JACKIE GOLDBERG	E	2026 Q3	\$465,179
5192	MAR VISTA EL	4	NICK MELVOIN	W	2026 Q3	\$640,617
1949	MARLTON SCHOOL	1	DR. GEORGE MCKENNA	W	2026 Q3	\$928,011
5178	MARVIN EL	1	DR. GEORGE MCKENNA	W	2028 Q1	\$1,244,325
6658	MCKINLEY EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q3	\$1,277,986
8611	MENDEZ SH	2	DR. ROCIO RIVAS	E	2028 Q1	\$1,539,737
8760	MIDDLE COLLEGE SH	1	DR. GEORGE MCKENNA	S	2027 Q3	\$526,801
8259	MULHOLLAND MS	3	SCOTT SCHMERELSON	N	2028 Q2	\$1,277,179
5425	MULTNOMAH EL	2	DR. ROCIO RIVAS	E	2026 Q3	\$1,083,905
5438	MURCHISON EL	2	DR. ROCIO RIVAS	E	2027 Q3	\$1,514,016
5173	NAVA LA SCH	5	JACKIE GOLDBERG	E	2027 Q4	\$1,320,452
5452	NESTLE AVE CHTR EL	4	NICK MELVOIN	N	2028 Q2	\$817,716
8268	NIMITZ MS	5	JACKIE GOLDBERG	E	2027 Q2	\$1,575,539
8786	NORTH HOLLYWOOD SH	3	SCOTT SCHMERELSON	N	2026 Q4	\$1,716,030
2378	NUEVA VISTA EL	5	JACKIE GOLDBERG	E	2027 Q2	\$1,420,714
2302	OBAMA EL	6	KELLY GONEZ	N	2026 Q3	\$1,094,800
6868	OBAMA GLOBAL PREP ACAD	1	DR. GEORGE MCKENNA	S	2028 Q2	\$1,626,302
5153	ORCHARD ACADEMIES	5	JACKIE GOLDBERG	E	2028 Q2	\$932,031
1953	PEREZ SP ED CTR	2	DR. ROCIO RIVAS	E	2026 Q3	\$1,197,163
3247	PLASENCIA EL (INCLUDES MCALISTER HS)	2	DR. ROCIO RIVAS	E	2026 Q4	\$976,715
2306	PLAYA VISTA EL	4	NICK MELVOIN	W	2028 Q1	\$824,858
2384	POLITI EL	2	DR. ROCIO RIVAS	W	2027 Q2	\$1,148,473
8636	POLYTECHNIC SH	6	KELLY GONEZ	N	2027 Q1	\$2,092,541
2303	PORTER RANCH SCHOOL	3	SCOTT SCHMERELSON	N	2028 Q1	\$1,402,313
6158	PURCHE EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$1,000,472
6219	RAYMOND AVE EL	1	DR. GEORGE MCKENNA	S	2027 Q2	\$848,073
8814	RESEDA SH	4	NICK MELVOIN	N	2027 Q1	\$2,550,609
2369	RFK AMBSDR GLBL EDU (RFK COMM SCHS)	5	JACKIE GOLDBERG	W	2027 Q4	\$1,428,812
2308	RIDE EL	5	JACKIE GOLDBERG	E	2028 Q1	\$980,044
1917	RILEY HS @ COMPTON EL	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$334,988
5385	RIORDAN PC	2	DR. ROCIO RIVAS	E	2027 Q4	\$690,735
6301	RITTER EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q3	\$587,541
8867	RIVERA LC PUB SVC	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$4,684,754
6315	RIVERSIDE EL	3	SCOTT SCHMERELSON	N	2027 Q4	\$955,479
7749	ROOSEVELT SH	2	DR. ROCIO RIVAS	E	2027 Q4	\$2,025,620
6356	ROSCOE EL	6	KELLY GONEZ	N	2027 Q1	\$1,113,019
6466	SAN GABRIEL EL	5	JACKIE GOLDBERG	E	2027 Q2	\$877,294
8850	SAN PEDRO SH	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$1,861,156
6671	SHENANDOAH EL	1	DR. GEORGE MCKENNA	W	2027 Q2	\$687,180
6699	SHERMAN OAKS CES MAG EL	3	SCOTT SCHMERELSON	N	2027 Q3	\$1,255,650
8842	SOCES (SHERMAN OAKS CES MAG)	4	NICK MELVOIN	N	2027 Q2	\$1,083,454
8577	SOTOMAYOR SH ARTS/SCI	5	JACKIE GOLDBERG	W	2028 Q2	\$1,743,674
6959	STRATHERN EL	6	KELLY GONEZ	N	2027 Q3	\$849,975
7408	SYLMAR LDSHP ACAD	6	KELLY GONEZ	N	2028 Q2	\$1,155,057
8880	TAFT SH	4	NICK MELVOIN	N	2027 Q1	\$2,432,895
7192	TOLUCA LAKE EL	6	KELLY GONEZ	N	2027 Q4	\$1,160,600
8606	TORRES ELA PA MAG	2	DR. ROCIO RIVAS	E	2028 Q2	\$3,182,469
7356	UNION AVE EL	2	DR. ROCIO RIVAS	E	2026 Q3	\$982,738
8907	VENICE SH	4	NICK MELVOIN	W	2026 Q4	\$2,296,235
7521	VICTORY BLVD EL	6	KELLY GONEZ	N	2026 Q4	\$817,076
8602	VIEW PARK HS (@ DORSEY SH)	1	DR. GEORGE MCKENNA	S	2026 Q4	\$155,022
8943	WESM HLTH/SPORTS MED (WESTCHESTER SH)	4	NICK MELVOIN	W	2027 Q3	\$2,446,664
8748	WEST ADAMS PREP SH	5	JACKIE GOLDBERG	W	2027 Q1	\$2,044,225
7699	WESTMINSTER EL	4	NICK MELVOIN	W	2027 Q2	\$1,064,026
1957	WILLENBERG SP ED CTR	7	TANYA ORTIZ FRANKLIN	S	2026 Q3	\$835,090
2309	WILLOW EL	5	JACKIE GOLDBERG	E	2028 Q1	\$974,426
2619	WILSHIRE PARK EL	1	DR. GEORGE MCKENNA	W	2028 Q1	\$617,447
7822	WINDSOR HILLS EL M/S AERO MAG	1	DR. GEORGE MCKENNA	W	2026 Q3	\$656,284
8948	YOUTH OPP UNLTD ALT HS	1	DR. GEORGE MCKENNA	S	2027 Q1	\$527,796

\$153,675,113

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D6 – Group 5 - Implementation Schedule by Board District

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Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
3808	52ND ST EL	1	DR. GEORGE MCKENNA	S	2026 Q4	\$677,192
5111	ALEXANDER SCI CTR SC	1	DR. GEORGE MCKENNA	S	2026 Q3	\$600,659
2082	ALTA LOMA EL	1	DR. GEORGE MCKENNA	W	2028 Q1	\$1,138,829
8075	BURROUGHS MS	1	DR. GEORGE MCKENNA	W	2027 Q2	\$1,453,685
2740	CANFIELD EL	1	DR. GEORGE MCKENNA	W	2027 Q2	\$515,163
3123	CLOVER EL	1	DR. GEORGE MCKENNA	W	2027 Q4	\$865,081
8600	DORSEY SH	1	DR. GEORGE MCKENNA	S	2027 Q4	\$2,057,026
8686	HAMILTON SH	1	DR. GEORGE MCKENNA	W	2027 Q2	\$2,350,139
2312	LAWSON EL	1	DR. GEORGE MCKENNA	S	2027 Q3	\$966,763
1949	MARLTON SCHOOL	1	DR. GEORGE MCKENNA	W	2026 Q3	\$928,011
5178	MARVIN EL	1	DR. GEORGE MCKENNA	W	2028 Q1	\$1,244,325
8760	MIDDLE COLLEGE SH	1	DR. GEORGE MCKENNA	S	2027 Q3	\$526,801
6868	OBAMA GLOBAL PREP ACAD	1	DR. GEORGE MCKENNA	S	2028 Q2	\$1,626,302
6219	RAYMOND AVE EL	1	DR. GEORGE MCKENNA	S	2027 Q2	\$848,073
6671	SHENANDOAH EL	1	DR. GEORGE MCKENNA	W	2027 Q2	\$687,180
8602	VIEW PARK HS (@ DORSEY SH)	1	DR. GEORGE MCKENNA	S	2026 Q4	\$155,022
2619	WILSHIRE PARK EL	1	DR. GEORGE MCKENNA	W	2028 Q1	\$617,447
7822	WINDSOR HILLS EL M/S AERO MAG	1	DR. GEORGE MCKENNA	W	2026 Q3	\$656,284
8948	YOUTH OPP UNLTD ALT HS	1	DR. GEORGE MCKENNA	S	2027 Q1	\$527,796
2041	ALEXANDRIA EL	2	DR. ROCIO RIVAS	E	2026 Q4	\$884,348
6426	AMANECER PC	2	DR. ROCIO RIVAS	E	2026 Q4	\$346,773
8047	BELVEDERE MS	2	DR. ROCIO RIVAS	E	2028 Q1	\$1,065,727
8754	BRAVO SH MEDICAL MAG	2	DR. ROCIO RIVAS	E	2028 Q1	\$1,780,662
2521	BRIDGE EL	2	DR. ROCIO RIVAS	E	2027 Q4	\$910,117
2386	DEL OLMO EL	2	DR. ROCIO RIVAS	E	2026 Q4	\$837,984
8738	DOWNTOWN BUSINESS MAGNET	2	DR. ROCIO RIVAS	E	2026 Q4	\$780,658
2383	ESPERANZA EL	2	DR. ROCIO RIVAS	E	2027 Q4	\$1,212,382
4082	GARVANZA EL	2	DR. ROCIO RIVAS	E	2027 Q3	\$687,113
2385	GRATTS LA	2	DR. ROCIO RIVAS	E	2027 Q4	\$960,253
4616	HUMPHREYS EL	2	DR. ROCIO RIVAS	E	2027 Q1	\$1,404,196
8729	LINCOLN SH	2	DR. ROCIO RIVAS	E	2027 Q3	\$2,141,075
4904	LOGAN EL	2	DR. ROCIO RIVAS	E	2027 Q2	\$1,575,233
4986	LOS FELIZ EL	2	DR. ROCIO RIVAS	W	2027 Q4	\$888,692
8611	MENDEZ SH	2	DR. ROCIO RIVAS	E	2028 Q1	\$1,539,737
5425	MULTNOMAH EL	2	DR. ROCIO RIVAS	E	2026 Q3	\$1,083,905
5438	MURCHISON EL	2	DR. ROCIO RIVAS	E	2027 Q3	\$1,514,016
1953	PEREZ SP ED CTR	2	DR. ROCIO RIVAS	E	2026 Q3	\$1,197,163
3247	PLASENCIA EL (INCLUDES MCALISTER HS)	2	DR. ROCIO RIVAS	E	2026 Q4	\$976,715
2384	POLITI EL	2	DR. ROCIO RIVAS	W	2027 Q2	\$1,148,473
5385	RIORDAN PC	2	DR. ROCIO RIVAS	E	2027 Q4	\$690,735
7749	ROOSEVELT SH	2	DR. ROCIO RIVAS	E	2027 Q4	\$2,025,620
8606	TORRES ELA PA MAG	2	DR. ROCIO RIVAS	E	2028 Q2	\$3,182,469
7356	UNION AVE EL	2	DR. ROCIO RIVAS	E	2026 Q3	\$982,738
2269	BALBOA EL G/HA MAG	3	SCOTT SCHMERELSON	N	2028 Q1	\$879,548
2706	CALAHAN ST EL	3	SCOTT SCHMERELSON	N	2026 Q4	\$611,920
8590	CLEVELAND SH	3	SCOTT SCHMERELSON	N	2027 Q1	\$1,869,365
7432	COLUMBUS AVE EL	3	SCOTT SCHMERELSON	N	2026 Q3	\$674,075
8102	COLUMBUS MS	3	SCOTT SCHMERELSON	N	2026 Q3	\$1,430,104
3340	DARBY EL	3	SCOTT SCHMERELSON	N	2027 Q4	\$945,304
3438	DIXIE CYN COMM CHTR	3	SCOTT SCHMERELSON	N	2028 Q2	\$1,054,482
3545	EL ORO WAY CHTR ENRICH SCI	3	SCOTT SCHMERELSON	N	2026 Q4	\$605,960
4110	GAULT EL	3	SCOTT SCHMERELSON	N	2028 Q1	\$973,584
4692	JUSTICE ST ACAD CHTR	3	SCOTT SCHMERELSON	N	2026 Q4	\$557,785
8725	KENNEDY SH (INCLUDES ADDAMS HS)	3	SCOTT SCHMERELSON	N	2026 Q4	\$2,540,648
4973	LORNE EL	3	SCOTT SCHMERELSON	N	2026 Q3	\$869,718
8259	MULHOLLAND MS	3	SCOTT SCHMERELSON	N	2028 Q2	\$1,277,179
8786	NORTH HOLLYWOOD SH	3	SCOTT SCHMERELSON	N	2026 Q4	\$1,716,030
2303	PORTER RANCH SCHOOL	3	SCOTT SCHMERELSON	N	2028 Q1	\$1,402,313
6315	RIVERSIDE EL	3	SCOTT SCHMERELSON	N	2027 Q4	\$955,479
6699	SHERMAN OAKS CES MAG EL	3	SCOTT SCHMERELSON	N	2027 Q3	\$1,255,650
2438	BERTRAND EL	4	NICK MELVOIN	N	2027 Q4	\$917,936
2534	BROADWAY EL	4	NICK MELVOIN	W	2028 Q1	\$1,013,395
6342	COEUR D ALENE EL	4	NICK MELVOIN	W	2028 Q2	\$746,376
3260	COWAN AVE EL	4	NICK MELVOIN	W	2027 Q1	\$583,051
4055	GARDEN GROVE EL	4	NICK MELVOIN	N	2027 Q3	\$950,932
4068	GARDNER EL	4	NICK MELVOIN	W	2027 Q1	\$639,604
4764	LANAI EL	4	NICK MELVOIN	N	2027 Q4	\$821,957
1947	LOKRANTZ SP ED CTR	4	NICK MELVOIN	N	2026 Q3	\$753,104
5192	MAR VISTA EL	4	NICK MELVOIN	W	2026 Q3	\$640,617

School Network Systems Upgrade, Phase 2 (349 sites)
Attachment D6 – Group 5 - Implementation Schedule by Board District

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Loc Code	Site Name	Board District	Board Member	Region	Anticipated Completion	Project Budget
5452	NESTLE AVE CHTR EL	4	NICK MELVOIN	N	2028 Q2	\$817,716
2306	PLAYA VISTA EL	4	NICK MELVOIN	W	2028 Q1	\$824,858
8814	RESEDA SH	4	NICK MELVOIN	N	2027 Q1	\$2,550,609
8842	SOCES (SHERMAN OAKS CES MAG)	4	NICK MELVOIN	N	2027 Q2	\$1,083,454
8880	TAFT SH	4	NICK MELVOIN	N	2027 Q1	\$2,432,895
8907	VENICE SH	4	NICK MELVOIN	W	2026 Q4	\$2,296,235
8943	WESM HLTH/SPORTS MED (WESTCHESTER SH)	4	NICK MELVOIN	W	2027 Q3	\$2,446,664
7699	WESTMINSTER EL	4	NICK MELVOIN	W	2027 Q2	\$1,064,026
2151	ANNANDALE EL	5	JACKIE GOLDBERG	E	2028 Q1	\$648,727
2219	ASCOT EL	5	JACKIE GOLDBERG	E	2027 Q3	\$910,126
8536	BELL SH	5	JACKIE GOLDBERG	E	2026 Q4	\$1,800,844
3479	DORRIS PL EL	5	JACKIE GOLDBERG	W	2027 Q3	\$563,807
4681	HARMONY EL	5	JACKIE GOLDBERG	E	2026 Q3	\$818,992
8700	HUNTINGTON PARK SH	5	JACKIE GOLDBERG	E	2027 Q2	\$1,802,155
4671	IVANHOE EL	5	JACKIE GOLDBERG	W	2027 Q2	\$604,081
8714	JEFFERSON SH	5	JACKIE GOLDBERG	E	2027 Q3	\$1,358,366
2701	KIM EL	5	JACKIE GOLDBERG	W	2027 Q4	\$684,451
8921	LEGACY SH STEAM	5	JACKIE GOLDBERG	E	2028 Q2	\$1,294,513
4982	LOS ANGELES EL	5	JACKIE GOLDBERG	W	2028 Q1	\$1,196,418
8917	MACES MAG	5	JACKIE GOLDBERG	E	2028 Q2	\$1,051,120
7220	MAPLE PC	5	JACKIE GOLDBERG	E	2026 Q3	\$465,179
5173	NAVA LA SCH	5	JACKIE GOLDBERG	E	2027 Q4	\$1,320,452
8268	NIMITZ MS	5	JACKIE GOLDBERG	E	2027 Q2	\$1,575,539
2378	NUEVA VISTA EL	5	JACKIE GOLDBERG	E	2027 Q2	\$1,420,714
5153	ORCHARD ACADEMIES	5	JACKIE GOLDBERG	E	2028 Q2	\$932,031
2369	RFK AMBSDR GLBL EDU (RFK COMM SCHS)	5	JACKIE GOLDBERG	W	2027 Q4	\$1,428,812
2308	RIDE EL	5	JACKIE GOLDBERG	E	2028 Q1	\$980,044
6466	SAN GABRIEL EL	5	JACKIE GOLDBERG	E	2027 Q2	\$877,294
8577	SOTOMAYOR SH ARTS/SCI	5	JACKIE GOLDBERG	W	2028 Q2	\$1,743,674
8748	WEST ADAMS PREP SH	5	JACKIE GOLDBERG	W	2027 Q1	\$2,044,225
2309	WILLOW EL	5	JACKIE GOLDBERG	E	2028 Q1	\$974,426
3014	CHASE EL	6	KELLY GONEZ	N	2026 Q4	\$915,044
5016	COUGHLIN EL	6	KELLY GONEZ	N	2028 Q1	\$1,048,675
8683	GRANT SH	6	KELLY GONEZ	N	2027 Q2	\$2,149,187
4295	GRIDLEY EL	6	KELLY GONEZ	N	2026 Q3	\$1,022,247
4781	LANKERSHIM EL	6	KELLY GONEZ	N	2027 Q1	\$665,548
2302	OBAMA EL	6	KELLY GONEZ	N	2026 Q3	\$1,094,800
8636	POLYTECHNIC SH	6	KELLY GONEZ	N	2027 Q1	\$2,092,541
6356	ROSCOE EL	6	KELLY GONEZ	N	2027 Q1	\$1,113,019
6959	STRATHERN EL	6	KELLY GONEZ	N	2027 Q3	\$849,975
7408	SYLMAR LDSHP ACAD	6	KELLY GONEZ	N	2028 Q2	\$1,155,057
7192	TOLUCA LAKE EL	6	KELLY GONEZ	N	2027 Q4	\$1,160,600
7521	VICTORY BLVD EL	6	KELLY GONEZ	N	2026 Q4	\$817,076
5836	109TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$686,982
5740	118TH ST EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q2	\$764,681
5548	92ND ST EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$835,506
7722	ANGELOU COMM SH	7	TANYA ORTIZ FRANKLIN	E	2028 Q2	\$1,199,174
2247	AVALON GARDENS EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q3	\$615,095
8531	AVALON HS	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$251,092
3205	COMPTON EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$710,467
7667	DYMALLY SH	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$2,117,453
3640	ESHELMAN EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q3	\$1,096,376
3890	FLORENCE EL	7	TANYA ORTIZ FRANKLIN	E	2027 Q3	\$1,276,680
4425	HARBOR CITY EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q2	\$994,119
6867	HARRY BRIDGES SPAN	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$1,411,761
6869	KNOX EL	7	TANYA ORTIZ FRANKLIN	S	2028 Q1	\$803,895
5068	MAIN ST EL	7	TANYA ORTIZ FRANKLIN	E	2027 Q4	\$1,288,951
6658	MCKINLEY EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q3	\$1,277,986
6158	PURCHE EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$1,000,472
1917	RILEY HS @ COMPTON EL	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$334,988
6301	RITTER EL	7	TANYA ORTIZ FRANKLIN	S	2027 Q3	\$587,541
8867	RIVERA LC PUB SVC	7	TANYA ORTIZ FRANKLIN	S	2028 Q2	\$4,684,754
8850	SAN PEDRO SH	7	TANYA ORTIZ FRANKLIN	S	2027 Q1	\$1,861,156
1957	WILLENBERG SP ED CTR	7	TANYA ORTIZ FRANKLIN	S	2026 Q3	\$835,090

\$153,675,113

TAB 13



Board of Education Report

File #: Rep-134-23/24, **Version:** 1

Amendment to the Information Technology Services Strategic Execution Plan to Approve the Network Infrastructure Modernization Project

January 23, 2024

Information Technology Services

Action Proposed:

Approve amendment of the Information Technology Services (ITS) Strategic Execution Plan (SEP) to approve the definition, allocate funds, and take the associated action for the Network Infrastructure Modernization project, as described in Attachments A, B, and C.

The proposed actions are as follows:

- Allocate \$11,666,950 bond funding to complete the Network Infrastructure Modernization project.
- Approve execution of the Network Infrastructure Modernization project.

Background:

On August 24, 2021, the Board of Education approved the update to the SUP to integrate Measure RR funding and priorities (Brd. Rpt. 027-21/22), the next phase of the District's Bond Program, which will modernize, build, and repair school facilities to improve student health, safety, and educational quality. The Board's action approved the overarching goals and principles, funding sources, specific categories of need, and spending targets for the SUP. As proposed projects are developed, they are submitted to the Bond Oversight Committee (BOC) for consideration and the Board of Education for approval.

The SUP includes a spending target to “Upgrade and Equip [schools] with 21st Century Technology.” The intended outcome of the proposed project to be executed within this spending targets is as follows:

- Network Infrastructure Modernization project: This project will modernize the District’s network infrastructure, which connects all schools and offices to the District’s data center and Internet, by replacing equipment that will no longer be supported by the manufacturer with newer hardware that provides similar or greater functionality and capacity. \$11,666,950 Bond Funds (95%) and \$614,050 General Funds (5%). December 2026 anticipated completion.

If approved, ITS will provide quarterly updates on the project.

Bond Oversight Committee Recommendations:

The School Construction Bond Citizens’ Oversight Committee (BOC), at its January 11, 2024 meeting, considered this item. Staff has concluded that this proposed SEP Amendment will facilitate the implementation of the ITS SEP, and therefore it will not adversely affect the District’s ability to successfully complete the ITS SEP.

Expected Outcomes:

Staff anticipates that the Board will amend the ITS SEP to define the new project described herein and allocate

File #: Rep-134-23/24, Version: 1

\$11,666,950 of Bond Program funding. This project will enable the District to continue providing the stable IT Infrastructure required for teaching, learning and daily operations.

Furthermore, this project directly contributes to the achievement of the 2022-2026 Los Angeles Unified School District Strategic Plan goals of eliminating opportunity gaps (Pillar 1: Academic Excellence), creating welcoming learning environments (Pillar 2: Joy and Wellness), and modernizing infrastructure (Pillar 4: Operational Efficiency).

Board Options and Consequences:

Failure or delay of approval will postpone the execution and/or implementation of the proposed project and the associated benefits to the schools and students.

Policy Implications:

This action is consistent with the District's long-term goal to address unmet school needs as described in Proposition BB and Measures K, R, Y, Q, and RR.

Budget Impact:

The proposed project has a total budget of \$12,281,000, consisting of \$11,666,950 of Bond Program funding and \$614,050 of General Funds. The bond funds will be allocated from the "Upgrade and Equip with 21st Century Technology" SUP categories of need.

Upon completion of the project, \$200,000 in new funds will be needed to maintain the new equipment deployed. These funds will be planned for and budgeted out of the hardware/software and E-Rate budgets.

Student Impact:

The proposed project has the following outcomes and benefits that impact students:

- Support anticipated future growth of high-performance student and teacher computing devices.
- Deliver technology infrastructure that contributes to a safe and healthy learning environment.

Equity Impact:

Component	Score	Score Rationale
Recognition	4	Modernization of the District's network infrastructure provides improved and equal access to <u>all students</u> .
Resource Prioritization	4	Modernization of the District's network infrastructure provides improved and equal access to <u>all students</u> .
Results	4	This modernization is required to maintain the District's highly available network access in classrooms and on campuses, which directly contributes to eliminating opportunity gaps at District schools. Furthermore, this program contributes to other pillars and priorities of the 2022-2026 LAUSD Strategic Plan, including: Welcoming Learning Environments (Pillar 2: Joy and Wellness) and Modernize Infrastructure (Pillar 4: Operational Efficiency).
TOTAL	12	

Issues and Analysis:

As bandwidth to schools increases, the Network Infrastructure must also be increased. Based on current growth

File #: Rep-134-23/24, **Version:** 1

projections, the network infrastructure will need up to 4 times its current capacity to keep pace with learning needs. Furthermore, the existing network infrastructure equipment is reaching the end of its useful life. The equipment was purchased and installed nearly 10 years ago and will reach the end-of-support from manufacturers. At that point, there will be limited options for replacement of failed equipment and no security updates to patch vulnerabilities, leaving the District at risk of attack. The existing network equipment is operating at its maximum capacity. Additional capacity cannot be added to the existing network equipment to meet the District's growth needs.

Attachments:

Attachment A - Project Definition

Attachment B - Bond Oversight Committee Resolution

Attachment C - Presentation Slide Deck

Previously adopted Board report(s) referenced:

- In the background [Board Rpt. 027-21/22](https://drive.google.com/file/d/1zFCTkt0vcebc2R7IQM_bPi64HQMLSWBQ/view?)
<https://drive.google.com/file/d/1zFCTkt0vcebc2R7IQM_bPi64HQMLSWBQ/view?
dated: August 24, 2021.

Informatives:

None

Submitted:

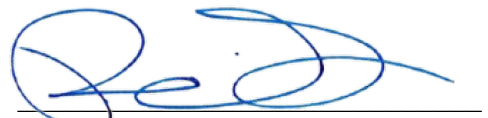
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File #: Rep-134-23/24, Version: 1

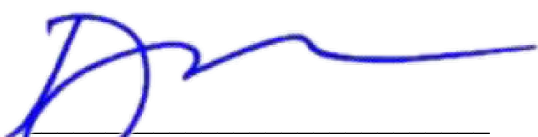
RESPECTFULLY SUBMITTED,


ALBERTO CARVALHO
Superintendent

APPROVED BY:


PEDRO SALCIDO
Deputy Superintendent
Office of the Deputy Superintendent

REVIEWED BY:


DEVORA NAVERA REED
General Counsel

APPROVED & PRESENTED BY:


SOHEIL KATAL
Chief Information Officer
Information Technology Services

☒ Approved as to form.

REVIEWED BY:


NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance
Office of the Chief Business Officer

☒ Approved as to budget impact statement.

Program: School Network Infrastructure Modernization
Project: Network Infrastructure Modernization
Budget: \$12,281,000 total project budget: \$11,666,950 in Bond Funds and \$614,050 in General Funds

Introduction

As students increasingly rely on devices and online content for learning, the District's IT infrastructure must evolve accordingly. The network's availability, consistency, and high performance are crucial to our educational mission. To accommodate the growing number of student devices and the rising use of online applications both on campus and remotely, we must upgrade and refresh our Network Infrastructure.

The Network Infrastructure is the backbone of the District's network, linking all schools and offices to our data center and Cloud resources, and providing internet access for students, teachers, and staff. As schools require more bandwidth, there's a corresponding need to enhance the Network Infrastructure. With projected growth trends, our network infrastructure will need to expand fourfold to cater to evolving educational requirements.

Moreover, our existing network equipment is nearing its operational lifespan. Installed almost a decade ago, the first set of equipment is set to reach its end-of-support phase from manufacturers as early as June 2024. Once that happens, our options to replace malfunctioning equipment will be limited. It's also important to note that the current equipment is operating at full capacity, making it impossible to increase capacity to accommodate the District's expanding needs. Furthermore, without security updates to address vulnerabilities, the District becomes susceptible to cyber threats.

Scope

The project includes the following phases:

Phase	Scope
Phase 1: Node Modernization	<ul style="list-style-type: none"> Replace WAN core routers and optical equipment at 4 nodes.
Phase 2: Data Center Router & Firewall Modernization	<ul style="list-style-type: none"> Replace data center routers and switches at 2 data centers. Upgrade data center firewalls at 2 data centers.
Phase 3: Core Switches & WAN Router Modernization	<ul style="list-style-type: none"> Upgrade core switches at 4 nodes. Upgrade WAN routers that connect to WAN service provider.

Stabilization & Closeout	<ul style="list-style-type: none"> • Monitor & optimize performance. • Project closeout. • Update network documentation.
--------------------------	---

Expected Outcomes

The Network Infrastructure Modernization Project will provide the following benefits and outcomes:

- Supports anticipated future growth of high-performance student and teacher digital learning needs.
- Delivers new network infrastructure equipment that will be supported by the manufacturer for the next 7-10 years.
- Improves space and power efficiency.
- Delivers a technology infrastructure that contributes to a safe and healthy learning environment.
- Installs firewalls with greater capacity to protect the internal District assets in the data centers.
- Ensures software updates for the network equipment will continue to be available to address any future security vulnerabilities identified in the products.
- Directly contributes to achievement of LAUSD 2022-2026 Strategic Plan goals to eliminate opportunity gaps (Pillar 1: Academic Excellence), create welcoming learning environments (Pillar 2: Joy and Wellness), and modernize infrastructure (Pillar 4: Operational Efficiency).

Schedule

The project will be completed by December 31, 2026.

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

Margaret Fuentes, Chair

LAUSD Student Parent

D. Michael Hamner, FAIA, Vice-Chair

American Institute of Architects

Dr. Samantha Rowles, Secretary

LAUSD Student Parent

Robert Campbell, Executive Committee

L.A. Co. Auditor-Controller's Office

Scott Pansky, Executive Committee

L.A. Area Chamber of Commerce

Neelura Bell

CA Charter School Association

Chad Boggio

L.A. Co. Federation of Labor AFL-CIO

Jeffrey Fischbach

CA Tax Reform Assn.

Aleigh Lewis

L.A. City Controller's Office

Patrick MacFarlane

Early Education Coalition

Jennifer McDowell

L.A. City Mayor's Office

Brian Mello

Assoc. General Contractors of CA

Dr. Clarence Montecarlo

Tenth District PTSA

William O. Ross IV31st District PTSA**Santa Ramirez (Alternate)**

Tenth District PTSA

Connie Yee (Alternate)

L.A. Co. Auditor-Controller's Office

Vacant

AARP

Joseph P. Buchman – Legal Counsel

Burke, Williams & Sorensen, LLP

Lori Raineri and Keith Weaver – Oversight Consultants

Government Financial Services Joint Powers Authority

Timothy Popejoy

Bond Oversight Administrator

Perla Zitle

Bond Oversight Coordinator

RESOLUTION 2023-38

BOARD REPORT 134-23/24

RECOMMENDING BOARD APPROVAL FOR THE AMENDMENT OF THE INFORMATION TECHNOLOGY SERVICES STRATEGIC EXECUTION PLAN TO APPROVE THE NETWORK INFRASTRUCTURE MODERNIZATION PROJECT

WHEREAS, District Staff proposes that the Board of Education amend the Information Technology Services (ITS) Strategic Execution Plan (SEP) to approve the definition, allocate funds, and take the associated actions for the Network Infrastructure Modernization project, as described in Attachments A, B, and C; and

WHEREAS, District Staff proposes the following actions:

- Allocate \$11,666,950 bond funding to complete the Network Infrastructure Modernization project.
- Approve execution of the Network Infrastructure Modernization project; and

WHEREAS, On August 24, 2021, the Board of Education approved the update to the SUP to integrate Measure RR funding and priorities (Brd. Rpt. 027-21/22), the next phase of the District's Bond Program, which will modernize, build, and repair school facilities to improve student health, safety and educational quality. The Board's action approved the overarching goals and principles, funding sources, specific categories of need, and spending targets for the SUP. As proposed projects are developed, they are submitted to the Bond Oversight Committee (BOC) for consideration and the Board of Education for approval; and

WHEREAS, The SUP includes a spending target to address “Upgrade and Equip [schools] with 21st Century Technology.” The intended outcome of the proposed project to be executed within this spending target is:

- Network Infrastructure Modernization project: This project will modernize the District’s network infrastructure, which connects all schools and offices to the District’s data center and Internet, by replacing equipment that will no longer be supported by the manufacturer with newer hardware that provides similar or greater functionality and capacity. \$11,666,950 Bond Funds (95%) and \$614,050 General Funds (5%)

RESOLUTION 2023-38**RECOMMENDING BOARD APPROVAL FOR THE AMENDMENT OF THE INFORMATION TECHNOLOGY SERVICES STRATEGIC EXECUTION PLAN TO APPROVE THE NETWORK INFRASTRUCTURE MODERNIZATION PROJECT**

If approved, ITS will provide quarterly updates on the Project; and

WHEREAS, District Staff anticipates that the Board will amend the ITS SEP to define the new project described herein and allocate \$11,666,950 of Bond Program funding. This project will enable the District to continue providing the IT Infrastructure required for teaching, learning and daily operations. Furthermore, this project directly contributes to the achievement of the 2022-2026 Los Angeles Unified School District Strategic Plan goals of eliminating opportunity gaps (Pillar 1: Academic Excellence), creating welcoming learning environments (Pillar 2: Joy and Wellness), and modernizing infrastructure (Pillar 4: Operational Efficiency); and

WHEREAS, the District Office of General Counsel has reviewed the proposed Project and determined that it may proceed to the Bond Oversight Committee for its consideration for recommendation to the Board of Education.

WHEREAS, District Staff has concluded this proposed ITS SEP amendment will facilitate Los Angeles Unified's ability to successfully complete the ITS SEP.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School Construction Citizens' Bond Oversight Committee recommends that the Board of Education adopt the amendment of the Information Technology Services Strategic Execution Plan to approve the IT Infrastructure to Support Learning Program listed above as described in Board Report 134-23/24, a copy of which is attached hereto in the form it was presented to the BOC and is incorporated herein by reference.
2. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Bond Oversight Committee's website.
3. The District is directed to track the above recommendation and to report on the adoption, rejection, or pending status of the recommendations as provided in section 6.2 of the Charter and Memorandum of Understanding between the Bond Oversight Committee and the District.

ADOPTED on January 11, 2024, by the following vote:

AYES: 14

ABSTENTIONS: 0

NAYS: 0

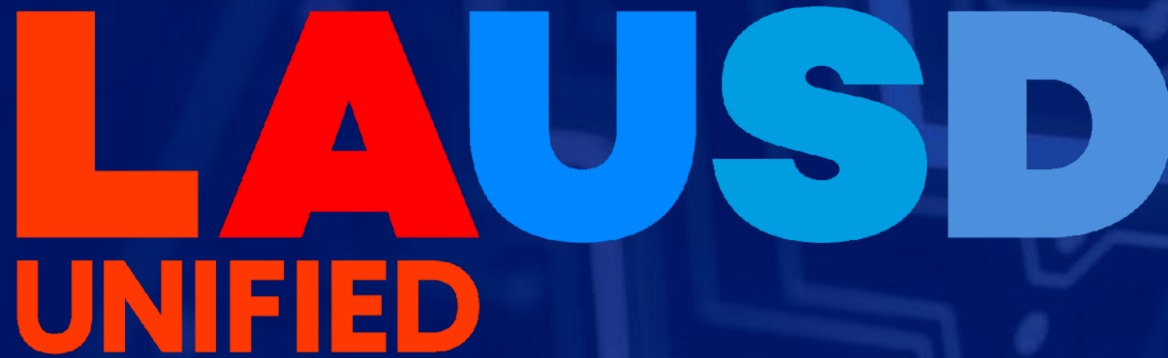
ABSENCES: 0

/Margaret Fuentes/

Margaret Fuentes
Chair

/Michael Hamner/

D. Michael Hamner
Vice-Chair



**Amendment to the ITS Strategic Execution
Plan to Approve the IT Infrastructure to
Support Learning Program**

Soheil Katal, Chief Information Officer
Dr. Frances Baez, Chief Academic Officer
January 23, 2024

Proposed Projects (slides 3 through 9)

As devices and online content become more and more essential to student learning and embedded in everyday life, the District's IT Infrastructure must be modernized to support this new learning paradigm

Proposed Projects (Slides 10 through 35)

1. Network Infrastructure Modernization (BOE #134-23/24) – Slides 11-18
2. School Network Systems Upgrade, Phase 2 (BOE # 118-23/24)– Slides 19-29
3. Intelligent School Network Controls (BOE #135-23/24)– Slides 30-35

Recommendation (Slide 36)

THE EXPERTS BELIEVE INSTRUCTIONAL TECHNOLOGY HAS THE CATALYTIC POWER TO TRANSFORM EDUCATION

U.S. Department of Education, Office of Education Technology:

Technology can be a powerful tool for transforming learning. It can help affirm and advance relationships between educators and students, reinvent our approaches to learning and collaboration, shrink long-standing equity and accessibility gaps, and adapt learning experiences to meet the needs of all learners

[Link: National Education Technology Plan Update](#)

&

Recommends building a robust technology infrastructure as a tool for equity

[Link: Building Robust Infrastructure as a Tool for Equity | by Office of Ed Tech | Medium](#)

Consortium for School Network:

Student access to robust digital tools is key to their success as 21st-century citizens.

Institute for Digital Transformation:

Identifies lack of IT infrastructure capable of enabling digital learning platforms as a top barrier to Digital Transformation

[Digital Strategy in Education \(institutefordigitaltransformation.org\)](https://www.institutefordigitaltransformation.org/)

STUDENTS USE LEARNING DEVICES TO ACCESS:



Learning Management System – Schoology



California Standardized Tests



Email and Collaboration Tools



E-curriculum



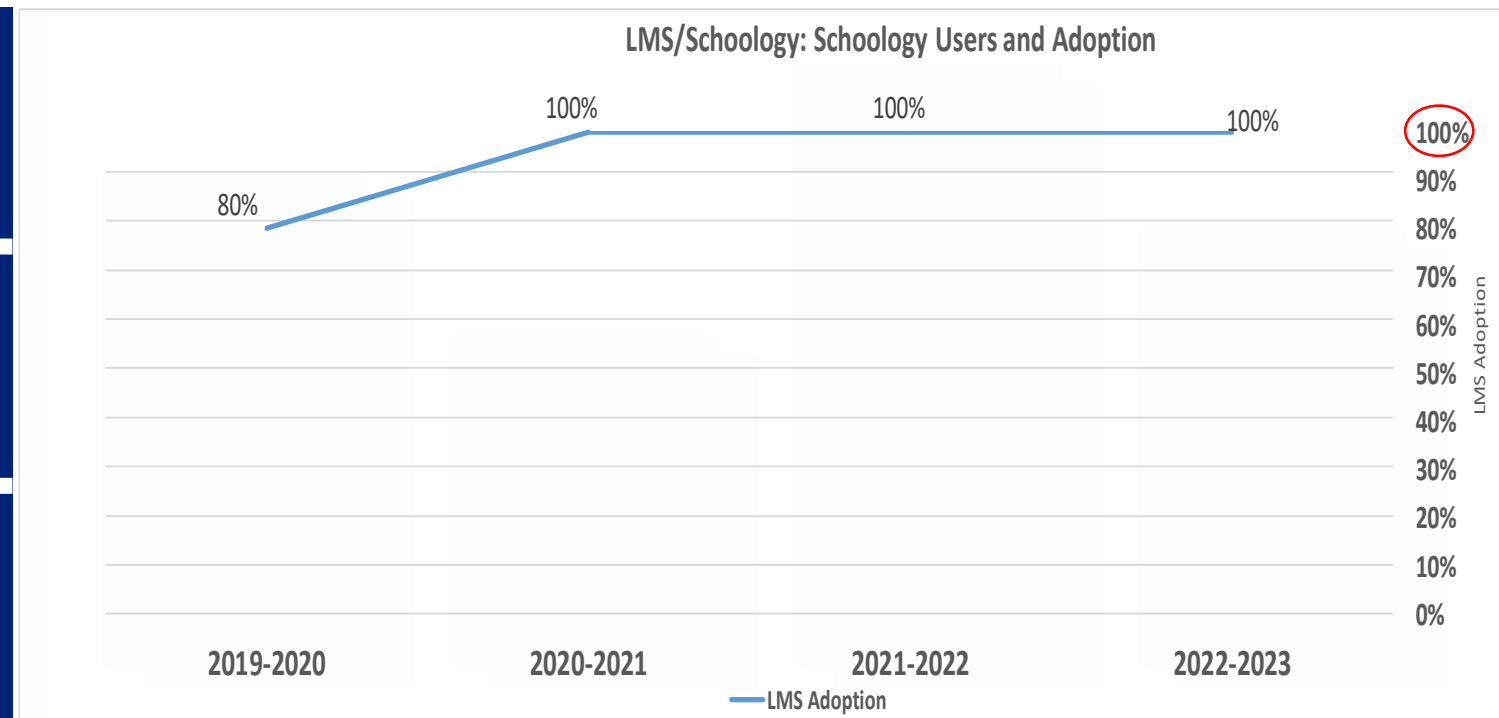
Credit recovery and online opportunities via Edgenuity



Video Conferencing

THE GROWTH IN ONLINE EDUCATION CONTENT: LEARNING MANAGEMENT SYSTEM (LMS) USAGE

- The LMS is a portal to student learning and engagement
- First introduced in 2016, the LMS was fully adopted by all District students by 2020-2021
- Teachers, Support staff, parents and others also utilize the LMS



INTERNET BANDWIDTH USAGE TRENDS & CAPACITY GROWTH FORECASTS

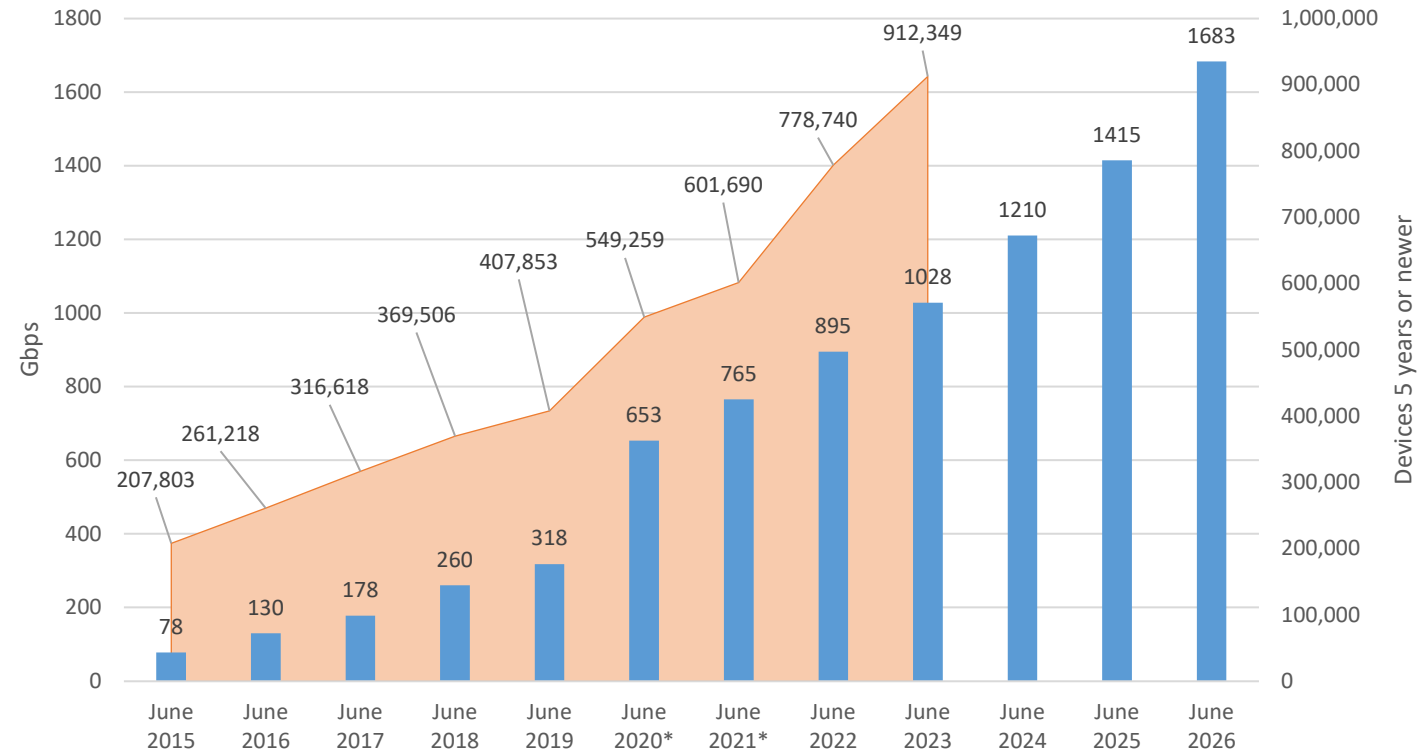
Best practice¹ guidelines for large K-12 districts

- 10 Gbps capacity per 1,000 students
- 1.4 Mbps per student

LAUSD bandwidth

- 4X increase in school computing devices
- 400 Gbps total for 435K students + staff
- 10 Gbps max capacity at each school
- 10X growth between 2015 and 2023
- 30% average annual growth rate
- Bandwidth usage is increasing due to online testing, increased digital content, and other instructional uses.

Site Bandwidth Usage & Estimated Growth



¹ State Educational Technology Directors Association & Federal Communications Commission recommendations

GROWTH IN SCHOOL-SITE LEARNING AND SUPPORT TECHNOLOGIES

- **Internet of Things (IoT)** describes the network of physical objects—“things”—that are embedded with sensors, software, and other technologies for the purpose of connecting and exchanging data with other devices and systems over the internet.
- **A school site's IoT-enabled universe can include:**
 - Instructional/ Teaching Devices, such as Virtual Reality Headsets, Interactive Whiteboards, Media Streamers, etc.
 - STEAM/STEM, Robotics, E-Sports program equipment
 - Building Automation Systems (BAS), such as Lighting Management, HVAC (Heating, Ventilating, and Air Conditioning), Low Voltage (Irrigation, Power Control, etc.), Photovoltaic (Solar, Battery, Energy Management, etc.), Food Service Kiosks, CCTV, Intrusion Alarms, Master Clocks, Bells, Speakers and Phones.



THE GROWTH IN SCHOOL-SITE LEARNING AND SUPPORT TECHNOLOGIES

Streaming
media adapter



eSports
computers & consoles



building
automation systems



Instructional Technology Growth / A New Learning Paradigm

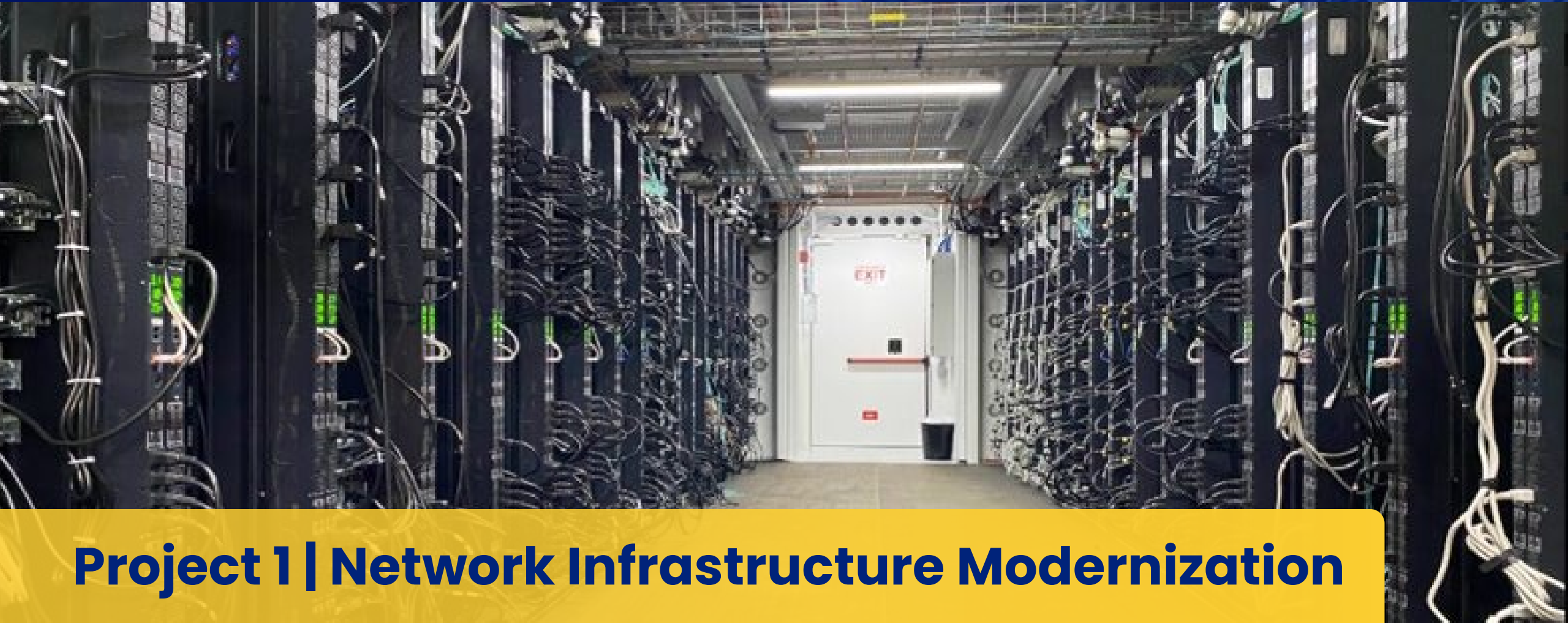
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The District's IT Infrastructure must be modernized to support the new learning paradigm.

PROPOSED PROJECTS

1) Network Infrastructure Modernization	Board Report 134-23/24	Slides 11-18
2) School Network Systems Upgrade, Ph 2	Board Report 118-23/24	Slides 19-29
3) Intelligent School Network Controls	Board Report 135-23/24	Slides 30-35



Project 1 | Network Infrastructure Modernization

Network Infrastructure Modernization: Outcomes & Benefits

278

Supports anticipated future growth of high-performance student and teacher computing devices

Delivers technology infrastructure that contributes to a safe and healthy learning environments

Delivers new network infrastructure equipment that will be supported by the manufacturer for the next 7-10 years

Improves space and power efficiency

Directly contributes to the achievement of the District's Goals to Eliminate Opportunity Gaps (Pillar 1: Academic Excellence), create Welcoming Learning Environments (Pillar 2: Joy and Wellness), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

Strong Social-Emotional Skills

Outstanding Attendance

3

Engagement and Collaboration

Strong Relationships

Accessible Information

Leading for Impact

Honoring Perspectives

4

Operational Effectiveness

Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

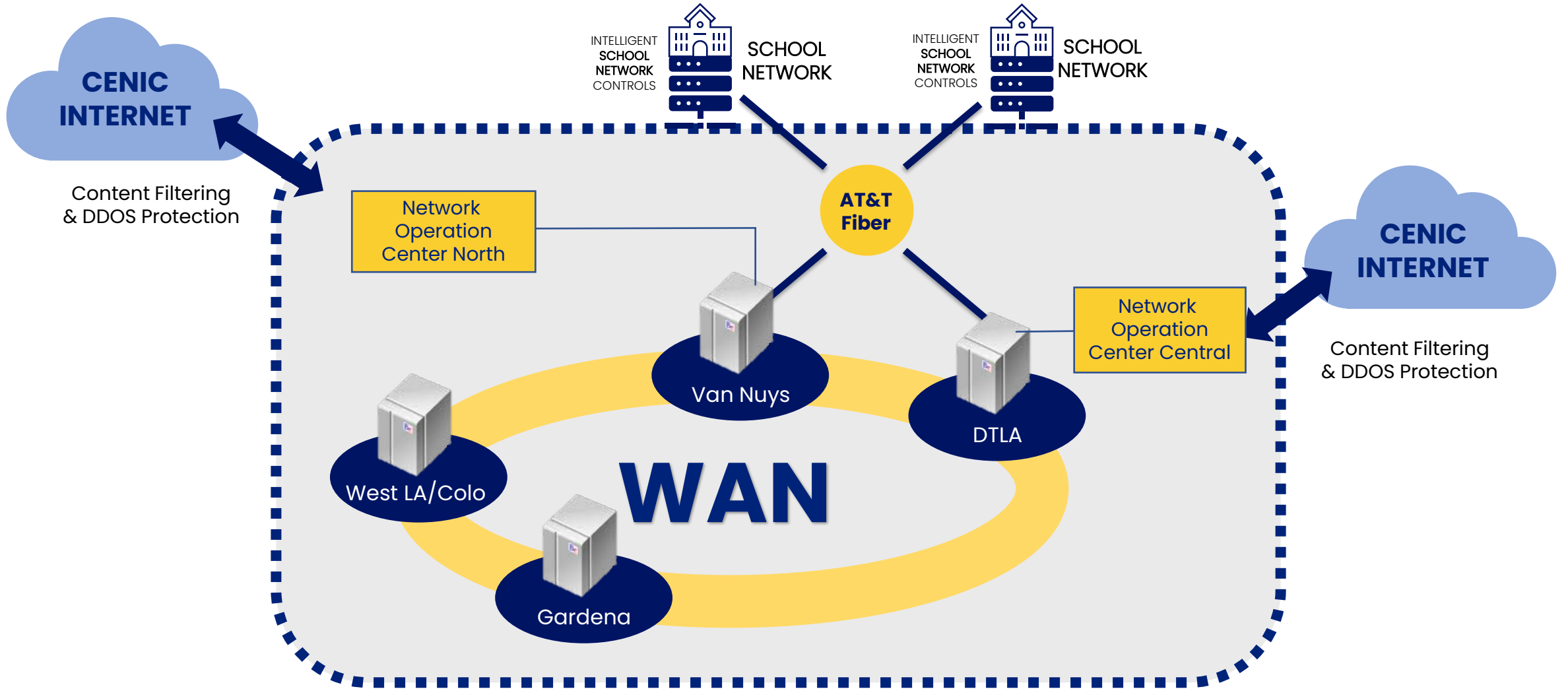
Diverse Workforce

Professional Learning

Staff Wellness

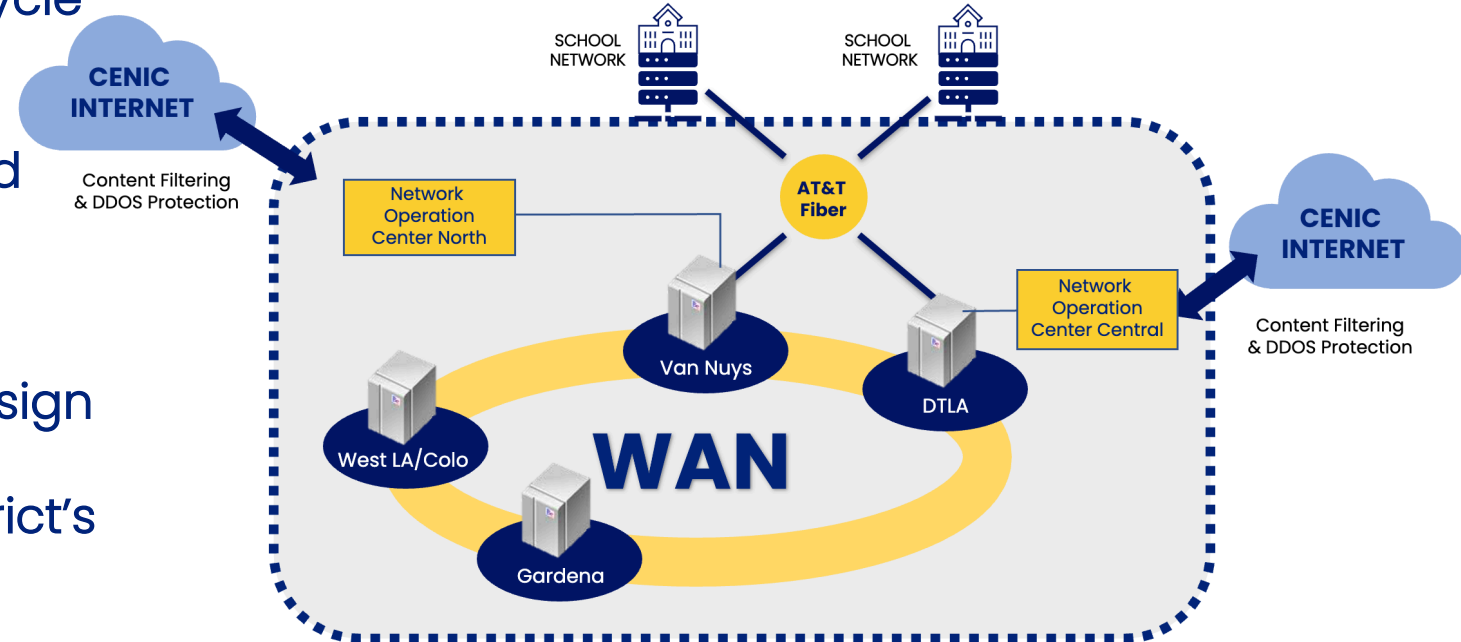
High Performance Standards

Los Angeles Unified's IT Infrastructure, High-Level Architecture



EXISTING CORE NETWORK HARDWARE IS:

- Nearing end of planned 7-10 year lifecycle
- Will reach End-of-Support from manufacturer starting in June 2024
 - Limited replacement parts for failed equipment
 - No security updates to patch vulnerabilities
- Operating at maximum equipment design capacity
- Cannot add capacity to meet the District's growth needs

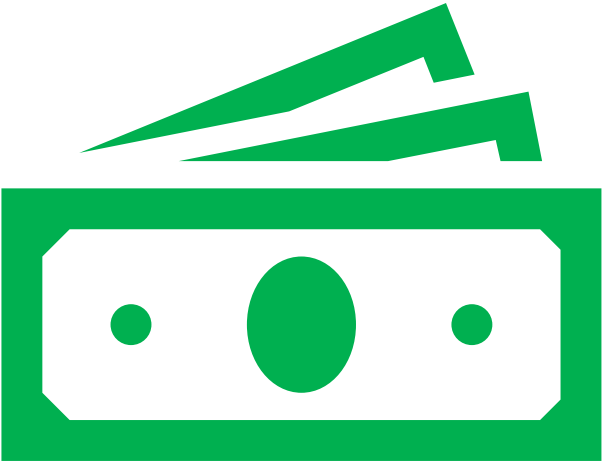


Network Infrastructure Modernization: Scope & Approach

Phase 1 Node Modernization	Phase 2 Data Center Routers & Firewall Modernization	Phase 3 Core Switches & WAN Routers Modernization	Stabilization & Closeout
<p>Replace wide area network (WAN) core routers and optical equipment at 4 nodes</p> <p>Increases capacity from 400Gbps to 1.6Tbps</p>	<p>Replace data center routers and switches at 2 data centers</p> <p>Upgrade data center firewalls at 2 data centers</p>	<p>Upgrade core switches at 4 nodes</p> <p>Upgrade WAN routers that connect to WAN service provider</p>	<p>Monitor & optimize performance</p> <p>Project closeout</p> <p>Update network documentation</p>



	2023				2024				2025				2026			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Network Infrastructure Modernization																
Phase 1: Node Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Phase 2: Data Center Routers & Firewall Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Phase 3: Core Switch & WAN Router Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Stabilization & Closeout																



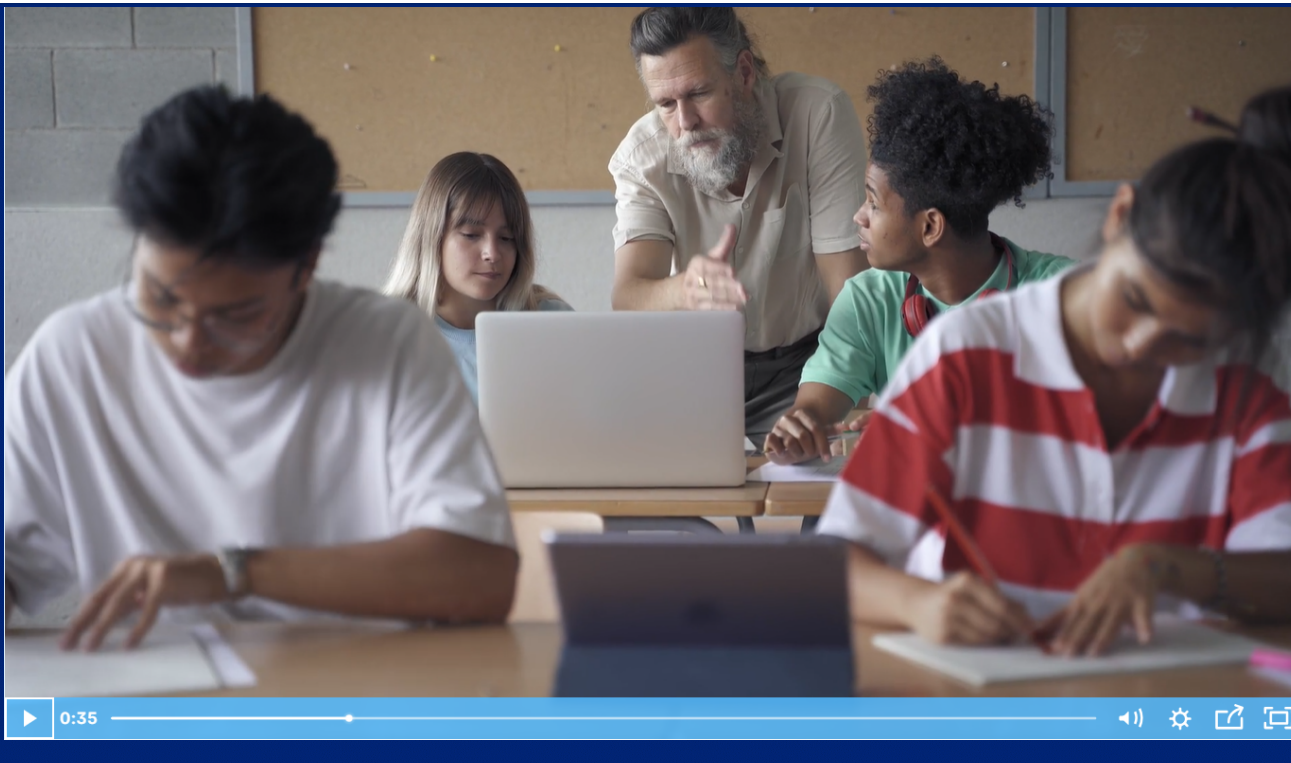
Cost Component	\$12,281,000*
Hardware **	\$11,569,000
Node Modernization (\$3,600,000)	
WAN & Data Center Routers (\$5,800,000)	
Core Switches Modernization (\$2,169,000)	
Labor & Professional Services	\$712,000

* Project will leverage 95% Bond Funds (\$11,666,950) and 5% General Funds (\$614,050)
** Funds may shift between phases depending upon several variables



Project 2 | School Network Systems Upgrade: Phase 2

School Network Systems Upgrades - School Feedback



“Due to the network upgrades classrooms are able to stay connected all day long.”

–Mathew Needleman (Principal – Melrose ES)

“It’s more accessible to today’s technology.”

–Frances Valadez (Principal – West Vernon ES)

“New systems reduce a lot of the [service] calls.”

–Paul Fallat II (Complex Project Manager)

“Teachers feel more connected to the office in an emergency.”

–Yadira Andrade (School Administrative Assistant – Bell HS)

“[New] phones are much more versatile than previous phones.”

–Andrea Kittelson (Principal – Walgrove ES)

Video: <https://lausd.wistia.com/medias/fh26c8ovtc>

School Network Systems Upgrade 286

Phase 2: Outcomes & Benefits

Improves speeds for streaming instructional content, utilizing applications such as Zoom, and accessing / downloading i.e., digital textbook content from the District's LMS.

Improves access to online content

Develops opportunities for career exploration, work-based learning, post-secondary pathways, and employment for students.

Promotes collaboration with DACE and ITS to provide apprenticeship opportunities for high school students to obtain a technical certification to qualify for employment as an Associate IT Electronics Communication technician.

Directly contributes to the achievement of the District's Goals of provide High-Quality Instruction, Eliminate Opportunity Gaps, and developing College and Career Readiness (Pillar 1: Academic Excellence)



School Network Systems Upgrade 287

Phase 2: Outcomes & Benefits

Improves communications throughout the schools and classrooms.

Provides a safer connection for increased security to enhance online and remote learning instruction.

Allows teachers, support staff, and administrators to connect with parents and other school stakeholders more easily and reliably.

Delivers new, reliable IT Infrastructure

Directly contributes to the achievement of the District's Goals to create Welcoming Learning Environments (Pillar 2: Joy and Wellness), build Strong Relationships (Pillar 3: Engagement & Collaboration), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

Strong Social-Emotional Skills

Outstanding Attendance

3

Engagement and Collaboration

Strong Relationships

Accessible Information

Leading for Impact

Honoring Perspectives

4

Operational Effectiveness

Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

Diverse Workforce

Professional Learning

Staff Wellness

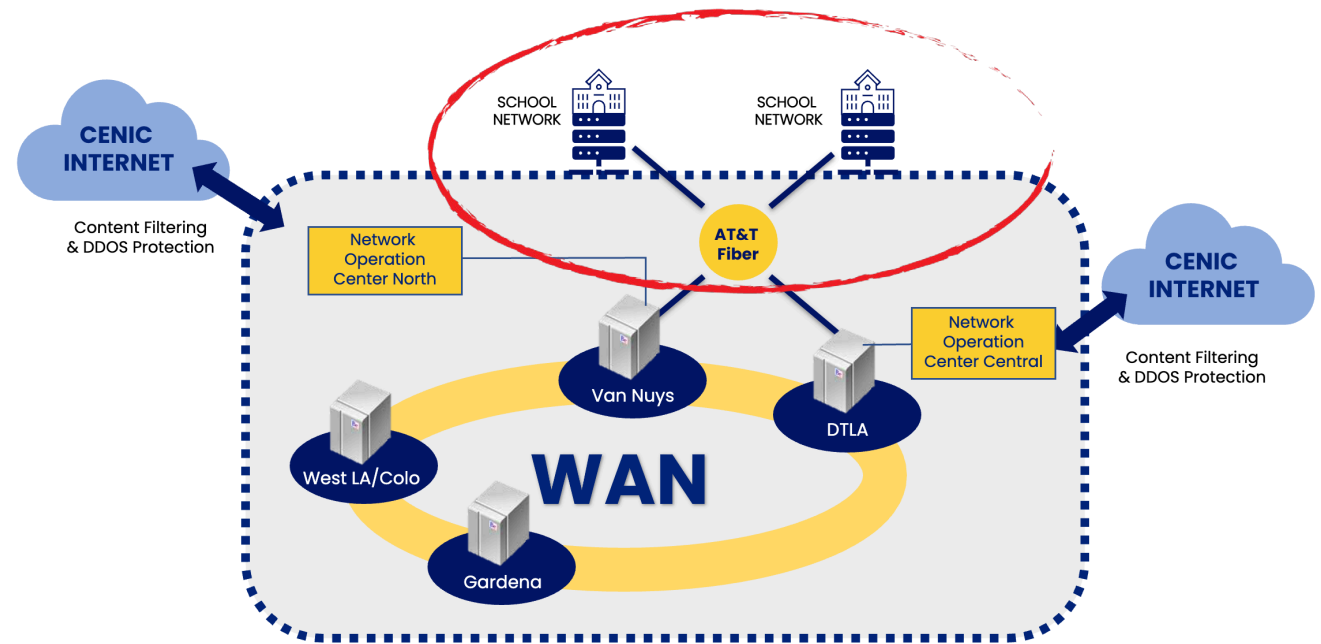
High Performance Standards

School Network Systems Upgrade, Phase 2: Challenges

288

Existing school network systems are:

- Beyond their planned lifecycles
 - Public address / intercommunications systems are 15–20+ years old
 - Telecommunications cabling infrastructure is 15–30+ years old
- Experiencing reliability & availability challenges



School Network Systems Upgrade, Phase 2: Roadmap

289

1

LAN Mod YR (2013–2015)

Measure K/R: 74 District school sites completed LAN Modernization.

2

Site Surveys (2015)

ITS conducted a two-year on-site IT infrastructure survey at all 713 schools.

3

S-A-F-E-T-I Criteria & Results (2017)

ITS Schools were assigned a score to assess their IT infrastructure conditions and were prioritized based on their level of repair need/urgency.

4

Identifying IT Upgrades (2017)

ITS developed Telecommunications Plan outlining IT upgrades needed at schools.

6

Upgrade Review (2020)

Development of a five-year plan To upgrade all schools to a Modern state.

5

Telecommunications Modernization Projects (TMP) (2018)

362 District school sites approved to receive combination of LAN, WLAN, PA, VoIP upgrades.

7

SNSU Ph 1 Project Approval (2021)

Group 1 (154 Sites) Projects In Progress.
Group 2 (108 Sites) :
• 21 Sites In Progress
• 87 Sites Awarded in 2023.

8

SNSU Ph 2 Project Approval(2024)

TCI Survey completed in 2023 to prioritize remaining group 3, 4, & 5 (349 Sites), which will go to Board for funding approval in January 2024

9

TMP 83/WLAN 160 Completion (2024)

Completion of Phone, PA, LAN, WLAN upgrades at 83 sites and Wireless Upgrades at 160 Sites (routers only) by June '24.

10

Next Refresh Cycle/SEP(2028)

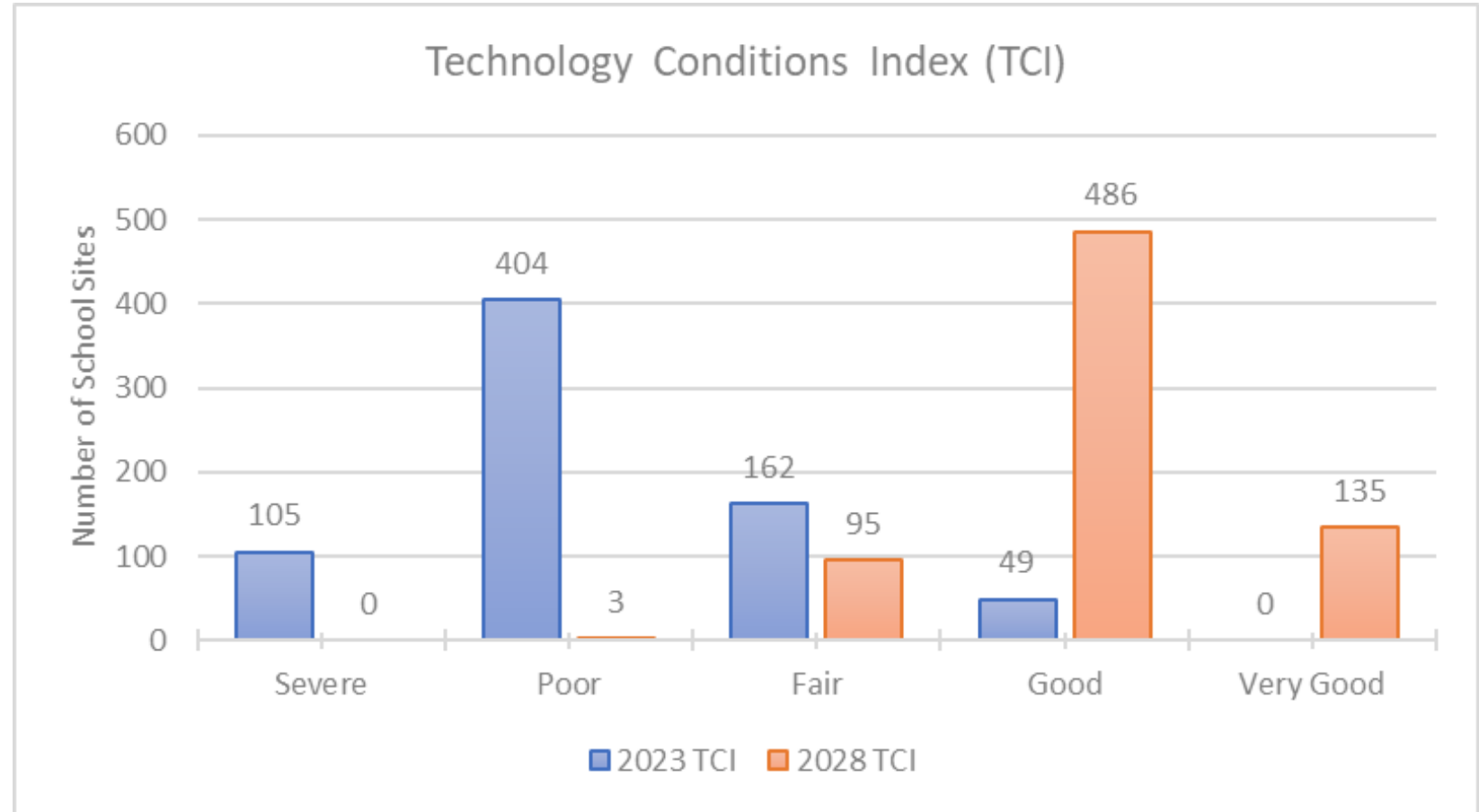
Approval of next Five-Year SEP to refresh LAN/WLAN for all schools including fiber optic cabling upgrades for 107 sites.

The Worst, First – Technology Conditions:

- 2023 Technology Condition Assessment data to prioritize the Phase 2 schools with the worst technology conditions based on age, system failures, and useful life.

The Distribution Ratio:

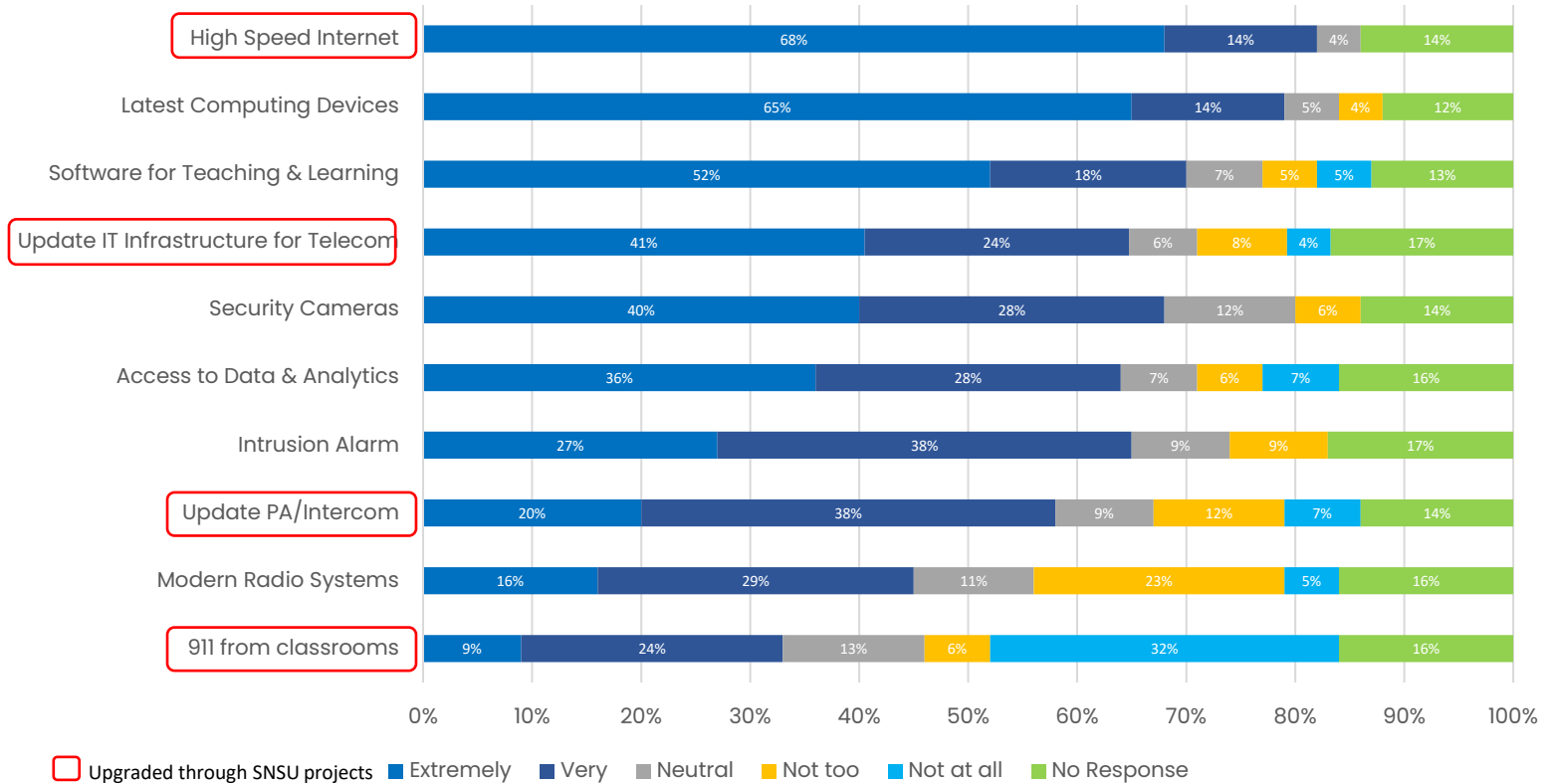
- Weighting additional factors such as the SENI score and ISTAR data along with technology conditions are applied to the Phase 2 schools list to achieve an equitable distribution for projects across the District.



School Leadership Feedback:

- Six (90-minute) Zoom sessions held with 54 participants to collect input through online polling tool and follow-up discussions.
- Participants included Region leadership and school administrators.
- Results prioritized “High Speed Internet” across all grade levels.

Importance of Technology Investments at Schools



School Network Systems Upgrades – Completions

LAN



NEW LAN



PA



NEW PA



PHONES



NEW PHONES



School Network Systems Upgrade, Phase 2 : Scope & Benefits

This project's scope includes surveying, planning, designing, procuring, installing, configuring, testing and acceptance of a new 10 Gigabit fiber infrastructure, LAN/WLAN, VoIP telephone system, and new integrated IP PA Intercommunications solution at the school sites.

Targeted Components

Project Output

Benefit to Students & Schools



Fiber Optic Cabling

10G fiber for improved capacity and bandwidth speeds

Improves access to online content and provides a safer connection for increased security to enhance online and remote learning instruction.



Local Area Network (LAN) / Wireless Local Area Network (WLAN)

Faster internet speeds to the classroom and **modernized** backup batteries

Improves speeds for streaming instructional content, utilizing applications such as Zoom, and accessing / downloading i.e., digital textbook content from the District's LMS.



Voice-over-Internet Protocol (VoIP) Phone

Enhanced calling service and integration with PA system with less risk of phone outages

Allows teachers, support staff, and administrators to connect with parents and other school stakeholders more easily and reliably.



Public Address (PA)

More reliable and integrated PA and phone systems

Improves public address communications throughout a school and school classrooms.

School Network Systems Upgrade, Phase 2 : Project Schedule

294

Phase 2 projects:

- Pending Board approval, project will commence in Q1 2024.

Phase 2 Schedule	2024				2025				2026				2027				2028			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
School Network Systems Upgrade, Phase 2																				
Group 3 (110 Sites)																				
Assess / Design																				
Installation																				
Group 4 (106 Sites)																				
Assess / Design																				
Installation																				
Group 5 (133 Sites)																				
Assess / Design																				
Installation																				

School Network Systems Upgrade, Phase 2 : Project Budget

295

Phase 2 projects:

Group 3 | 110 Sites

Group 4 | 106 Sites

Group 5 | 133 Sites

Phase/Year	Budget
Phase 2	\$382,487,934*
Group 3	\$97,184,427
Group 4	\$131,628,394
Group 5	\$153,675,113

* Project will leverage 100% Bond Funds



Project 3 | Intelligent School Network Controls

3

Intelligent School Network Controls: Outcomes & Benefits

Frees up high-value instructional time by allowing local school staff to quickly register smart school devices on the local network without requiring lengthy ITS processing delays.

Increases the quantity and type of usable smart devices for instructional purposes on the network.

Improves network accessibility and visibility and safeguards smart school devices from data breaches.

Complies with requirements to protect student and business information through network segmentation.

Provides analysis and insight into the performance and security of smart devices to sustain continued uptime for instructional use.

Directly contributes to the achievement of the District's Goals to provide High-Quality Instruction & Eliminate Opportunity Gaps (Pillar 1: Academic Excellence), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

Strong Social-Emotional Skills

Outstanding Attendance

3

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4

Operational Effectiveness

Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

Diverse Workforce

Professional Learning

Staff Wellness

High Performance Standards

WHY DO SCHOOLS NEED INTELLIGENT SCHOOL NETWORK CONTROLS:

Intelligent School Network Controls allow IoT-enabled devices to quickly and securely connect to a school-site network. Without these Controls educators, students and facility managers may experience:

1. Limited number and type of smart devices capable of being used in the classroom.
2. Increased security risks due to lack of device segmentation.
3. Rejection of or delays in authorization for devices to use the network for communications.
4. Inability to compete in sanctioned eSports STEAM/STEM, and Robotics programs.

Intelligent School Network Controls: Scope / Approach

299

Configure

school networks to support multiple categories/types of IoT devices.

Deploy

a device profiling system to categorize IoT devices for secure connectivity.

Create

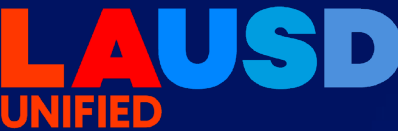
security policies to safeguard and accommodate different types of devices.

Deliver

new network services needed by modern classroom instruction.

Provide

a self-service portal to register devices that cannot be categorized.



Intelligent School Network Controls: Project Schedule

	2023				2024				2025			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Intelligent School Network Controls												
Workstream 1 - Configure School Networks												
Workstream 2 - Develop Policies and Procedures												
Workstream 3 - Configure Device Registration Portal												
Workstream 4 - Deploy Device Profiling and Automation												
Stabilization & Closeout												

Intelligent School Network Controls: Project Budget

Intelligent School Network Controls	\$5,471,000*
Hardware	\$1,200,000
Software	\$1,842,000
Labor & Professional Services	\$2,417,000
Training	\$12,000

* Project will leverage 100% Bond Funds



ITS recommends amending the ITS Strategic Execution Plan to modernize the District's IT Infrastructure to Support Learning, utilizing a little over \$400M in existing bond & general funds, over the next 5 years.



Questions?

TAB 14



Board of Education Report

File #: Rep-135-23/24, **Version:** 1

Amendment to the Information Technology Services Strategic Execution Plan to Approve the Intelligent School Network Controls Project

January 23, 2024

Information Technology Services, Division of Instruction & Facilities Services Division

Action Proposed:

Approve amendment of the Information Technology Services (ITS) Strategic Execution Plan (SEP) to approve the definition, allocate funds, and take the associated actions for the Intelligent School Network Controls project, as described in Attachments A, B, and C.

The proposed actions are as follows:

- Allocate a total of \$5,471,000 of bond funds to complete the Intelligent School Network Controls projects.
- Approve execution of the Intelligent School Network Controls projects.

Background:

On August 24, 2021, the Board of Education approved the update to the SUP to integrate Measure RR funding and priorities (Brd. Rpt. 027-21/22), the next phase of the District's Bond Program, which will modernize, build, and repair school facilities to improve student health, safety, and educational quality. The Board's action approved the overarching goals and principles, funding sources, specific categories of need, and spending targets for the SUP. As proposed projects are developed, they are submitted to the Bond Oversight Committee (BOC) for consideration and the Board of Education for approval.

The SUP includes spending targets to “Upgrade and Equip [schools] with 21st Century Technology.” The intended outcome of the proposed project to be executed within this spending target is:

- Intelligent School Network Controls Project: This project will implement an Intelligent School Network Controls system at all K-12 schools to enable “smart”, internet-enabled, educational, and operational digital devices to connect to each school’s network quickly and securely. \$5,471,000 Bond Funds (100%). December 2025 anticipated completion.

If approved, ITS will provide quarterly updates on the projects.

Bond Oversight Committee Recommendations:

The School Construction Bond Citizens’ Oversight Committee (BOC), at its January 11, 2024, meeting, considered this item. Staff has concluded that this proposed SEP Amendment will facilitate the implementation of the ITS SEP, and therefore it will not adversely affect the District’s ability to successfully complete the ITS SEP.

Expected Outcomes:

Staff anticipates that the Board will amend the ITS SEP to define the new project described herein and allocate

File #: Rep-135-23/24, Version: 1

\$5,471,000 of Bond Program funding. This project will enable the District to provide a stable school site network infrastructure, including local area network, wireless local area network, phone, and public address systems, required for teaching, learning and daily operations.

Furthermore, this project directly contributes to the achievement of the 2022-2026 Los Angeles Unified School District Strategic Plan goals of providing high-quality instruction and eliminating opportunity gaps (Pillar 1: Academic Excellence) and modernizing infrastructure (Pillar 4: Operational Efficiency).

Board Options and Consequences:

Failure or delay of approval will postpone the execution and/or implementation of the proposed project and the associated benefits to the schools and students.

Policy Implications:

This action is consistent with the District's long-term goal to address unmet school needs as described in Proposition BB and Measures K, R, Y, Q, and RR.

Budget Impact:

The proposed project has a total budget of \$5,471,000, all of which will come from Bond Program funding. The bond funds will be allocated from the "Upgrade and Equip with 21st Century Technology" SUP category of need.

Upon completion of the project, \$612,700 in new funds will be needed to maintain the new systems deployed. These funds will be planned for and budgeted out of the hardware/software and E-Rate budgets.

Student Impact:

The proposed project has the following outcomes and benefits that impact students:

- Free up high-value instructional time by allowing local school staff to quickly register smart school devices on the local network.
- Increase the quantity and type of usable smart devices for instructional purposes on the network.
- Comply with requirements to protect student and business information through network segmentation.

Equity Impact:

Component	Score	Score Rationale
Recognition	4	The deployment of Intelligent School Network Controls provides improved and equal access to <u>all students</u> .
Resource Prioritization	4	The deployment of Intelligent School Network Controls provides improved and equal access to <u>all students</u> .
Results	4	This project contributes to the elimination of opportunity gaps by providing more device accessibility to the District's network. Furthermore, this project contributes to other pillars and priorities of the 2022-2026 LAUSD Strategic Plan, including: High-Quality Instruction (Pillar 1: Academic Excellence) and Modernize Infrastructure (Pillar 4: Operational Efficiency).
TOTAL	12	

Issues and Analysis:

Intelligent School Network Controls allow “smart,” Internet-enabled devices to connect to a school-site network quickly and securely. Without these Controls educators, students and facility managers may experience:

- A limit to the number and type of smart devices capable of being used in the classroom.
- Increased security risks due to lack of device segmentation.
- Rejection of or delays in authorization for devices to use the network for communications.
- Inability to compete in sanctioned eSports, STEAM/STEM, and Robotics programs.

Attachments:

Attachment A - Project Definition

Attachment B - Bond Oversight Committee Resolution

Attachment C - Presentation Slide Deck

Previously adopted Board report(s) referenced:

- In the background [Brd Rpt. 027-21/22](#)
<<https://drive.google.com/file/d/1hdDaeDJ8KlA3SoZu18Pb9LnP1caZqkKG/view?usp=sharing>> dated August 24, 2021.

Informatives:

None

Submitted:

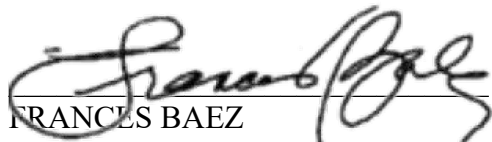
12/11/23

RESPECTFULLY SUBMITTED,

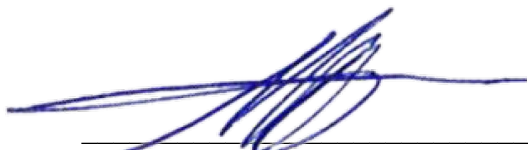
ALBERTO CARVALHO
Superintendent

APPROVED BY:

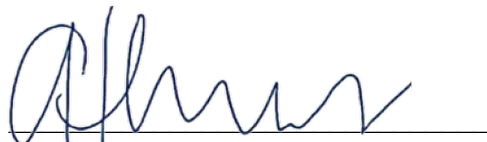
PEDRO SALCIDO
Deputy Superintendent
Office of the Deputy Superintendent

APPROVED & PRESENTED BY:

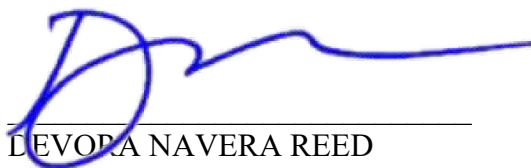
FRANCES BAEZ
Chief Academic Officer
Division of Instruction

APPROVED & PRESENTED BY:

SOHEIL KATAL
Chief Information Officer
Information Technology Services

APPROVED BY:

KRISZTINA TOKES
Chief Facilities Executive
Facilities Services Division

REVIEWED BY:

DEVORA NAVERA REED
General Counsel

☒ Approved as to form.

REVIEWED BY:

NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance
Office of the Chief Business Officer

☒ Approved as to budget impact statement.

Program: Safety, Communications and Security Modernization
Project: Intelligent School Network Controls
Budget: \$5,471,000 (100% Bond)

Introduction

Educators use an assortment of “smart”, internet-enabled, digital devices such as interactive white boards, e-readers, media streamers and holographic glasses for instruction to students. School curriculum now includes programs for STEAM/STEM, robotics, augmented reality / virtual reality, and eSports, which require the use of “smart” devices. Schools may also have health and medical related internet-enabled equipment on campus, including automated external defibrillators.

Furthermore, school site facility managers use “smart” building automation systems (BAS), such as lighting management, HVAC (heating, ventilating, and air conditioning), low voltage (irrigation, power control, etc.), and photovoltaic (solar, battery, energy management, etc.).

An Intelligent School Network Control system enables these “smart”, internet-enabled, digital devices and others to connect to a school's network quickly and securely.

Scope

This project will implement Intelligent School Network Controls through the following actions:

- Create various security policies and procedures to safeguard and to accommodate different types of devices and allow them to securely connect to appropriate network segments.
- Deploy a device classification system to identify and categorize IoT devices for secure connectivity to the District's network.
- Support new network services needed by modern classroom instruction.
- Enable the network to automatically provision appropriate access privileges when new devices connect to the network.
- Provide a self-service portal to assist users with manual device registration that cannot be categorized.

Expected Outcomes

- Provides efficiencies in connecting smart school devices on the local network without requiring lengthy administrative processes to improve the instructional experience.

- Accommodates the increase in quantity and type of smart devices for instructional and operational purposes on the network.
- Improves network accessibility, visibility, and cyber security controls.
- Enables the District to comply with requirements to protect student and business information through network segmentation.
- Provides analysis and insights in the performance and security of smart devices to increase network reliability.
- Directly contributes to achievement of LAUSD 2022-2026 Strategic Plan goals to provide high-quality instruction and eliminate opportunity gaps (Pillar 1: Academic Excellence) and modernize infrastructure (Pillar 4: Operational Efficiency).

Schedule

The project will be completed by December 31, 2025.

SCHOOL CONSTRUCTION BOND CITIZENS' OVERSIGHT COMMITTEE

Margaret Fuentes, Chair

LAUSD Student Parent

D. Michael Hamner, FAIA, Vice-Chair

American Institute of Architects

Dr. Samantha Rowles, Secretary

LAUSD Student Parent

Robert Campbell, Executive Committee

L.A. Co. Auditor-Controller's Office

Scott Pansky, Executive Committee

L.A. Area Chamber of Commerce

Neelura Bell

CA Charter School Association

Chad Boggio

L.A. Co. Federation of Labor AFL-CIO

Jeffrey Fischbach

CA Tax Reform Assn.

Aleigh Lewis

L.A. City Controller's Office

Patrick MacFarlane

Early Education Coalition

Jennifer McDowell

L.A. City Mayor's Office

Brian Mello

Assoc. General Contractors of CA

Dr. Clarence Monteclaro

Tenth District PTSA

William O. Ross IV31st District PTSA**Santa Ramirez (Alternate)**

Tenth District PTSA

Connie Yee (Alternate)

L.A. Co. Auditor-Controller's Office

Vacant

AARP

Timothy Popejoy

Bond Oversight Administrator

Perla Zitle

Bond Oversight Coordinator

Joseph P. Buchman – Legal Counsel

Burke, Williams & Sorensen, LLP

Lori Raineri and Keith Weaver – Oversight Consultants

Government Financial Services Joint Powers Authority

RESOLUTION 2023-40**BOARD REPORT 135-23/24****RECOMMENDING BOARD APPROVAL FOR THE AMENDMENT OF THE INFORMATION TECHNOLOGY SERVICES STRATEGIC EXECUTION PLAN TO APPROVE THE INTELLIGENT SCHOOL NETWORK CONTROLS PROJECT**

WHEREAS, District Staff proposes that the Board of Education amend the Information Technology Services (ITS) Strategic Execution Plan (SEP) to approve the definition, allocate funds, and take the associated actions for the Intelligent School Network Controls project, as described in Attachments A, B, and C; and

WHEREAS, District Staff proposes the following actions:

- Allocate a total of \$5,471,000 of bond funds to complete the Intelligent School Network Controls project.
- Approve execution of the Intelligent School Network Controls project; and

WHEREAS, On August 24, 2021, the Board of Education approved the update to the SUP to integrate Measure RR funding and priorities (Brd. Rpt. 027-21/22), the next phase of the District's Bond Program, which will modernize, build, and repair school facilities to improve student health, safety and educational quality. The Board's action approved the overarching goals and principles, funding sources, specific categories of need, and spending targets for the SUP. As proposed projects are developed, they are submitted to the Bond Oversight Committee (BOC) for consideration and the Board of Education for approval; and

WHEREAS, The SUP includes spending targets to “Upgrade and Equip [schools] with 21st Century Technology.” The intended outcome of the proposed project to be executed within this spending target is:

- Intelligent School Network Controls Project: This project will implement an Intelligent School Network Controls system at K-12 schools to enable “smart”, internet-enabled, educational, and operational digital devices to connect to each school’s network quickly and securely. \$5,471,000 Bond Funds (100%)

If approved, ITS will provide quarterly updates on the Project; and

WHEREAS, District Staff anticipates that the Board will amend the ITS SEP to define the new project described herein and allocate \$5,471,000 of Bond Program funding. This project will enable the District to provide a stable

RECOMMENDING BOARD APPROVAL FOR THE AMENDMENT OF THE INFORMATION TECHNOLOGY SERVICES STRATEGIC EXECUTION PLAN TO APPROVE THE INTELLIGENT SCHOOL NETWORK CONTROLS PROJECT

school site network infrastructure, including local area network, wireless local area network, phone and public address systems, required for teaching, learning and daily operations.

Furthermore, this project directly contributes to the achievement of the 2022-2026 Los Angeles Unified School District Strategic Plan goals of providing high-quality instruction and eliminating opportunity gaps (Pillar 1: Academic Excellence) and modernizing infrastructure (Pillar 4: Operational Efficiency); and

WHEREAS, the District Office of General Counsel has reviewed the proposed Project and determined that it may proceed to the Bond Oversight Committee for its consideration for recommendation to the Board of Education.

WHEREAS, District Staff has concluded this proposed ITS SEP amendment will facilitate Los Angeles Unified's ability to successfully complete the ITS SEP.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The School Construction Citizens' Bond Oversight Committee recommends that the Board of Education adopt the amendment of the Information Technology Services Strategic Execution Plan to approve the IT Infrastructure to Support Learning Program listed above as described in Board Report 135-23/24, a copy of which is attached hereto in the form it was presented to the BOC and is incorporated herein by reference.
2. This resolution shall be transmitted to the Los Angeles Unified School District Board of Education and posted on the Bond Oversight Committee's website.
3. The District is directed to track the above recommendation and to report on the adoption, rejection, or pending status of the recommendations as provided in section 6.2 of the Charter and Memorandum of Understanding between the Bond Oversight Committee and the District.

ADOPTED on January 11, 2024, by the following vote:

AYES: 13

ABSTENTIONS: 0

NAYS: 0

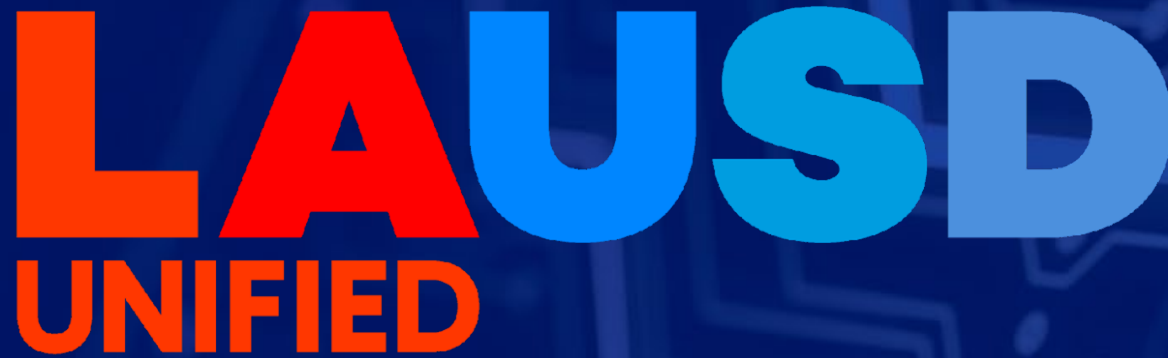
ABSENCES: 1

/Margaret Fuentes/

Margaret Fuentes
Chair

/Michael Hamner/

D. Michael Hamner
Vice-Chair



**Amendment to the ITS Strategic Execution
Plan to Approve the IT Infrastructure to
Support Learning Program**

Soheil Katal, Chief Information Officer
Dr. Frances Baez, Chief Academic Officer
January 23, 2024

Proposed Projects (slides 3 through 9)

As devices and online content become more and more essential to student learning and embedded in everyday life, the District's IT Infrastructure must be modernized to support this new learning paradigm

Proposed Projects (Slides 10 through 35)

1. Network Infrastructure Modernization (BOE #134-23/24) – Slides 11-18
2. School Network Systems Upgrade, Phase 2 (BOE # 118-23/24)– Slides 19-29
3. Intelligent School Network Controls (BOE #135-23/24)– Slides 30-35

Recommendation (Slide 36)

THE EXPERTS BELIEVE INSTRUCTIONAL TECHNOLOGY HAS THE CATALYTIC POWER TO TRANSFORM EDUCATION

U.S. Department of Education, Office of Education Technology:

Technology can be a powerful tool for transforming learning. It can help affirm and advance relationships between educators and students, reinvent our approaches to learning and collaboration, shrink long-standing equity and accessibility gaps, and adapt learning experiences to meet the needs of all learners

[Link: National Education Technology Plan Update](#)

&

Recommends building a robust technology infrastructure as a tool for equity

[Link: Building Robust Infrastructure as a Tool for Equity | by Office of Ed Tech | Medium](#)

Consortium for School Network:

Student access to robust digital tools is key to their success as 21st-century citizens.

Institute for Digital Transformation:

Identifies lack of IT infrastructure capable of enabling digital learning platforms as a top barrier to Digital Transformation

[Digital Strategy in Education \(institutefordigitaltransformation.org\)](https://institutefordigitaltransformation.org/)

STUDENTS USE LEARNING DEVICES TO ACCESS:

Learning Management System – Schoology



California Standardized Tests



Email and Collaboration Tools



E-curriculum



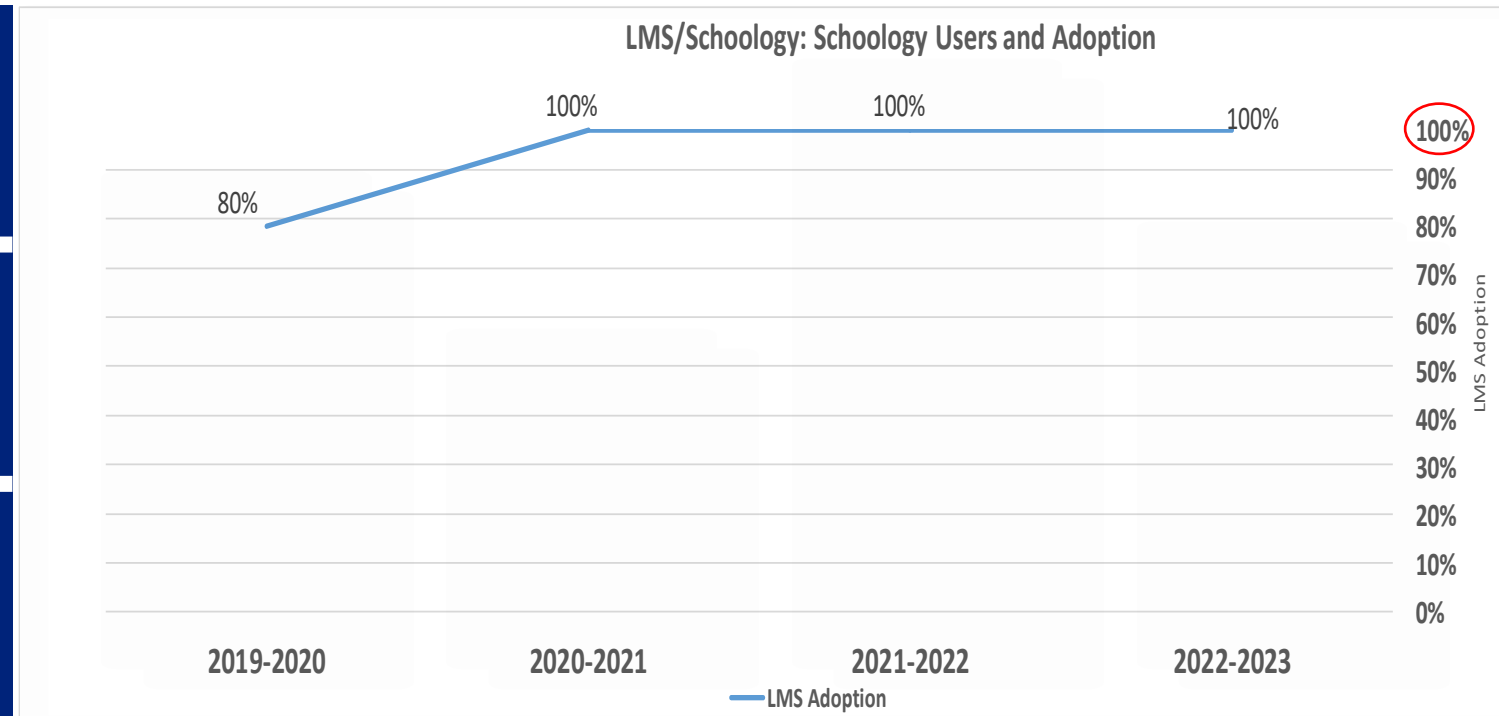
Credit recovery and online opportunities via Edgenuity



Video Conferencing

THE GROWTH IN ONLINE EDUCATION CONTENT: LEARNING MANAGEMENT SYSTEM (LMS) USAGE

- The LMS is a portal to student learning and engagement
- First introduced in 2016, the LMS was fully adopted by all District students by 2020-2021
- Teachers, Support staff, parents and others also utilize the LMS



INTERNET BANDWIDTH USAGE TRENDS & CAPACITY GROWTH FORECASTS

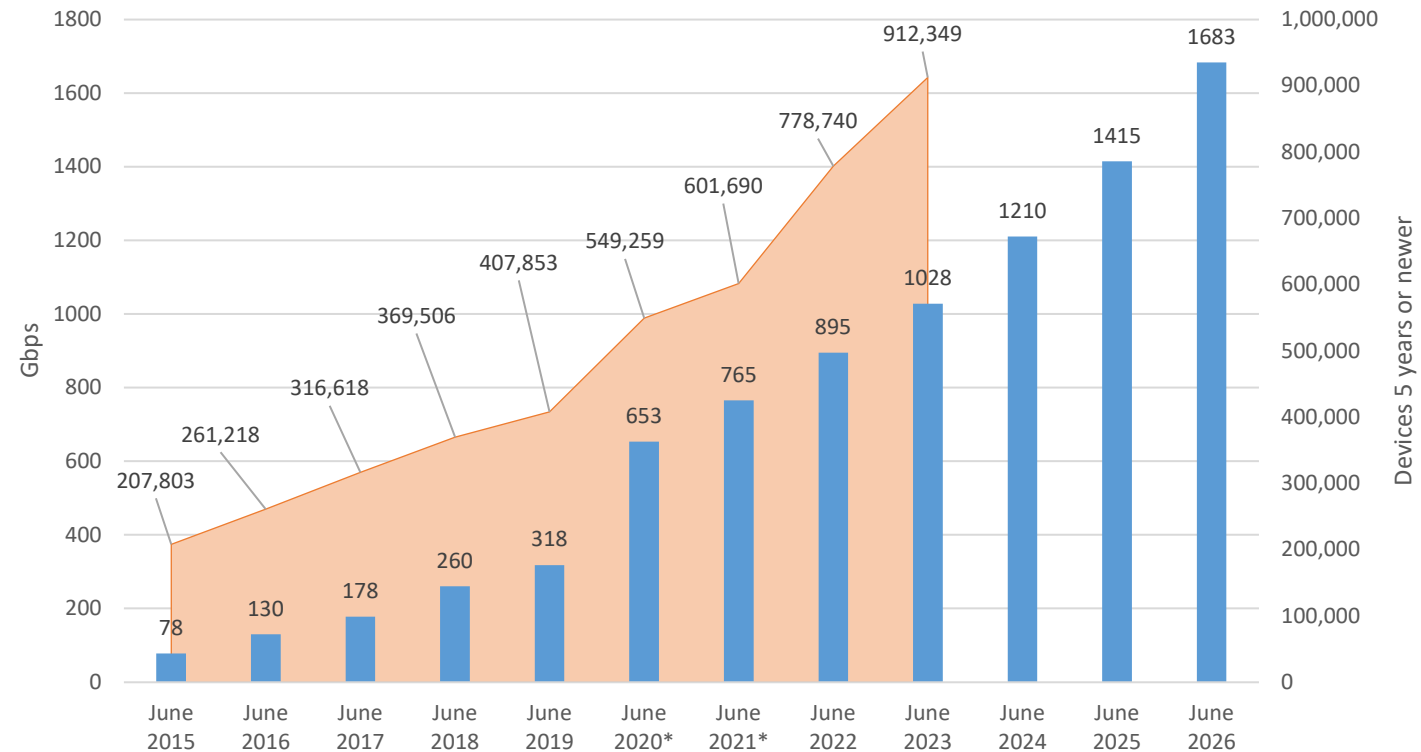
Best practice¹ guidelines for large K-12 districts

- 10 Gbps capacity per 1,000 students
- 1.4 Mbps per student

LAUSD bandwidth

- 4X increase in school computing devices
- 400 Gbps total for 435K students + staff
- 10 Gbps max capacity at each school
- 10X growth between 2015 and 2023
- 30% average annual growth rate
- Bandwidth usage is increasing due to online testing, increased digital content, and other instructional uses.

Site Bandwidth Usage & Estimated Growth



¹ State Educational Technology Directors Association & Federal Communications Commission recommendations

GROWTH IN SCHOOL-SITE LEARNING AND SUPPORT TECHNOLOGIES

- **Internet of Things (IoT)** describes the network of physical objects—“things”—that are embedded with sensors, software, and other technologies for the purpose of connecting and exchanging data with other devices and systems over the internet.
- **A school site's IoT-enabled universe can include:**
 - Instructional/ Teaching Devices, such as Virtual Reality Headsets, Interactive Whiteboards, Media Streamers, etc.
 - STEAM/STEM, Robotics, E-Sports program equipment
 - Building Automation Systems (BAS), such as Lighting Management, HVAC (Heating, Ventilating, and Air Conditioning), Low Voltage (Irrigation, Power Control, etc.), Photovoltaic (Solar, Battery, Energy Management, etc.), Food Service Kiosks, CCTV, Intrusion Alarms, Master Clocks, Bells, Speakers and Phones.



THE GROWTH IN SCHOOL-SITE LEARNING AND SUPPORT TECHNOLOGIES

Streaming
media adapter



eSports
computers & consoles



building
automation systems



Instructional Technology Growth / A New Learning Paradigm

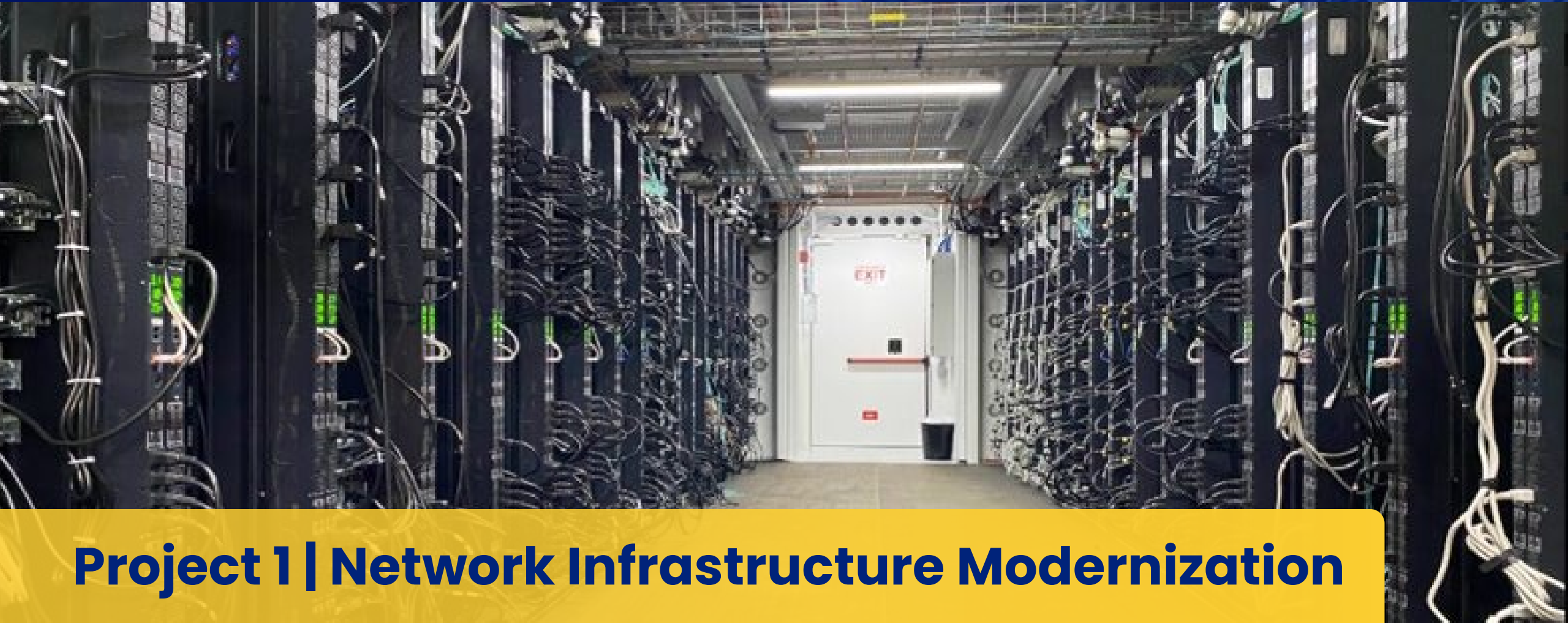
321



The District's IT Infrastructure must be modernized to support the new learning paradigm.

PROPOSED PROJECTS

1) Network Infrastructure Modernization	Board Report 134-23/24	Slides 11-18
2) School Network Systems Upgrade, Ph 2	Board Report 118-23/24	Slides 19-29
3) Intelligent School Network Controls	Board Report 135-23/24	Slides 30-35



Project 1 | Network Infrastructure Modernization

Network Infrastructure Modernization: Outcomes & Benefits

324

Supports anticipated future growth of high-performance student and teacher computing devices

Delivers technology infrastructure that contributes to a safe and healthy learning environments

Delivers new network infrastructure equipment that will be supported by the manufacturer for the next 7-10 years

Improves space and power efficiency

Directly contributes to the achievement of the District's Goals to Eliminate Opportunity Gaps (Pillar 1: Academic Excellence), create Welcoming Learning Environments (Pillar 2: Joy and Wellness), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

Strong Social-Emotional Skills

Outstanding Attendance

3

Engagement and Collaboration

Strong Relationships

Accessible Information

Leading for Impact

Honoring Perspectives

4

Operational Effectiveness

Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

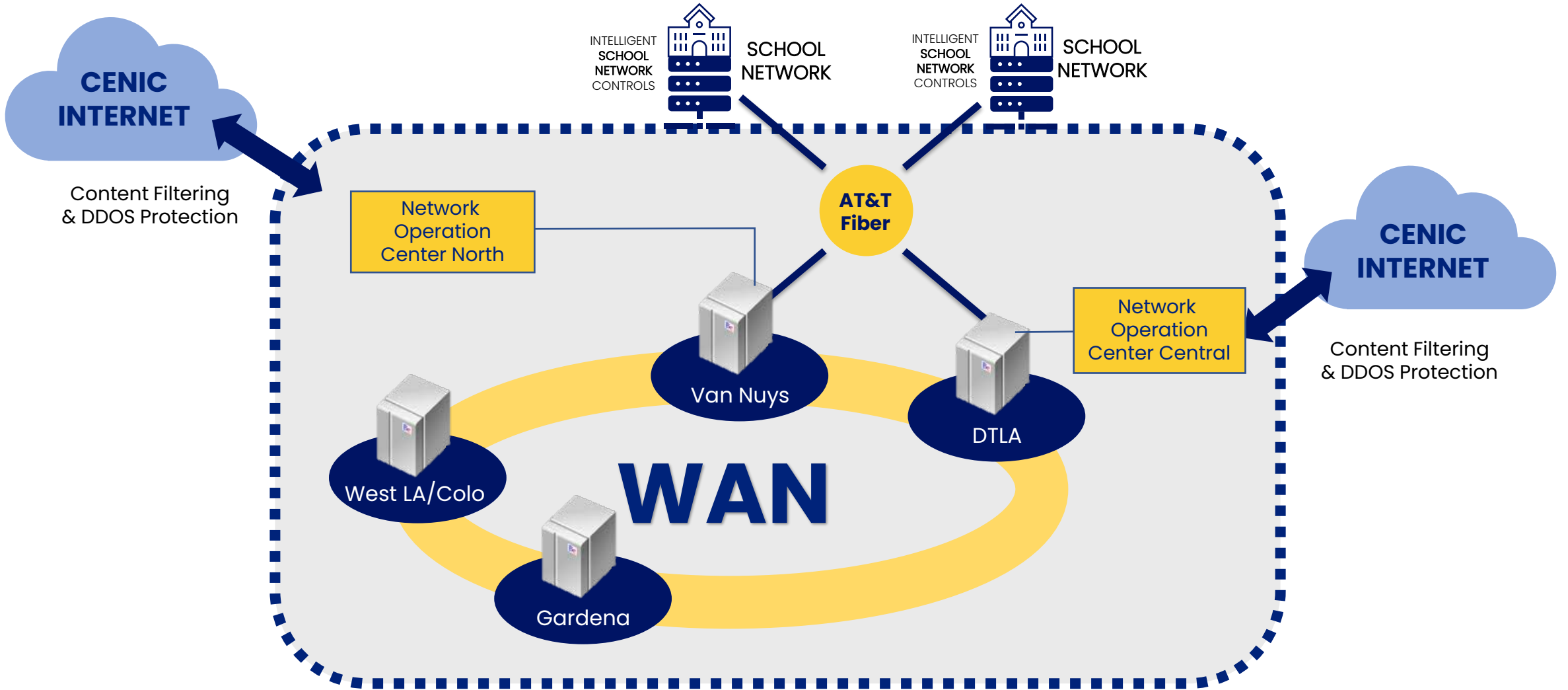
Diverse Workforce

Professional Learning

Staff Wellness

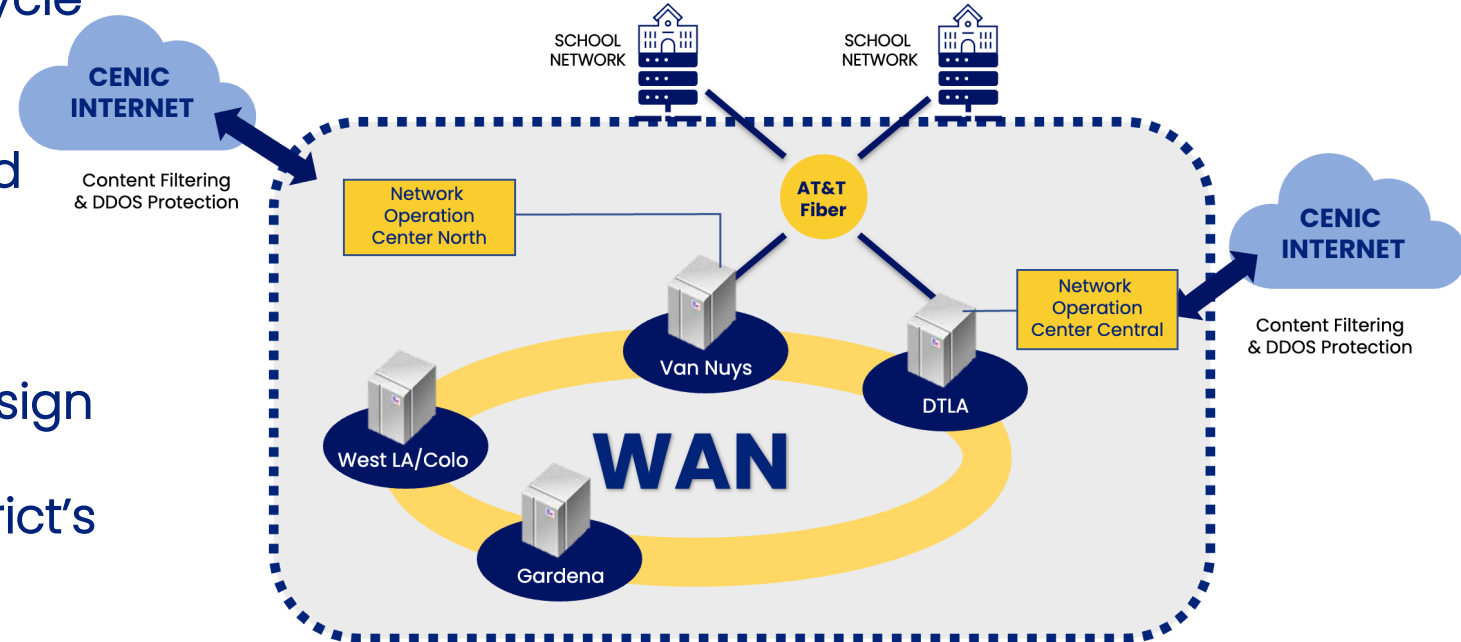
High Performance Standards

Los Angeles Unified's IT Infrastructure, High-Level Architecture



EXISTING CORE NETWORK HARDWARE IS:

- Nearing end of planned 7-10 year lifecycle
- Will reach End-of-Support from manufacturer starting in June 2024
 - Limited replacement parts for failed equipment
 - No security updates to patch vulnerabilities
- Operating at maximum equipment design capacity
- Cannot add capacity to meet the District's growth needs

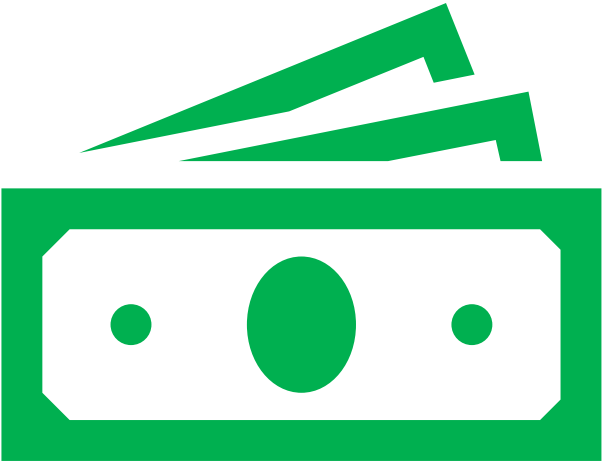


Network Infrastructure Modernization: Scope & Approach

Phase 1 Node Modernization	Phase 2 Data Center Routers & Firewall Modernization	Phase 3 Core Switches & WAN Routers Modernization	Stabilization & Closeout
<p>Replace wide area network (WAN) core routers and optical equipment at 4 nodes</p> <p>Increases capacity from 400Gbps to 1.6Tbps</p>	<p>Replace data center routers and switches at 2 data centers</p> <p>Upgrade data center firewalls at 2 data centers</p>	<p>Upgrade core switches at 4 nodes</p> <p>Upgrade WAN routers that connect to WAN service provider</p>	<p>Monitor & optimize performance</p> <p>Project closeout</p> <p>Update network documentation</p>



	2023				2024				2025				2026			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Network Infrastructure Modernization																
Phase 1: Node Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Phase 2: Data Center Routers & Firewall Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Phase 3: Core Switch & WAN Router Modernization																
Identify replacement products																
Procurement & Ordering																
Implementation & Go-Live																
Stabilization & Closeout																



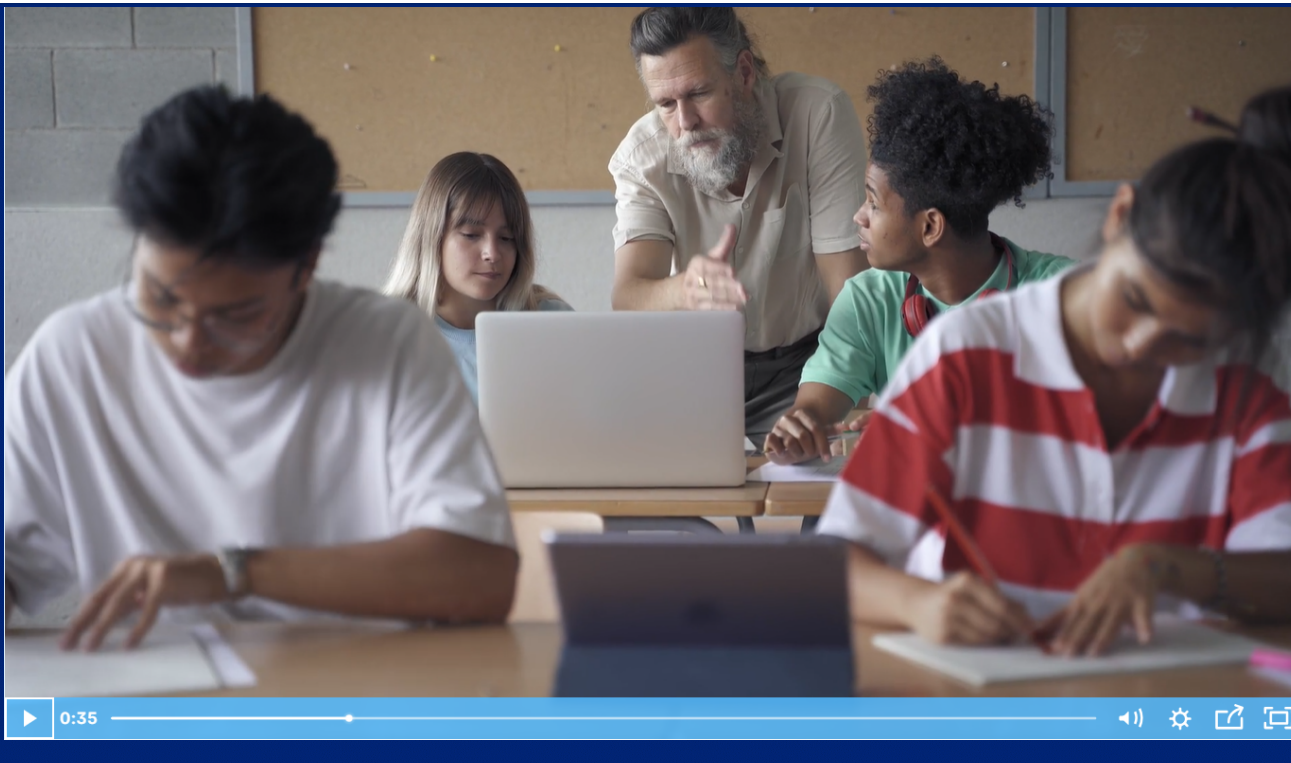
Cost Component	\$12,281,000*
Hardware **	\$11,569,000
Node Modernization (\$3,600,000)	
WAN & Data Center Routers (\$5,800,000)	
Core Switches Modernization (\$2,169,000)	
Labor & Professional Services	\$712,000

* Project will leverage 95% Bond Funds (\$11,666,950) and 5% General Funds (\$614,050)
** Funds may shift between phases depending upon several variables



Project 2 | School Network Systems Upgrade: Phase 2

School Network Systems Upgrades - School Feedback



“Due to the network upgrades classrooms are able to stay connected all day long.”

–Mathew Needleman (Principal – Melrose ES)

“It’s more accessible to today’s technology.”

–Frances Valadez (Principal – West Vernon ES)

“New systems reduce a lot of the [service] calls.”

–Paul Fallat II (Complex Project Manager)

“Teachers feel more connected to the office in an emergency.”

–Yadira Andrade (School Administrative Assistant – Bell HS)

“[New] phones are much more versatile than previous phones.”

–Andrea Kittelson (Principal – Walgrove ES)

Video: <https://lausd.wistia.com/medias/fh26c8ovtc>

School Network Systems Upgrade 832

Phase 2: Outcomes & Benefits

Improves speeds for streaming instructional content, utilizing applications such as Zoom, and accessing / downloading i.e., digital textbook content from the District's LMS.

Improves access to online content

Develops opportunities for career exploration, work-based learning, post-secondary pathways, and employment for students.

Promotes collaboration with DACE and ITS to provide apprenticeship opportunities for high school students to obtain a technical certification to qualify for employment as an Associate IT Electronics Communication technician.

Directly contributes to the achievement of the District's Goals of provide High-Quality Instruction, Eliminate Opportunity Gaps, and developing College and Career Readiness (Pillar 1: Academic Excellence)



School Network Systems Upgrade 833

Phase 2: Outcomes & Benefits

Improves communications throughout the schools and classrooms.

Provides a safer connection for increased security to enhance online and remote learning instruction.

Allows teachers, support staff, and administrators to connect with parents and other school stakeholders more easily and reliably.

Delivers new, reliable IT Infrastructure

Directly contributes to the achievement of the District's Goals to create Welcoming Learning Environments (Pillar 2: Joy and Wellness), build Strong Relationships (Pillar 3: Engagement & Collaboration), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

Strong Social-Emotional Skills

Outstanding Attendance

3

Engagement and Collaboration

Strong Relationships

Accessible Information

Leading for Impact

Honoring Perspectives

4

Operational Effectiveness

Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

Diverse Workforce

Professional Learning

Staff Wellness

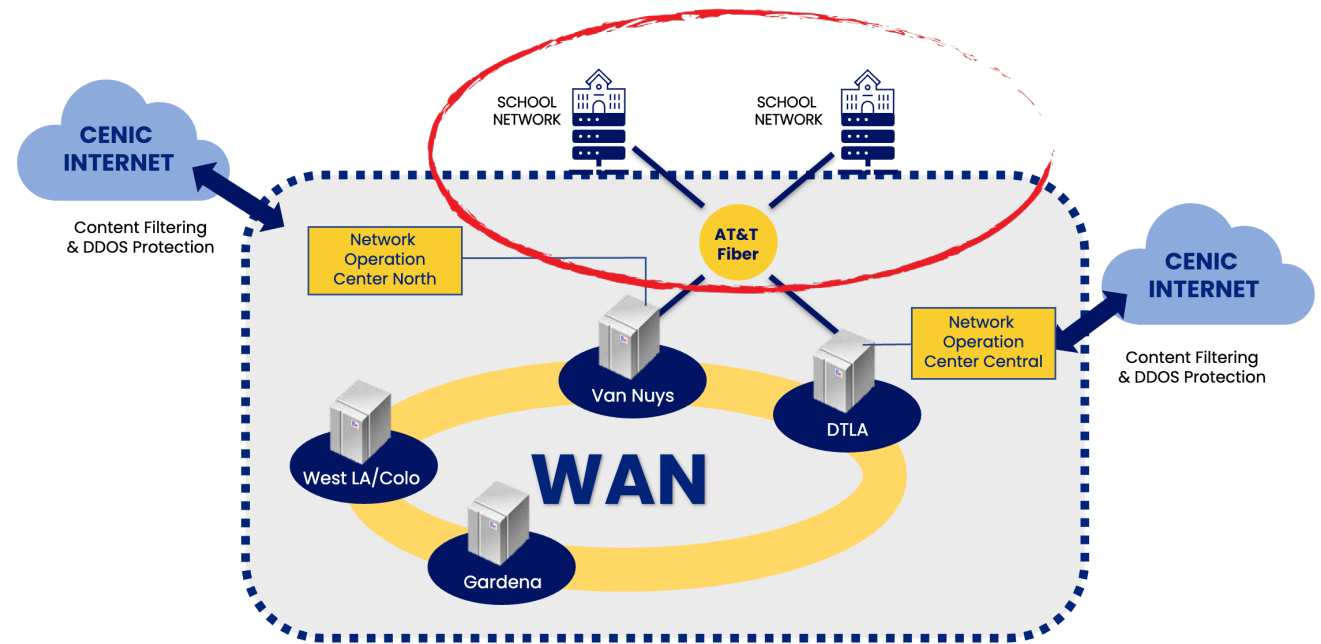
High Performance Standards

School Network Systems Upgrade, Phase 2: Challenges

334

Existing school network systems are:

- Beyond their planned lifecycles
 - Public address / intercommunications systems are 15–20+ years old
 - Telecommunications cabling infrastructure is 15–30+ years old
- Experiencing reliability & availability challenges



School Network Systems Upgrade, Phase 2: Roadmap

335

1

LAN Mod YR (2013–2015)

Measure K/R: 74 District school sites completed LAN Modernization.

2

Site Surveys (2015)

ITS conducted a two-year on-site IT infrastructure survey at all 713 schools.

3

S-A-F-E-T-I Criteria & Results (2017)

ITS Schools were assigned a score to assess their IT infrastructure conditions and were prioritized based on their level of repair need/urgency.

4

Identifying IT Upgrades (2017)

ITS developed Telecommunications Plan outlining IT upgrades needed at schools.

6

Upgrade Review (2020)

Development of a five-year plan To upgrade all schools to a Modern state.

5

Telecommunications Modernization Projects (TMP) (2018)

362 District school sites approved to receive combination of LAN, WLAN, PA, VoIP upgrades.

7

SNSU Ph 1 Project Approval (2021)

Group 1 (154 Sites) Projects In Progress.
Group 2 (108 Sites) :
• 21 Sites In Progress
• 87 Sites Awarded in 2023.

8

SNSU Ph 2 Project Approval (2024)

TCI Survey completed in 2023 to prioritize remaining group 3, 4, & 5 (349 Sites), which will go to Board for funding approval in January 2024

9

TMP 83/WLAN 160 Completion (2024)

Completion of Phone, PA, LAN, WLAN upgrades at 83 sites and Wireless Upgrades at 160 Sites (routers only) by June '24.

10

Next Refresh Cycle/SEP (2028)

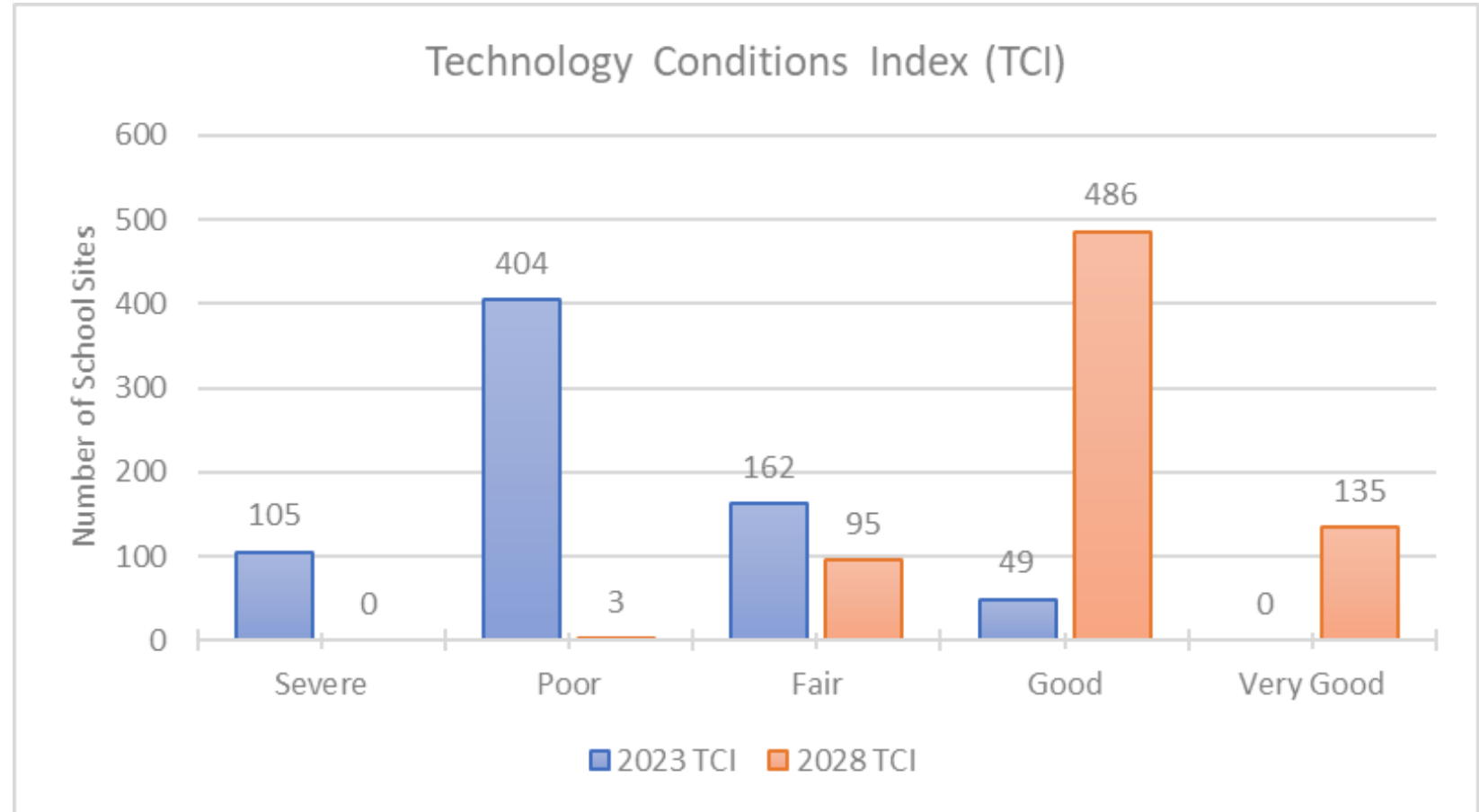
Approval of next Five-Year SEP to refresh LAN/WLAN for all schools including fiber optic cabling upgrades for 107 sites.

The Worst, First – Technology Conditions:

- 2023 Technology Condition Assessment data to prioritize the Phase 2 schools with the worst technology conditions based on age, system failures, and useful life.

The Distribution Ratio:

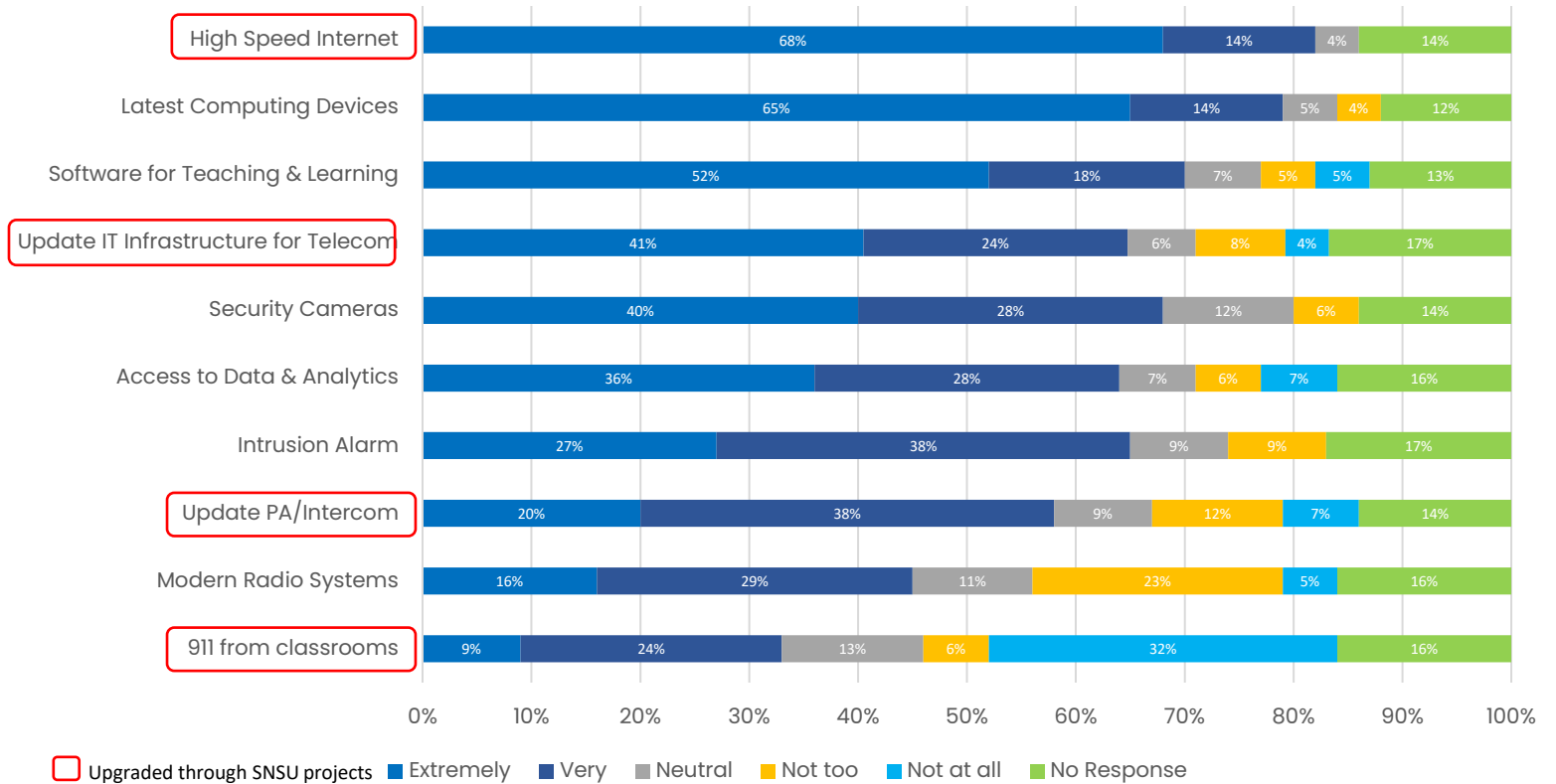
- Weighting additional factors such as the SENI score and ISTAR data along with technology conditions are applied to the Phase 2 schools list to achieve an equitable distribution for projects across the District.



School Leadership Feedback:

- Six (90-minute) Zoom sessions held with 54 participants to collect input through online polling tool and follow-up discussions.
- Participants included Region leadership and school administrators.
- Results prioritized “High Speed Internet” across all grade levels.

Importance of Technology Investments at Schools



School Network Systems Upgrades – Completions

LAN



NEW LAN



PA



NEW PA



PHONES



NEW PHONES



School Network Systems Upgrade, Phase 2 : Scope & Benefits

This project's scope includes surveying, planning, designing, procuring, installing, configuring, testing and acceptance of a new 10 Gigabit fiber infrastructure, LAN/WLAN, VoIP telephone system, and new integrated IP PA Intercommunications solution at the school sites.

Targeted Components

Project Output

Benefit to Students & Schools



Fiber Optic Cabling

10G fiber for improved capacity and bandwidth speeds

Improves access to online content and provides a safer connection for increased security to enhance online and remote learning instruction.



Local Area Network (LAN) / Wireless Local Area Network (WLAN)

Faster internet speeds to the classroom and **modernized** backup batteries

Improves speeds for streaming instructional content, utilizing applications such as Zoom, and accessing / downloading i.e., digital textbook content from the District's LMS.



Voice-over-Internet Protocol (VoIP) Phone

Enhanced calling service and integration with PA system with less risk of phone outages

Allows teachers, support staff, and administrators to connect with parents and other school stakeholders more easily and reliably.



Public Address (PA)

More reliable and integrated PA and phone systems

Improves public address communications throughout a school and school classrooms.

School Network Systems Upgrade, Phase 2 : Project Schedule

340

Phase 2 projects:

- Pending Board approval, project will commence in Q1 2024.

Phase 2 Schedule	2024				2025				2026				2027				2028			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
School Network Systems Upgrade, Phase 2																				
Group 3 (110 Sites)																				
Assess / Design																				
Installation																				
Group 4 (106 Sites)																				
Assess / Design																				
Installation																				
Group 5 (133 Sites)																				
Assess / Design																				
Installation																				

Phase 2 projects:

Group 3 | 110 Sites

Group 4 | 106 Sites

Group 5 | 133 Sites

Phase/Year	Budget
Phase 2	\$382,487,934*
Group 3	\$97,184,427
Group 4	\$131,628,394
Group 5	\$153,675,113

* Project will leverage 100% Bond Funds



Project 3 | Intelligent School Network Controls

3

Intelligent School Network Controls: Outcomes & Benefits

343

Frees up high-value instructional time by allowing local school staff to quickly register smart school devices on the local network without requiring lengthy ITS processing delays.

Increases the quantity and type of usable smart devices for instructional purposes on the network.

Improves network accessibility and visibility and safeguards smart school devices from data breaches.

Complies with requirements to protect student and business information through network segmentation.

Provides analysis and insight into the performance and security of smart devices to sustain continued uptime for instructional use.

Directly contributes to the achievement of the District's Goals to provide High-Quality Instruction & Eliminate Opportunity Gaps (Pillar 1: Academic Excellence), and Modernize Infrastructure (Pillar 4: Operational Efficiency)

1

Academic Excellence

High-Quality Instruction

Enriching Experiences

Eliminating Opportunity Gaps

College and Career Readiness

2

Joy and Wellness

Welcoming Learning Environments

Whole-Child Well-Being

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Data-Driven Decision-Making

Modernizing Infrastructure

Sustainable Budgeting

District of Choice

5

Investing in Staff

Diverse Workforce

Professional Learning

Staff Wellness

High Performance Standards

WHY DO SCHOOLS NEED INTELLIGENT SCHOOL NETWORK CONTROLS:

Intelligent School Network Controls allow IoT-enabled devices to quickly and securely connect to a school-site network. Without these Controls educators, students and facility managers may experience:

1. Limited number and type of smart devices capable of being used in the classroom.
2. Increased security risks due to lack of device segmentation.
3. Rejection of or delays in authorization for devices to use the network for communications.
4. Inability to compete in sanctioned eSports STEAM/STEM, and Robotics programs.

Intelligent School Network Controls: Scope / Approach

345

Configure

school networks to support multiple categories/types of IoT devices.

Deploy

a device profiling system to categorize IoT devices for secure connectivity.

Create

security policies to safeguard and accommodate different types of devices.

Deliver

new network services needed by modern classroom instruction.

Provide

a self-service portal to register devices that cannot be categorized.

Intelligent School Network Controls: Project Schedule

346

	2023				2024				2025			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Intelligent School Network Controls												
Workstream 1 - Configure School Networks												
Workstream 2 - Develop Policies and Procedures												
Workstream 3 - Configure Device Registration Portal												
Workstream 4 - Deploy Device Profiling and Automation												
Stabilization & Closeout												

Intelligent School Network Controls: Project Budget

Intelligent School Network Controls	\$5,471,000*
Hardware	\$1,200,000
Software	\$1,842,000
Labor & Professional Services	\$2,417,000
Training	\$12,000

* Project will leverage 100% Bond Funds

IT Infrastructure to Support Learning: Recommendation

348



ITS recommends amending the ITS Strategic Execution Plan to modernize the District's IT Infrastructure to Support Learning, utilizing a little over \$400M in existing bond & general funds, over the next 5 years.



Questions?

TAB 15



Board of Education Report

File #: Rep-164-23/24, **Version:** 1

Proposition 39 Charter Facilities Compliance for the 2024-2025 School Year - Finding and Written Statements of Reasons Why Certain Charter Schools Cannot be Accommodated on a Single School Site, and Determination of Necessity to Move

January 23, 2024

**Office of the Chief Strategy Officer
Charter Schools Division**

Action Proposed:

Pursuant to California Education Code section 47614 and its implementing regulations (“Regulations”), find and adopt a written statement of reasons why certain charter schools (as identified in the Attachments hereto) that submitted a Proposition 39 facilities request for the 2024-2025 school year cannot be accommodated on a single school site. Also determine it is necessary to move part of certain charter schools’ operations to an additional school site.

Background:

With the passage of Proposition 39 in November 2000, California Education Code section 47614 (“Proposition 39”) was amended with the intent that public school facilities should be shared fairly among all public-school pupils, including those in charter schools.

Proposition 39 requires that school districts make available to each charter school operating in the school district, facilities that will accommodate all of the charter school’s in-district students. The facilities must be in conditions “reasonably equivalent” to those in which the students would be accommodated if they were attending other public schools of the district, and the school district may not move a charter school unnecessarily. For each legally sufficient facilities request submitted by a charter school to a school district, the Regulations require the school district to deliver to the charter school a preliminary proposal on or before February 1st, and a final offer on or before April 1ST.

The Board of Education has authorized the Superintendent (and/or their designee(s)) to issue preliminary proposals and final offers of space to all charter schools that submitted legally sufficient facilities requests, for the specific school year at issue, in accordance with requirements and timelines of Proposition 39 and the Regulations. (Board Report No. 098 - 18/19, dated October 2, 2018).

The District is prepared to make preliminary proposals and final offers of space at operating District school sites to all eligible charter school applicants. While most preliminary proposals and final offers will accommodate charter schools at a single school site, some will accommodate certain charter schools (identified in the Attachments hereto) at more than one school site.

Section 11969.2, subdivision (d) of the Regulations provides that if a school district’s preliminary proposal or final offer of space does not accommodate a charter school at a single school site, the district’s governing board must first: (i) make a finding that the charter school cannot be accommodated at a single site; and (ii) adopt a written statement of the reasons explaining the finding.

The charter schools identified in the Attachments hereto cannot be accommodated at a single site because of several factors, such as: the large number of seats identified in the charter school's facilities request, the lack of available classrooms on a single site in the specific area requested by the charter school, multiple charter schools' requests for facilities at the same school site or in the same area, and/or the charter school's request to be located at more than one school site. In addition to design capacity and geographical limitations, the District gave substantial consideration to District and charter students' safety and welfare, including, but not limited to, the disproportionate harm to District students that would result from forcibly dislocating children from their neighborhood schools to make room for non-neighborhood charter students.

Each Attachment hereto includes the following, as mandated by Proposition 39 and the Regulations:

- a) The process for staff's determination that a particular charter school cannot be accommodated on a single site. The process included, among other things, (1) a description of how the District determined available classroom inventory to meet a charter school's facilities request; (2) the rationale for making a multiple site offer; and (3) material considerations of student safety and welfare when balancing all available alternatives; and
- b) A recommended finding that a certain charter school could not be accommodated at a single site and written statement of reasons explaining the finding, and a determination that it is necessary to move part of the charter school's operations to an additional school site (if applicable).

Expected Outcomes:

As mandated by Proposition 39 and the Regulations, the Board will make findings and adopt written statements of the reasons why certain charter schools (as identified in the Attachments hereto) that submitted Proposition 39 facilities requests cannot be accommodated at a single school site for the 2024-2025 school year. The Board will also determine it is necessary to move part of certain charter schools' operations to an additional school site.

Board Options and Consequences:

If "no" vote, the District will not be in compliance with section 11969.2, subdivision (d) of the Regulations requiring the Board to make findings and adopt written statements as to why certain charter schools (as identified in the Attachments hereto) will receive Proposition 39 preliminary proposals and/or final offers accommodating them at more than one school site. The Board will also not determine if it is necessary to move part of certain charter schools' operations to an additional school site.

If "yes" vote, the District will be in compliance with section 11969.2, subdivision (d) of the Regulations requiring the Board to make findings and adopt written statements as to why certain charter schools (as identified in the Attachments hereto) will receive Proposition 39 preliminary proposals and/or final offers accommodating them at more than one school site. The Board will also determine it is necessary to move part of certain charter schools' operations to an additional school site.

Policy Implications:

This action does not change District policies.

Budget Impact:

This finding has no budget impact.

Student Impact:

Pursuant to Proposition 39, public school facilities should be shared fairly among all public-school pupils, including those in charter schools. Through this proposed action, the Board is adhering to this mandate.

Equity Impact:

Not Applicable.

Issues and Analysis:

Pursuant to Proposition 39 and the Regulations, the District is required to make a preliminary proposal and final offer of space to each charter school that submitted a legally sufficient request for facilities. If a charter school cannot be accommodated at a single school site, the Board must first make a finding that the charter school cannot be accommodated at a single site and adopt a written statement of the reasons explaining the finding.

Attachments:

Documentation under the Appendix A & B listed below will be available for viewing at the following link:

<https://drive.google.com/drive/folders/192sgoNtQQIqEudH9-bHC0vRkKP9zMKGZ?usp=sharing>

Appendix A: Index of Charter Schools

Appendix B: Attachment for Each Charter School that Cannot be Accommodated on a Single School Site. Each Attachment includes two tabs:

- (a): Staff Report on the Deliberative Process for Determining Why the Charter School Cannot be Accommodated at a Single Site; and
- (b): Board of Education Finding that the Charter School Could Not be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding, and Determination of Necessity to Move (if applicable)

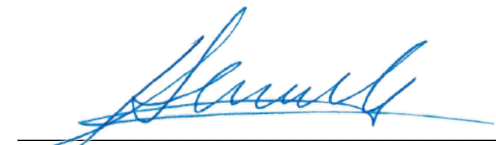
Informatives:

Not applicable

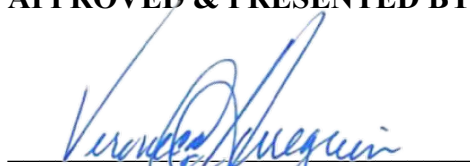
Submitted:

12/12/23

RESPECTFULLY SUBMITTED,


ALBERTO M. CARVALHO
Superintendent


APPROVED & PRESENTED BY:


VERONICA ARREGUIN
Chief Strategy Officer
Office of the Chief Strategy Officer

REVIEWED BY:


DEVORA NAVERA REED
General Counsel☒ Approved as to form.

APPROVED & PRESENTED BY:


JOSÉ COLE-GUTIÉRREZ
Director
Charter Schools Division

REVIEWED BY:


NOLBERTO DELGADILLO
Deputy Chief Business Officer, Finance☒ Approved as to budget impact statement.

APPENDIX A

BOARD OF EDUCATION REPORT 164-23/24

January 23, 2024

INDEX OF CHARTER SCHOOLS

**Proposition 39 Charter Facilities Compliance for the 2024-25 School Year
Findings and Written Statements of Reasons Why Certain Charter Schools
Cannot be Accommodated on a Single School Site
(and Determination of Necessity to Move (if applicable))**

The charter schools identified below will be accommodated at more than one school site. For each of these charter schools, Appendix B includes Attachments (a) and (b), as follows:

- (a) Staff Report on Deliberative Process for Determining Why the Charter School Cannot be Accommodated at a Single Site;
- (b) Board of Education Finding that the Charter School Cannot be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (and Determination of Necessity to Move (if applicable))

ATTACHMENT	CHARTER SCHOOL NAME	DISTRICT SCHOOL SITES	REGION	BD
1	Ararat Charter School	Erwin Elementary	N	6
		Kindergarten Learning Academy	N	3
2	Citizens of the World Charter School Hollywood	Joseph Le Conte Middle School	W	5
		Hoover Street Elementary	W	5
3	Citizens of the World Charter School Mar Vista	Cienega Elementary	W	1
		Westport Heights Elementary	W	4
		Webster Middle School	W	4
4	Citizens of the World Charter School Silver Lake	John H Liechty Middle School	E	2
		Virgil Middle School	E	2
5	Extera Public School	Breed Street Elementary	E	2
		2nd Street Elementary	E	2

ATTACHMENT	CHARTER SCHOOL NAME	DISTRICT SCHOOL SITES	REGION	BD
6	Gabriella Charter School 2	Trinity Street Elementary	E	5
		West Vernon Avenue Elementary	E	5
7	Ingenium Charter Middle School	John A. Sutter Middle School	N	4
		Woodland Hills Academy	N	4
8	ISANA Octavia Academy	Fletcher Drive Elementary	W	5
		Washington Irving Middle School Math, Music, and Engineering Magnet	W	5
9	ISANA Palmati Academy	Glenwood Elementary	N	6
		Roy Romer Middle School	N	6
10	Lashon Academy	Robert Fulton College Preparatory School	N	6
		Valerio Street Elementary	N	6
11	Magnolia Science Academy 7	Lorne Street Elementary	N	3
		Shirley Avenue Elementary	N	4
		Sunny Brae Avenue Elementary	N	3
12	Synergy Charter Academy	28th Street Elementary	E	5
		Quincy Jones Elementary	E	5
13	WISH Community School	Orville Wright Engineering & Design Magnet	W	4
		Westchester Enriched Sciences Magnets	W	4

ATTACHMENT 1(a): ARARAT CHARTER SCHOOL**Staff Report on Deliberative Process for Determining Why Ararat Charter School Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, Ararat Charter School ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 312.80 in grades TK-5 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 56 different District schools that its charter school students would otherwise attend. Charter School's facilities request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Erwin Elementary School and Kindergarten Learning Academy ("Requested Sites"). Charter School is currently operating at Erwin Elementary School and Kindergarten Learning Academy.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 312.80.

3. Charter School's facilities request identified Kindergarten Learning Academy and Erwin Elementary School as the District school sites and/or general geographic area in which Charter School wishes to locate.

4. If Charter School's request can be satisfied, further analysis is unnecessary. Therefore, rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site co-location at the Requested Sites.

5. Charter School requested to locate on two campuses. The District has the ability to locate Charter School at the two facilities where it wishes to locate. Consequently, District staff

concluded it could not accommodate Charter School on a single site and comply with Education Code section 47614.

6. Therefore, District staff recommends making this complete offer of contiguous space to Charter School at Requested Sites (“Recommended Co-Locations”).

ATTACHMENT 1(b): ARARAT CHARTER SCHOOL

Board of Education Finding that Ararat Charter School Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, Charter School’s facilities request states that it wishes to remain at its current two campuses;

Whereas, Rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School’s request and provide a multi-site co-location at Requested Sites;

Whereas, The District has the ability to co-locate Charter School where it wishes;

Whereas, The District cannot accommodate Charter School on a single site and comply with Education Code section 47614;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School’s entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board

of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

**ATTACHMENT 2(a): CITIZENS OF THE WORLD CHARTER SCHOOL
HOLLYWOOD**

Staff Report on Deliberative Process for Determining Why Citizens of the World Charter School
Hollywood Cannot be Accommodated at a Single Site

Charter School's Facilities Request

1. On or before November 1, 2023, Citizens of the World Charter School Hollywood ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 480.70 in grades TK-5 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 126 different District schools that its charter school students would otherwise attend. Charter School's Facilities Request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Joseph Le Conte Middle School. Charter School is currently operating at Joseph Le Conte Middle School.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 480.70.

3. Education Code section 47614, subdivision (b) requires the District to provide charter schools with facilities sufficient for the charter school to accommodate all of its in-district students in conditions "reasonably equivalent" to those in which the students would be accommodated if they were attending other public schools of the district.

4. To determine whether the conditions of facilities provided to a charter school are "reasonably equivalent" to the school district facilities that charter school students would otherwise attend, the District adheres to the Proposition 39 implementing regulations (California Code of Regulations, title 5, section 11969.1, et seq.) which direct school districts to measure those facilities against the facilities used by district students at a "comparison group" of schools. As the

District is divided into high school attendance areas, in selecting comparison group schools, the District must follow California Code of Regulations, title 5, section 11969.3, subdivision (a)(2), which states, “[t]he comparison group shall be the district-operated schools with similar grade levels that serve students living in the high school attendance area... in which the largest number of students of the charter school reside.” District staff reviewed Charter School’s projected in-district classroom ADA broken down by grade level and its identification of the 126 different District schools its projected charter school students would otherwise attend. Based on the information provided by Charter School, District staff determined that the attendance area where the largest number of Charter School’s projected students reside is the Bernstein Zone of Choice attendance area. Consequently, based on the grade levels that Charter School projects it will serve, District staff identified the following as the District-operated schools with similar grade levels that serve students within the Bernstein Zone of Choice attendance area; i.e., Charter School’s comparison group schools: Grant Elementary, Kingsley Elementary, and Ramona Elementary.

5. The District also follows California Code of Regulations, title 5, section 11969.3, subdivision (b)(1), which requires that the facilities made available by a school district to a charter school shall be provided in the same ratio of teaching stations (classrooms) to ADA as those provided to students in the district attending comparison group schools. To implement a fair sharing of space, the District determines the ratio of ADA-to-classrooms provided for each of the charter school’s comparison group schools and uses an average of those figures to determine the number of classrooms to provide to the charter school. It also results in the District allocating classroom space sufficient to allow a charter school to maintain the same minimum number of seats in a classroom as maintained in the District’s comparison group schools, that is, to maintain conditions reasonably equivalent to the comparison group schools as required by Proposition 39. In other words, it results in accommodating charter school students on District school sites as they would be accommodated if they otherwise attended those District schools. Consequently, this calculation is used to ensure the number of classrooms provided to charter schools is equivalent to

the number of classrooms provided at their comparison group schools.

6. Relying upon an in-district classroom ADA projection of 480.70 for the Next Fiscal Year, and an average ADA-to-classrooms provided ratio at the comparison group schools of 17.69, the District determined that Charter School is entitled to 27 teaching stations (classrooms) and one classroom space to be used as its administrative office. The District also determined that Charter School is entitled to 2 special education classroom(s).

7. Charter School's facilities request states: "CWC HW is currently located on Le Conte MS at 1316 N. Bronson Avenue. Our current co-location with Le Conte MS has been an extremely positive partnership that CWC HW wishes to continue in the future. Le Conte MS is located in zip code 90028, which is within CWC HW's target neighborhoods per our approved LAUSD charter (zip codes 90028, 90038, 90068). CWC HW respectfully requests that all assigned classrooms be located on the Le Conte MS campus."

8. Based on the foregoing, if the in-district classroom ADA of Charter School cannot be accommodated entirely at Joseph Le Conte Middle School in the Next Fiscal Year, District staff recommends allocating Charter School facilities at Joseph Le Conte Middle School and additional school site(s).

9. Education Code section 47614, subdivision (b), provides that facilities provided to a charter school by a school district must be, among other things, "contiguous." The definition of "contiguous" expressed in California Code of Regulations, title 5, section 11969.2, subdivision (d), states that facilities are "contiguous" if they are contained on the school site or immediately adjacent to the school site, and that if the in-district classroom ADA of a charter school cannot be accommodated on any single school district school site, contiguous facilities also includes facilities located at more than one site, provided that the school district shall minimize the number of sites assigned and shall consider student safety. As explained below, pursuant to Proposition 39, District staff first engaged in an effort to create a single-site offer to accommodate Charter School's projected total in-district classroom ADA in the Next Fiscal Year at Joseph Le Conte Middle

School. District staff evaluated space at Joseph Le Conte Middle School (the District school site at which Charter School wishes to locate) and determined that Joseph Le Conte Middle School will not have sufficient classroom space to accommodate Charter School's total in-district classroom ADA in the Next Fiscal Year. Rather than attempt to locate Charter School on a single site different from the requested site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site allocation of contiguous facilities.

10. Therefore, District staff recommends providing space at the following locations to Charter School to accommodate its total in-district classroom ADA for the Next Fiscal Year: Joseph Le Conte Middle School and Hoover Street Elementary (collectively, the "Recommended Co-Locations"). By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate and to minimize the number of sites assigned to Charter School.

Process District Staff Followed to Locate Space for Charter School Pursuant to Proposition 39

11. The District's Charter Schools Division ("CSD") determined that in the 2023-24 school year, more than 148,194 students enrolled in charter schools authorized by the District. This figure reflects a 1,865 student decrease compared to the number of students enrolled during the previous school year. In the 2023-24 school year, the District had the most charter students attending schools authorized by a District of any school district in the nation. The District ensured that every eligible in-district charter student was offered a seat.

12. For the 2024-25 Proposition 39 cycle, the District is applying a comprehensive process to ensure that every eligible in-district charter school student is offered a seat at a District campus. The District is following a critical schedule of steps, from receiving the initial request for facilities by a charter school to making facilities ready for occupancy, in order to timely meet the Proposition 39 timeline. The general process District staff is following in administering Charter

School's Facilities Request is the same that it used to process each of the other facilities requests the District received from charter schools for the Next Fiscal Year. That process is as follows:

13. Beginning in September 2023, School Management Services and Master Planning & Demographics ("SMS-MPD") staff, which includes District personnel in the District's Facilities Services Division experienced in public school facilities utilization that assess all of the educational space within the District, conducted a comprehensive analysis of the use of District classrooms school facilities, called E-CAR. E-CAR was implemented at the beginning of the Proposition 39 process to assess capacity at school sites throughout the District, and commenced with a preparation period during which SMS-MPD staff examined materials submitted by all District schools in the previous year for accuracy, as well as for consistency with previous assessments' classroom usage and availability determinations. The SMS-MPD staff applied standard formulae for the usage of classrooms in order to generate an objective and uniform assessment of the amount of total classroom space at District school sites. The purpose of this calculus is to assess the number of classrooms required to accommodate instructional program enrollment, based on grade level and specific course subject matters at secondary schools.

14. Next, the E-CAR process involves District school principals at more than 700 District school sites logging into an online application to validate their school's enrollment and to review and confirm details regarding the school site's classrooms and their respective utilization. Specifically, the principals identified and validated classroom space utilized as teaching stations and "set-asides" (classrooms used for purposes other than general education), along with classroom numbers, locations, and sizes. Additionally, the principals identified classrooms occupied by special education programs, charter schools, preschools, alternative education programs, option programs, and other third-party users, as well as swing space needed for construction projects, and classrooms that are out of service or mandated for removal due to legal and/or safety/physical condition requirements. The purpose of E-CAR is to accurately assess the current capacity of each District school site in several respects: the number and size of classrooms,

the manner in which those classrooms are currently used, and the school's operating capacity. E-CAR entails a detailed review of the present use of District school sites and an analysis of the projected future uses of those facilities. The analysis includes reporting of data by individual schools, which is reviewed by SMS-MPD staff to confirm its accuracy and to ensure that space is used efficiently and uniformly throughout the District.

15. To ensure that District school administrators are provided the resources necessary for a complete and accurate assessment of their school's capacity, they were instructed to reference the following resource materials for their school site: A current school map; the school's former or most recent Norm Day classification report (which details the number of students enrolled at that school on September 15, 2023); the Norm Day classification report for any magnet centers and/or dual language programs located on the school site; the Classroom Inventory and Allocation Worksheet pages from the prior school year's Capacity Assessment Review report, which contains information for classroom counts and allocations into precisely-defined categories; and the number of teaching positions in all categories, including general education, special day, magnet, dual-language, physical education, and off-norm-funded positions.

16. Categorizing classrooms in this way is important because a school's capacity involves more than its raw seats and room numbers. The District must determine whether a school site has facilities available to sufficiently serve the particular requirements of a school, such as grade levels, special education programs, magnet centers, Small Learning Communities, Personalized Learning Environments, legal mandates, and other student needs.

17. District staff reviewed the foregoing data regarding specific capacity information at District school sites for the Next Fiscal Year. Utilizing this data, SMS-MPD provided CSD with the number of estimated available classrooms, at each District school site given specific operating capacities per programmatic and mandated qualifiers. When planning for maximal use of available school facilities, and in interpreting data generated during the course of facilities planning, it is absolutely critical to understand the difference between "unallocated classrooms" and "available

seats.” To illustrate, a hypothetical District school may not have any unallocated classrooms but may have individual available seats in classrooms currently occupied. As a result, the school may be able to absorb 100 students into its existing classrooms by identifying two free seats spread out among 50 of its classrooms that are used for instruction appropriate to the grade level and subject matter requirements for the students being absorbed. Thus, it is an entirely different proposition to provide and integrate 100 seats across a campus than to provide four or five unallocated classrooms with the same total number of contiguous available seats. In many instances, there may be many available seats in a school, but no unallocated classrooms. This is especially the case for District middle and high schools where the students do not sit in one classroom all day, like an elementary school, but instead attend four or more different classes per day, each in different classrooms and with different teachers and groups of students, in order to receive the mandated curriculum.

18. SMS-MPD generated each instructional program’s operating capacity using a complex mathematical formula which took into account all aspects of the schools’ operations. The operating capacity also accounted for classrooms designated as “set asides.” Public school districts are required to provide special education space, and a parent center at each school which is classified as a set-aside. Also, pre-kindergarten and adult education students are served in classrooms at school sites across the District.

19. District staff analyzed each District school’s estimated available seats and classrooms for the Next Fiscal Year based on the data.

20. As a public institution, the District is required to provide an education to every student who chooses to enroll. The District previously planned its programming and staffing based on estimated enrollment projections, but in the event projections were short, the District was still obligated to provide an education to students who were not originally anticipated. As a safeguard against the overcrowding of classrooms in such situations, the District historically prepared to reserve 75 seats at every secondary school and 50 seats at every elementary school for additional

unanticipated enrollment. Importantly, however, beginning in 2013 and continuing this year, District staff examined the actual historical enrollment data over the last several years at each school site to determine if a trend could be empirically established demonstrating unanticipated growth. Based upon this analysis, the District determined that no seats at any District school sites offered to a charter school should be reserved for unanticipated growth.

21. The District uses the definition contained in California Code of Regulations, title 5, section 11969.3, subdivision (a)(2) to determine comparison group schools. No two schools are identical; however, on a grade-alike basis, a significant majority of the District's schools share reasonably equivalent conditions, especially when taking into account age, quality of materials and state of maintenance, school site size, conditions of surfaces as well as mechanical, plumbing, electrical and fire-life systems, including conformity to applicable codes, availability and condition of technology infrastructure, the condition of the facility as a safe learning environment, including, but not limited to, the suitability of lighting, noise mitigation, and size for intended use, the conditions of the facility's furnishings and equipment, and the condition of athletic fields and play area space. As part of this process, District staff determined whether the conditions of school facilities offered to a charter school were reasonably equivalent to those of the comparison group schools.

Matching Guidelines Utilized by the District for Charter School

22. In accordance with applicable law, the District is guided by the following matching guidelines in order to make contiguous offers of space to charter schools in facilities with reasonably equivalent conditions to those which would accommodate the charter students if they otherwise attended District schools:

- Consider student safety and welfare
- Identify reasonably equivalent facilities
- Minimize the number of sites assigned
- Make reasonable efforts to provide facilities near to where the charter school wishes to locate
- Avoid moving a charter school unnecessarily
- Minimize disruption to District and charter programs
- Fairly balance the needs of District and charter programs

- Avoid displacing any District students from their school of attendance
- Maximize use of unallocated classroom space (i.e., those with no designated use and would be vacant/unassigned in a particular fiscal year, as identified in the District's annual comprehensive analysis of space on District school sites. Classrooms used to provide additional programming or services are not considered unallocated classroom space, and are categorized according to their specific designation).

23. District staff makes every reasonable effort to locate space on a single site, or on multiple sites only if necessary or specifically requested by the charter school, in the charter school applicant's geographic area of interest. Consequently, District staff first attempts to accommodate charter schools at a single school site and looks for available facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA within its desired area of geographic interest. Only when no single school site can be feasibly identified based upon school site design and occupancy limitations, as well as after taking into account the paramount considerations of both District and charter school student safety and welfare, does the District make offers that contemplate the use of multiple school sites.

24. District staff first identifies the classroom inventory by grade level configuration in each geographic region. Grade-alike matches typically provide reasonably equivalent space to charter schools; therefore, wherever possible, District staff allocates space to charter applicants on grade-alike school facilities.

25. District staff next identifies which charter school applicants are currently located in District facilities that they have identified in their geographic area of interest for the following Proposition 39 cycle and, when feasible, matches those charter schools to those school sites. District staff then examines and identifies the geographic areas of interest of other charter school applicants. As described above, multiple charter schools often request space in the exact same location so District staff must assess conflicting geographic as well as particular site interests. In doing so, District staff examines whether the potential match would utilize all available classrooms and whether the match represents a full, single-site offer. Priority is given to those charters where these two goals can be achieved.

26. Based on an examination of these criteria, District staff makes a preliminary match of available classrooms at a particular site to the projected in-district classroom ADA of each charter school. District staff attempts to find the most geographically relevant grade-alike matches. District staff seeks to minimize disruption to and fairly balance the needs of District and charter programs. For multi-site scenarios, District staff eliminates set-asides whenever reasonably possible to reduce the number of sites assigned to a charter school, which often results in being able to transform multi-site offers to single-site offers. While endeavoring to preserve programmatic spaces essential to enriching instruction and student health and human services, District staff may need to engage in the materially disruptive measure of eliminating or otherwise impacting set-asides used to provide services at District schools in order to share space fairly among charter and non-charter students in the District. Set-asides are divided into two categories: District set-asides and School set-asides.

27. School set-asides allocate space for instructional, safety, and health programs that are specific to a particular school. For example, Title I funding coordinator offices are considered School set-asides. Title I funding provides financial assistance to schools with high numbers or high percentages of low-income children to help ensure that all children meet challenging state academic standards. The District uses Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet state standards in core academic subjects. Such funds support extra instruction in reading and mathematics, as well as special preschool, after-school, and summer programs to extend and reinforce the regular school curriculum. Additionally, School set-asides are used to allocate space for small learning community (“SLC”) offices. An SLC, also referred to as a School-Within-A-School, is a form of school structure in secondary schools to subdivide large school populations into smaller, autonomous groups of students and teachers. SLCs include structures such as freshman academies, multi-grade academies organized around career interests or other themes, “houses” in which small groups of students remain together throughout high school, and

autonomous schools-within-a-school, as well as personalization strategies, such as student advisories, family advocate systems, and mentoring programs. Research continues to show that small schools and SLCs have the necessary elements to counteract the inherent negative effects of poverty and poor academic achievement for low-income students and/or students of color. (Cotton, *New Small Learning Communities: Findings from Recent Literature*, Portland, Ore: Northwest Regional Educational Laboratory (2001); Jimerson, *The Hobbit Effect: Why Small Works in Public Schools*, The Rural School and Community Trust (August 2006).)

28. At the middle school level, School set-asides are used, for example, for Personal Learning Environment (“PLE”) offices, the middle school equivalent to an SLC. Likewise, School set-asides may be used for the District’s Response to Instruction and Intervention (“RTI²”) program. RTI² integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavior problems. With RTI², schools identify students at risk for poor learning outcomes, monitor student progress, provide evidence-based interventions and adjust the intensity and nature of those interventions depending on a student’s responsiveness, and identify students with learning disabilities or other disabilities. In order to provide space to charter schools requesting Proposition 39 facilities, District staff has eliminated or reduced the number of School set-asides on certain campuses. This instructional disruption unfortunately disproportionately affects low-income, low-performing, or disabled District neighborhood children, those who need assistance the most. However, District staff has taken these disruptive measures in order to share facilities fairly with charter schools.

29. District set-asides use school space to implement key District-wide instructional, health, and safety programs. For example, these set-asides include space for District police, regional special educational testing centers, health center clinics, food service, and Beyond the Bell programs, among others. Eliminating these set-asides would deny or interfere with students’ ability to receive the special education and related services to which they are entitled, or force students to travel as much as 50 miles to the next closest center. In the 2023-24 fiscal year, the

District's school-based health clinics are projected to provide approximately 156,000 visits to children who would otherwise have been challenged to access health care. The demand for health services remains as high as it did in the previous school year, and to eliminate these clinics would deprive the neediest children of vital services. Additionally, Beyond the Bell programs ensure that all children and youth in the District have access to high-quality, safe, and supervised academic, enrichment, and recreation programs that inspire learning and achievement beyond the regular school day (before and after school and Saturdays). The three components of Beyond the Bell include academic tutorial, recreational, and enrichment programs vital to the safety and wellbeing of school children. Improved school attendance and test scores have been attributed to student participation in Beyond the Bell's after-school programs. By providing supervision and engagement during after school hours when many parents may be working outside the home, Beyond the Bell's programs help reduce the risk that children might engage in drug or alcohol use, sexual activity, and/or crime. To eliminate Beyond the Bell programs would expose the thousands of children who utilize these programs on a daily basis to danger, harming their academic performance and their overall wellbeing.

30. Although District and School set-asides provide space for programs that are vital to the curriculum of a particular school or to District-wide goals, in order to share space fairly, District staff has cut into these set-asides where doing so would minimize the number of sites offered to a charter school in order to make a complete offer of space.

31. For the Next Fiscal Year, District staff had to grapple with the conflicting needs of 46 different charter school applicants and cycled through its comprehensive space matching process as conscientiously as possible, shifting space and potential matches to fulfill the District's obligation to share space fairly among all students – charter school students and those students attending District schools alike. In doing so, District staff kept in the forefront considerations of student safety and welfare.

32. Often, many charter schools request to be located at the same school site, requiring

District staff to assess conflicting geographic as well as particular site interests. In fact, 12 different charter schools (including Charter School) requested space in Region West for the Next Fiscal Year. District staff had to contend with the conflicting needs of these 12 charter schools, as well as all 46 eligible charter school applicants, shifting space and potential matches to fulfill the District's obligation to share space fairly among all in-district students. The process is extraordinarily dynamic with a complex set of ever-changing pieces, decisions regarding any one of which can result in very real ripple effects for students and programs across multiple school sites.

33. The District's space matching guidelines are just that – guidelines. They cannot be applied in a vacuum and without rationale. In allocating space to charter schools, the District must consider the impact on other public school students, both those attending District schools and those attending other charter schools requesting space. District staff applied the District's matching guidelines in conjunction with thoughtful considerations of the real world impacts on all public students in providing co-location offers to charter schools for the Next Fiscal Year.

34. The District began its space analysis for Charter School by examining data from E-CAR for Joseph Le Conte Middle School related to the 2024-25 school year. As explained above, the E-CAR enrollment for Joseph Le Conte Middle School is reflected in classroom usage as of September 15, 2023, which is known as "Norm Day." The E-CAR data is a "snapshot in time" that reflects classroom availability and usage at a particular school site at the time it is prepared. It is the baseline for the District's comprehensive space analysis of the current and projected utilization and availability of space for a charter school. It does not contemplate any prospective future revisions or factor in projected classroom usage for any subsequent school year, or changes in space utilization needs that occur after the E-CAR data is prepared, such as, for example, increases or decreases in the District school site's enrollment projections for the upcoming school year, planned programmatic expansions, adjustments to ADA-to-classrooms ratios and/or assigned teachers, changes to grade levels served, construction projects, removal of portable classrooms,

charter schools' potentially forthcoming Proposition 39 facilities requests, the planned occupancy by other charter schools or District programs, or any other factor that would result in an adjustment of the number of available classrooms for the Next Fiscal Year. E-CAR data indicated 0 unassigned/unallocated standard size classrooms at Joseph Le Conte Middle School at Norm Day. Charter School occupies 25 rooms at the school site in the current school year.

35. In the second week of November 2023, Region Offices were provided information regarding charter schools that had requested Proposition 39 space, and potential space availability at District school sites. Region West was advised of the District school site(s) and/or general geographic area in which Charter School wishes to locate, and that it was entitled to exclusively use a total of 30 spaces (27 instructional spaces, 2 special education spaces, and one administrative office space) for the Next Fiscal Year. Region West was also advised that there were 12 charter schools that had requested facilities within that same Region.

36. Meetings were also conducted between CSD, SMS-MPD, and others, so that additional District stakeholders such as Region Office leadership and school-site staff could provide further valuable input regarding important information, such as impacts of a potential co-location at a particular school site or unique site conditions that might make it unsuitable. Various provisional matches within each Region were identified and deliberated, and participants thoughtfully discussed potential recommendations as part of the District's comprehensive compliance effort. Per established protocols, the District also invited labor partners, including United Teachers Los Angeles, to Advisory meetings to offer feedback.

37. During the course of the meetings and numerous additional discussions, CSD, Region West, District administrators, SMS-MPD, and others discussed that Joseph Le Conte Middle School will not have adequate availability of space in the Next Fiscal Year to accommodate Charter School's entire projected in-district classroom ADA due to the planned programmatic needs as accounted for in the E-CAR. Also evaluated were the needs, as operationally feasible and permitted by law, to support the District's 100 Priority Schools, Black Student Achievement Program (BSAP) schools,

and Community Schools, and avoid outcomes that would compromise District schools' capacity to serve neighborhood children and/or result in grade span arrangements that negatively impact student safety and actively deter students from attending District schools. Due to these circumstances, Joseph Le Conte Middle School will be unable to accommodate Charter School's entire projected in-district classroom ADA in the Next Fiscal Year.

38. In summary, the District has no realistic ability to allocate 30 exclusive use classroom spaces to Charter School at the Joseph Le Conte Middle School site for the Next Fiscal Year. Allocating such space to Charter School would present significant safety, educational, scheduling, facilities, and operational challenges, and result in significantly harmful negative impacts, displacements, and disruptions to Joseph Le Conte Middle School students. Allocating such space to Charter School would result in an unfair sharing of space between Charter School and Joseph Le Conte Middle School on this school site.

39. If Charter School was provided 30 classroom spaces at Joseph Le Conte Middle School, it would so severely diminish the Joseph Le Conte Middle School program's usable instructional space that it could require some of its teachers to hold classes outside of classroom settings. Alternatively, Joseph Le Conte Middle School could either overcrowd its existing classrooms by reducing its teaching staff and increasing the number of student desks in classrooms or require two teachers to teach class simultaneously in one classroom. Both options would not only overburden the teachers forced to teach those classes, but would also unfairly crowd students and block safe access to doors. None of these possibilities are realistically feasible.

40. District staff has determined that the quality of the education for both Joseph Le Conte Middle School students and Charter School students would suffer significantly if Charter School were provided 30 classroom spaces at Joseph Le Conte Middle School. Joseph Le Conte Middle School's existing space constraints have already substantially impacted Joseph Le Conte Middle School students, teachers, staff, and administrators. Provision of facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA in the Next

Fiscal Year would further exacerbate the negative harmful impacts to such a point that it would be impossible for all of the students to share space fairly and receive a proper education. It would also result in increased emotional hardship and further loss of morale in students, teachers, staff, and administrators alike.

41. To accommodate Charter School's entire in-district classroom ADA at Joseph Le Conte Middle School would also present substantial safety concerns for both charter and non-charter District students. By way of example, District staff estimated that to accommodate all of Charter School's students at Joseph Le Conte Middle School would require the forcible displacement of a significant number of students attending Joseph Le Conte Middle School. Displacing students out of Joseph Le Conte Middle School would have far-reaching safety, instructional, and social implications.

42. For instance, many Joseph Le Conte Middle School students walk to and from their school. Recent District budgetary cutbacks and the harsh economic climate have made the ability to walk to school a necessity for many families with in-district children. The District school bus program has realized service cuts and route eliminations which have affected many students. As a result of past budget deficits, transportation funding was reduced as part of stabilization efforts. The latest impact came in July 2012, when the District was forced to implement a change to the eligible busing distance for secondary schools from three miles to five miles. These cuts disproportionately affect poorer students and make the ability to walk to school even more crucial.

43. Not only is the ability to walk to school at Joseph Le Conte Middle School a necessity for some students, but walking to school also provides key health benefits. According to the California Department of Public Health ("DPH"), close to one-third of California's children are overweight or obese. The DPH's California Active Communities ("CAC"), in collaboration with CA4Health (a project of the Public Health Institute, with funding from the Centers for Disease Control and Prevention) has determined that a child's overall health is affected by levels of physical inactivity which can be directly linked to time spent in automobiles versus in active

transportation such as walking. Walking or biking to school provides an opportunity for purposeful physical activity toward the accumulation of the recommended 60 minutes or more of daily physical activity for children and youth. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) Active transportation – such as walking and biking – to school can help increase physical activity levels of students and their families. (ChangeLabSolutions, *Incorporating Safe Routes to School into Local School Wellness Policies* (July 2015).) Physical activity reduces the risk of obesity and related chronic diseases, and improves mental health, attendance, and academic performance. (*Ibid.*) Active transportation can also have broad community benefits, including reducing traffic congestion and air pollution, creating safer streets, encouraging cost savings, and building a stronger sense of community. (*Ibid.*) Increasing physical activity through walking and biking to school can help address high obesity rates. (*Ibid.*)

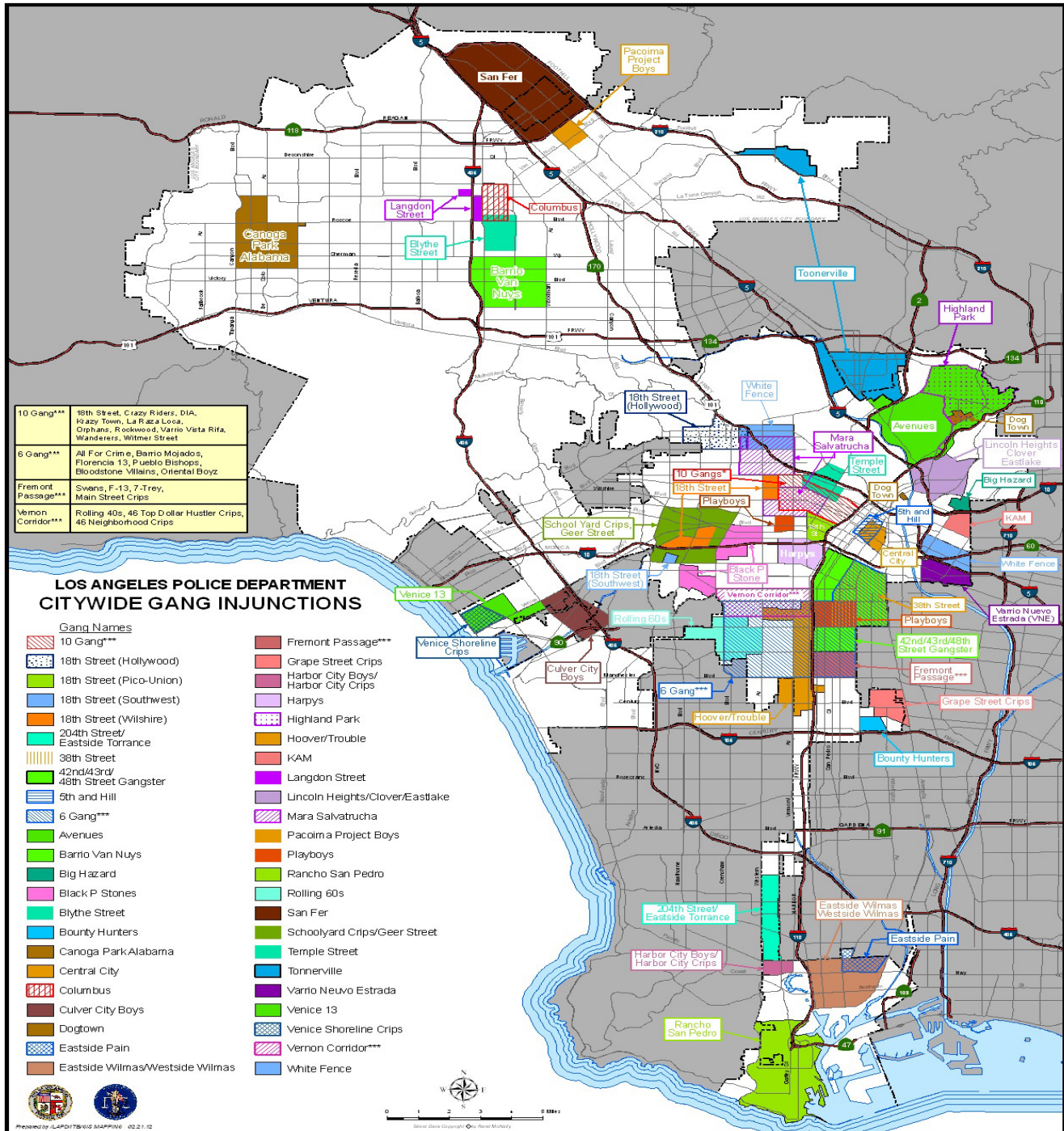
44. Empirical studies have determined that distance is a key impediment to children walking to school safely. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) A study published in the Journal of Public Health Policy examines the multi-level correlates of walking to and from school. Of the physical environmental factors examined, the strongest negative correlates to walking to school were distance and safety concerns. (Zhu & Lee, *Correlates of Walking to School and Implications for Public Policies*, Journal of Public Health Policy (2009).) Recognizing distance as a barrier to the ability for a child to walk to school, CA4Health, the CAC, and the DPH support school siting as well as joint use policies and practices that encourage kids to walk or bike to school.

45. Displacing a significant number of students from Joseph Le Conte Middle School to make additional room for Charter School would prevent a significant number of Joseph Le Conte Middle School children who currently have the ability to safely walk to school from being able to do so. Conversely, Charter School draws its attendance from 126 different District schools.

Therefore, providing a single-site offer at Joseph Le Conte Middle School to Charter School would endanger a significant number of children currently attending their nearby school. Moreover, the forcible displacements would not just be limited to the children attending Joseph Le Conte Middle School. Instead, those students would need to be absorbed into other District schools which may have insufficient space, programs and/or resources to house the influx of students, and would thereby cause the additional forcible displacement of children from these absorbing schools. This would create a ripple effect of forcible displacements necessitating hundreds of children to relocate for the benefit of a far lesser number of Charter School's children. Such a decision would pose disproportionate harm to a significant number of Joseph Le Conte Middle School students and to those District students displaced by the influx of these students, and thus produce inequity in the sharing of facilities.

46. Not only does distance play a factor in children safely walking to school due to traffic dangers, but several Los Angeles neighborhoods are plagued by gang violence. In order to create safe passages to and from school in neighborhoods suffering from gang-related violence, meaningful programs and efforts to mitigate these risks have been launched, such as Kid Watch LA which instituted the Walking School Bus for District students. The Walking School Bus enlists parent and community volunteers to accompany groups of small children as they walk to and from their school.

47. According to the Los Angeles Police Department, the District is located within the territory known as the "gang capital" of the nation, with more than 450 competing gangs. Gang violence is unfortunately prevalent on some campuses and within the neighborhoods of several District schools. As shown by the map depicting former gang injunctions in Los Angeles below, Los Angeles gangs claim particular territories:



48. On March 15, 2018, the City of Los Angeles was enjoined from enforcing these gang injunctions. (See, *Youth Justice Coalition, et al., v. City of Los Angeles, et al.*, CV 16-07932 VAP.) The inability to enforce these injunctions may result in an increase in gang-related activity and crime.

49. Involuntarily displacing students who themselves or whose parents are tied to a particular gang and placing them in a different school located in the territory of another gang would potentially breed gang warfare and violence affecting all children, teachers, staff, and parents at a particular school.

50. Pulling children out of their District schools and placing charter students at those school sites prevents the displaced children from taking advantage of safety measures such as the Walking School Bus and other relevant considerations their families have made, and therefore unfairly endangers the safety of those displaced children. These harms disproportionately affect students attending District schools. As parents of charter school students have elected to send their child to a school outside of his or her local attendance area, the parents have secured a means of transporting their child to this school. However, parents of children who attend District schools may not have the means to find alternate transportation and need to rely on children walking to their school. With the aforementioned reduction of several school bus routes and potential further elimination of transportation funding, many forcibly displaced children will be forced to walk long, unsafe distances or take unsafe public transit routes.

51. Displacing children attending Joseph Le Conte Middle School for the purpose of making a single-site offer to Charter School would have additional instructional and social ramifications. California has an accountability system reported through the California School Dashboard. The state's accountability system includes a three-level identification and support system for local educational agencies, and categorizes district performance levels using a system of five status levels (ranging from Very High, High, Medium, Low and Very Low). The 2022 Dashboard showed the District was assigned a Medium Status level for two of the six state indicators based on the performance of all student groups: English Learner Progress and Graduate Rate indicators. A Low status level was assigned to English Language Arts ("ELA") and Mathematics, and a Very Low status level for Suspension Rate. The District received one Very High-status level for Chronic Absenteeism. Of the thirteen student groups reported, four were in

the Very Low status level, five in Low, three in High, and one in Very High. For the 2023 Dashboard, District performance levels were categorized using a system of five colors, stated in order from lowest to highest performing (Red, Orange, Yellow, Green, and Blue), except in the College/Career Indicator. The 2023 Dashboard results indicate that the District received an Orange performance level for English Learner Progress, Graduation Rate, and English Language Arts (Academic Indicator). The District also received a Yellow performance level for Chronic Absenteeism and Mathematics (Academic Indicator). Though the District received a Yellow indicator for Chronic Absenteeism, it is important to note that the District decreased its chronic absenteeism by 8.8-percentage points to 31% from 39.8% in 2022. In addition, the District received a Blue performance level for its Suspension Rate, and a Medium status level for the College/Career Indicator. In examining the performance of the thirteen student groups, the Dashboard indicates that no student received a Red performance level for Chronic Absenteeism. Among the other indicators, only three of thirteen student groups received at least one Red performance Level. In contrast, twelve student groups received at least one Blue performance level.

52. The District is continuing its efforts to improve performance in all state indicators. Displacing District children attending their District school at Joseph Le Conte Middle School would thwart these efforts, and have instructional and social ramifications. Studies have empirically established that disrupting a child's trajectory to his or her district high school effectively increases drop-out rates. A review of 25 years of research conducted by the California Dropout Research Project identified strong predictors of dropping out of high school. The compilation study identified non-promotional school changes (student mobility) during middle school and high school as a key predictor of a child dropping out of school. (Rumberger & Lim, *Why Students Drop Out: A Review of 25 Years of Research*, California Dropout Research Project (October 2008).)

53. In 1998, a seminal study on the educational consequences of student mobility found a high causal connection between student mobility and an increased risk of high school drop-out. The staggering results of this study indicate that controlling for other predictors, students who made even one non-promotional school change between the eighth and twelfth grades were *twice* as likely to not complete high school as students who did not change schools. (Rumberger & Larson, *Student Mobility and the Increased Risk of High School Dropout*, American Journal of Education 107 (November 1998).)

54. The safety and welfare of all students is the District's paramount concern and principal charge. The data is indisputable that children who drop out of school are at far greater risk of a vast array of physical, social, and economic harm than those who stay in school and complete their secondary education. This paramount concern of the District remains a material consideration when weighing whether to forcibly displace children from their existing school (such as Joseph Le Conte Middle School) in order to make way for students who would attend school at that site (such as Charter School) from distant neighborhoods, especially when other solutions for sharing space fairly are feasible.

55. An additional impact of such displacement would be the difficulty of sustaining the same level of parental involvement in the absorbing schools. California State Board of Education Policy #89-01 acknowledges that a critical dimension of effective schooling is parental involvement. This policy initiative states that research studies demonstrate parental involvement at school propels a child's educational career. Forcibly displacing students attending Joseph Le Conte Middle School would make it more challenging for those children to reap the benefits of parental involvement in their new schools.

56. An alternative to displacing students attending Joseph Le Conte Middle School would be to overcrowd the site by adding more of Charter School's students. However, this would cause severe safety and operational ramifications due to the design capacity of the Joseph Le Conte Middle School site, making this course of action infeasible. Adding Charter School's students to

the Joseph Le Conte Middle School site or any other District campus with insufficient space to feasibly accommodate Charter School's total in-district classroom ADA would raise both schools' classroom loading ratios, thereby disadvantaging both of these schools' children. Likewise, having children over a school site's capacity sharing space would pose a great risk to student safety and well-being.

57. In making decisions regarding allocations of space, District staff placed the safety of students attending Charter School, Joseph Le Conte Middle School, and other charter and District schools at the forefront of the decision-making process. District staff made substantial efforts to locate charter schools, including Charter School, at or near their desired geographic location and further made material efforts to minimize the number of sites on which each charter school was located. As Charter School's parents/guardians have made a decision to place their child in a school outside of their District school, they have had the opportunity to weigh the safety implications of this decision for their child. On the contrary, the families of forcibly displaced students would have no place in such a decision-making process. Thus, forcibly displacing children from Joseph Le Conte Middle School and/or other impacted District schools would not afford their parents/guardians the same opportunity. In addition, the decision to forcibly displace students to make way for Charter School students necessarily will have safety impacts upon the displaced children, whereas, given the fact that many Charter School students already voluntarily travel to attend Charter School, these children may not face any increased safety risk by being required to, for example, travel five miles east instead of five miles south.

58. Based on the foregoing, the District determined that it was simply not feasible to provide Charter School with a single-site offer at Joseph Le Conte Middle School, and because only a total of 23 spaces (20 teaching stations, 2 special education spaces, and one administrative office space) could be provided to Charter School at Joseph Le Conte Middle School for the Next Fiscal Year, a portion of Charter School's in-district classroom ADA would need to be accommodated at one or more additional site(s). Therefore, in order to ensure a sufficient allocation

of special education and administrative office spaces are provided to Charter School at each District school site, the District has identified 10 classrooms (7 instructional spaces, 2 special education spaces, and one administrative office space) at one or more additional District school site(s). While it is always the District's goal to accommodate a charter school's entire program on a single District school site, sometimes charter schools must be offered space on more than one site, particularly if, as in the case of Charter School, the charter school has a large projected in-district classroom ADA and has indicated in its facilities request a preference not to be moved from its current site.

59. Based on the geographic area of interest identified in Charter School's Facilities Request, the District reviewed and considered the space availability at various alternative nearby District sites with reasonably equivalent facilities in order to accommodate the remainder of Charter School's ADA that could not be accommodated at Joseph Le Conte Middle School.

60. Although it would be preferable to accommodate Charter School's entire program at the Joseph Le Conte Middle School site for the Next Fiscal Year, for the reasons set forth herein it is not possible to provide Charter School with 30 classrooms at the Joseph Le Conte Middle School site without presenting significant, safety, educational, scheduling, facilities, and operational challenges. The Hoover Street Elementary site, which is within Region West and Board District 5, and is located 4.2 miles from the Joseph Le Conte Middle School site according to Google Maps, is the closest reasonably equivalent school site that could also accommodate Charter School. Considering that the District spans over 710 square miles and serves over 27 cities, and based on the plain language of California Code of Regulations, title 5, section 11969.2, subdivision (d), the Hoover Street Elementary site is "contiguous" with the Joseph Le Conte Middle School site.

61. Based on all of the foregoing considerations, District staff recommends providing Charter School with a multi-site offer of contiguous facilities at the Recommended Co-Locations.

**ATTACHMENT 2(b): CITIZENS OF THE WORLD CHARTER SCHOOL
HOLLYWOOD**

**Board of Education Finding that Citizens of the World Charter School Hollywood Cannot
Be Accommodated at a Single Site and Written Statement of Reasons Explaining the
Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d)), and Determination of Necessity to
Move**

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, The Board hereby incorporates by reference the entire Staff Report on the Deliberative Process for Determining Why Charter School Cannot be Accommodated at a Single Site for the Next Fiscal Year;

Whereas, District staff engaged in an effort to create a single-site offer to accommodate Charter School’s total in-district classroom ADA;

Whereas, The District cannot accommodate Charter School’s request for a single site at Joseph Le Conte Middle School ;

Whereas, 12 different charter schools (including Charter School) requested space in Region West for the Next Fiscal Year;

Whereas, District staff determined that Joseph Le Conte Middle School (the only District school site or general geographic area in which Charter School wishes to be located) will not have sufficient classroom space to accommodate Charter School’s entire projected in-district classroom ADA in the Next Fiscal Year;

Whereas, The District cannot accommodate Charter School's entire in-district classroom ADA at Joseph Le Conte Middle School;

Whereas, To accommodate Charter School's entire in-district classroom ADA at Joseph Le Conte Middle School would present substantial, disproportionate safety concerns for both Charter School's students and students attending their District school;

Whereas, To accommodate all of Charter School's students at Joseph Le Conte Middle School would require the displacement of a significant number of children attending Joseph Le Conte Middle School, and potentially additional District schools;

Whereas, Involuntarily displacing children out of their existing District schools has far-reaching safety, instructional, and social implications including: prohibiting children from safely walking to school; subjecting children to possible gang violence; increasing high-school drop-out rates; and impairing parental involvement in their children's schools;

Whereas, Based on these safety and instructional considerations, District staff recommends keeping the student populations of Joseph Le Conte Middle School and other District schools intact;

Whereas, Alternatively, over-crowding a school's campus in order to provide a single-site offer to Charter School would have equally severe safety and operational ramifications, making this course of action infeasible;

Whereas, The District can provide Charter School with a multi-site contiguous offer of reasonably equivalent facilities at the "Recommended Co-Locations";

Whereas, Providing Charter School space at the Recommended Co-Locations minimizes the number of sites assigned to Charter School;

Whereas, Because of the short distance between the Recommended Co-Locations in a school district spanning 710 square miles and serving over 27 cities, the Recommended Co-Locations are contiguous facilities;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School's entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site;

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites; and therefore be it finally

Resolved, That pursuant to Education Code section 47614, subdivision (b), for the reasons set forth herein and as further expressed by District staff, if to the extent that part of Charter School's operations which existed at the Joseph Le Conte Middle School site for the 2023-24 school year must be accommodated at the Hoover Street Elementary site for the Next Fiscal Year constitutes a "move" of Charter School, the Governing Board of the Los Angeles Unified School District determines that such a move is necessary.

ATTACHMENT 3(a): CITIZENS OF THE WORLD CHARTER SCHOOL MAR VISTA

Staff Report on Deliberative Process for Determining Why Citizens of the World Charter School Mar Vista Cannot be Accommodated at a Single Site

Charter School's Facilities Request

1. On or before November 1, 2023, Citizens of the World Charter School Mar Vista ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 383.48 in grades TK-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 99 different District schools that its charter school students would otherwise attend. Charter School's Facilities Request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Daniel Webster Middle School, with any potential "overflow" at Richland Avenue Elementary. Charter School is currently operating at Daniel Webster Middle School and at a private site.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 383.48.

3. Education Code section 47614, subdivision (b) requires the District to provide charter schools with facilities sufficient for the charter school to accommodate all of its in-district students in conditions "reasonably equivalent" to those in which the students would be accommodated if they were attending other public schools of the district.

4. To determine whether the conditions of facilities provided to a charter school are "reasonably equivalent" to the school district facilities that charter school students would otherwise attend, the District adheres to the Proposition 39 implementing regulations (California Code of Regulations, title 5, section 11969.1, et seq.) which direct school districts to measure those facilities against the facilities used by district students at a "comparison group" of schools. As the

District is divided into high school attendance areas, in selecting comparison group schools, the District must follow California Code of Regulations, title 5, section 11969.3, subdivision (a)(2), which states, “[t]he comparison group shall be the district-operated schools with similar grade levels that serve students living in the high school attendance area... in which the largest number of students of the charter school reside.” District staff reviewed Charter School’s projected in-district classroom ADA broken down by grade level and its identification of the 99 different District schools its projected charter school students would otherwise attend. Based on the information provided by Charter School, District staff determined that the attendance area where the largest number of Charter School’s projected students reside is the University Senior High attendance area. Consequently, based on the grade levels that Charter School projects it will serve, District staff identified the following as the District-operated schools with similar grade levels that serve students within the University Senior High attendance area; i.e., Charter School’s comparison group schools: Brentwood Elementary Science Magnet, Brockton Avenue Elementary, Emerson Community Charter, Fairburn Avenue Elementary, Roscomare Road Elementary, Nora Sterry Elementary, Warner Avenue Elementary, and Westwood Charter Elementary.

5. The District also follows California Code of Regulations, title 5, section 11969.3, subdivision (b)(1), which requires that the facilities made available by a school district to a charter school shall be provided in the same ratio of teaching stations (classrooms) to ADA as those provided to students in the district attending comparison group schools. To implement a fair sharing of space, the District determines the ratio of ADA-to-classrooms provided for each of the charter school’s comparison group schools and uses an average of those figures to determine the number of classrooms to provide to the charter school. It also results in the District allocating classroom space sufficient to allow a charter school to maintain the same minimum number of seats in a classroom as maintained in the District’s comparison group schools, that is, to maintain conditions reasonably equivalent to the comparison group schools as required by Proposition 39.

In other words, it results in accommodating charter school students on District school sites as they would be accommodated if they otherwise attended those District schools. Consequently, this calculation is used to ensure the number of classrooms provided to charter schools is equivalent to the number of classrooms provided at their comparison group schools.

6. Relying upon an in-district classroom ADA projection of 383.48 for the Next Fiscal Year, and an average ADA-to-classrooms provided ratio at the comparison group schools of 21.86, the District determined that Charter School is entitled to 18 teaching stations (classrooms) and one classroom space to be used as its administrative office. The District also determined that Charter School is entitled to 3 special education classroom(s).

7. Charter School's facilities request states: "If all grades cannot fit on one site at our first priority location, Webster MS, then we would like any overflow to be located at Richland ES."

8. Based on the foregoing, if the in-district classroom ADA of Charter School cannot be accommodated entirely at Daniel Webster Middle School in the Next Fiscal Year, District staff recommends allocating Charter School facilities at Daniel Webster Middle School and additional school site(s).

9. Education Code section 47614, subdivision (b), provides that facilities provided to a charter school by a school district must be, among other things, "contiguous." The definition of "contiguous" expressed in California Code of Regulations, title 5, section 11969.2, subdivision (d), states that facilities are "contiguous" if they are contained on the school site or immediately adjacent to the school site, and that if the in-district classroom ADA of a charter school cannot be accommodated on any single school district school site, contiguous facilities also includes facilities located at more than one site, provided that the school district shall minimize the number of sites assigned and shall consider student safety. As explained below, pursuant to Proposition 39, District staff first engaged in an effort to create a single-site offer to accommodate Charter School's projected total in-district classroom ADA in the Next Fiscal Year at Daniel Webster Middle

School. District staff evaluated space at Daniel Webster Middle School (the District school site at which Charter School wishes to locate) and determined that Daniel Webster Middle School will not have sufficient classroom space to accommodate Charter School's total in-district classroom ADA in the Next Fiscal Year. Rather than attempt to locate Charter School on a single site different from the requested site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site allocation of contiguous facilities.

10. Therefore, District staff recommends providing space at the following locations to Charter School to accommodate its total in-district classroom ADA for the Next Fiscal Year: Daniel Webster Middle School, Westport Heights Elementary, and Cienega Elementary (collectively, the "Recommended Co-Locations"). By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate and to minimize the number of sites assigned to Charter School.

**Process District Staff Followed to Locate Space for Charter School Pursuant to
Proposition 39**

11. The District's Charter Schools Division ("CSD") determined that in the 2023-24 school year, more than 148,194 students enrolled in charter schools authorized by the District. This figure reflects a 1,865 student decrease compared to the number of students enrolled during the previous school year. In the 2023-24 school year, the District had the most charter students attending schools authorized by a District of any school district in the nation. The District ensured that every eligible in-district charter student was offered a seat.

12. For the 2024-25 Proposition 39 cycle, the District is applying a comprehensive process to ensure that every eligible in-district charter school student is offered a seat at a District campus. The District is following a critical schedule of steps, from receiving the initial request for facilities by a charter school to making facilities ready for occupancy, in order to timely meet the

Proposition 39 timeline. The general process District staff is following in administrating Charter School's Facilities Request is the same that it used to process each of the other facilities requests the District received from charter schools for the Next Fiscal Year. That process is as follows:

13. Beginning in September 2023, School Management Services and Master Planning & Demographics ("SMS-MPD") staff, which includes District personnel in the District's Facilities Services Division experienced in public school facilities utilization that assess all of the educational space within the District, conducted a comprehensive analysis of the use of District classrooms school facilities, called E-CAR. E-CAR was implemented at the beginning of the Proposition 39 process to assess capacity at school sites throughout the District, and commenced with a preparation period during which SMS-MPD staff examined materials submitted by all District schools in the previous year for accuracy, as well as for consistency with previous assessments' classroom usage and availability determinations. The SMS-MPD staff applied standard formulae for the usage of classrooms in order to generate an objective and uniform assessment of the amount of total classroom space at District school sites. The purpose of this calculus is to assess the number of classrooms required to accommodate instructional program enrollment, based on grade level and specific course subject matters at secondary schools.

14. Next, the E-CAR process involves District school principals at more than 700 District school sites logging into an online application to validate their school's enrollment and to review and confirm details regarding the school site's classrooms and their respective utilization. Specifically, the principals identified and validated classroom space utilized as teaching stations and "set-asides" (classrooms used for purposes other than general education), along with classroom numbers, locations, and sizes. Additionally, the principals identified classrooms occupied by special education programs, charter schools, preschools, alternative education programs, option programs, and other third-party users, as well as swing space needed for construction projects, and classrooms that are out of service or mandated for removal due to legal and/or safety/physical condition requirements. The purpose of E-CAR is to accurately assess the

current capacity of each District school site in several respects: the number and size of classrooms, the manner in which those classrooms are currently used, and the school's operating capacity. E-CAR entails a detailed review of the present use of District school sites and an analysis of the projected future uses of those facilities. The analysis includes reporting of data by individual schools, which is reviewed by SMS-MPD staff to confirm its accuracy and to ensure that space is used efficiently and uniformly throughout the District.

15. To ensure that District school administrators are provided the resources necessary for a complete and accurate assessment of their school's capacity, they were instructed to reference the following resource materials for their school site: A current school map; the school's former or most recent Norm Day classification report (which details the number of students enrolled at that school on September 15, 2023); the Norm Day classification report for any magnet centers and/or dual language programs located on the school site; the Classroom Inventory and Allocation Worksheet pages from the prior school year's Capacity Assessment Review report, which contains information for classroom counts and allocations into precisely-defined categories; and the number of teaching positions in all categories, including general education, special day, magnet, dual-language, physical education, and off-norm-funded positions.

16. Categorizing classrooms in this way is important because a school's capacity involves more than its raw seats and room numbers. The District must determine whether a school site has facilities available to sufficiently serve the particular requirements of a school, such as grade levels, special education programs, magnet centers, Small Learning Communities, Personalized Learning Environments, legal mandates, and other student needs.

17. District staff reviewed the foregoing data regarding specific capacity information at District school sites for the Next Fiscal Year. Utilizing this data, SMS-MPD provided CSD with the number of estimated available classrooms, at each District school site given specific operating capacities per programmatic and mandated qualifiers. When planning for maximal use of available school facilities, and in interpreting data generated during the course of facilities planning, it is

absolutely critical to understand the difference between “unallocated classrooms” and “available seats.” To illustrate, a hypothetical District school may not have any unallocated classrooms but may have individual available seats in classrooms currently occupied. As a result, the school may be able to absorb 100 students into its existing classrooms by identifying two free seats spread out among 50 of its classrooms that are used for instruction appropriate to the grade level and subject matter requirements for the students being absorbed. Thus, it is an entirely different proposition to provide and integrate 100 seats across a campus than to provide four or five unallocated classrooms with the same total number of contiguous available seats. In many instances, there may be many available seats in a school, but no unallocated classrooms. This is especially the case for District middle and high schools where the students do not sit in one classroom all day, like an elementary school, but instead attend four or more different classes per day, each in different classrooms and with different teachers and groups of students, in order to receive the mandated curriculum.

18. SMS-MPD generated each instructional program’s operating capacity using a complex mathematical formula which took into account all aspects of the schools’ operations. The operating capacity also accounted for classrooms designated as “set asides.” Public school districts are required to provide special education space, and a parent center at each school which is classified as a set-aside. Also, pre-kindergarten and adult education students are served in classrooms at school sites across the District.

19. District staff analyzed each District school’s estimated available seats and classrooms for the Next Fiscal Year based on the data.

20. As a public institution, the District is required to provide an education to every student who chooses to enroll. The District previously planned its programming and staffing based on estimated enrollment projections, but in the event projections were short, the District was still obligated to provide an education to students who were not originally anticipated. As a safeguard against the overcrowding of classrooms in such situations, the District historically prepared to

reserve 75 seats at every secondary school and 50 seats at every elementary school for additional unanticipated enrollment. Importantly, however, beginning in 2013 and continuing this year, District staff examined the actual historical enrollment data over the last several years at each school site to determine if a trend could be empirically established demonstrating unanticipated growth. Based upon this analysis, the District determined that no seats at any District school sites offered to a charter school should be reserved for unanticipated growth.

21. The District uses the definition contained in California Code of Regulations, title 5, section 11969.3, subdivision (a)(2) to determine comparison group schools. No two schools are identical; however, on a grade-alike basis, a significant majority of the District's schools share reasonably equivalent conditions, especially when taking into account age, quality of materials and state of maintenance, school site size, conditions of surfaces as well as mechanical, plumbing, electrical and fire-life systems, including conformity to applicable codes, availability and condition of technology infrastructure, the condition of the facility as a safe learning environment, including, but not limited to, the suitability of lighting, noise mitigation, and size for intended use, the conditions of the facility's furnishings and equipment, and the condition of athletic fields and play area space. As part of this process, District staff determined whether the conditions of school facilities offered to a charter school were reasonably equivalent to those of the comparison group schools.

Matching Guidelines Utilized by the District for Charter School

22. In accordance with applicable law, the District is guided by the following matching guidelines in order to make contiguous offers of space to charter schools in facilities with reasonably equivalent conditions to those which would accommodate the charter students if they otherwise attended District schools:

- Consider student safety and welfare
- Identify reasonably equivalent facilities
- Minimize the number of sites assigned
- Make reasonable efforts to provide facilities near to where the charter school wishes to locate
- Avoid moving a charter school unnecessarily

- Minimize disruption to District and charter programs
- Fairly balance the needs of District and charter programs
- Avoid displacing any District students from their school of attendance
- Maximize use of unallocated classroom space (i.e., those with no designated use and would be vacant/unassigned in a particular fiscal year, as identified in the District's annual comprehensive analysis of space on District school sites. Classrooms used to provide additional programming or services are not considered unallocated classroom space, and are categorized according to their specific designation).

23. District staff makes every reasonable effort to locate space on a single site, or on multiple sites only if necessary or specifically requested by the charter school, in the charter school applicant's geographic area of interest. Consequently, District staff first attempts to accommodate charter schools at a single school site and looks for available facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA within its desired area of geographic interest. Only when no single school site can be feasibly identified based upon school site design and occupancy limitations, as well as after taking into account the paramount considerations of both District and charter school student safety and welfare, does the District make offers that contemplate the use of multiple school sites.

24. District staff first identifies the classroom inventory by grade level configuration in each geographic region. Grade-alike matches typically provide reasonably equivalent space to charter schools; therefore, wherever possible, District staff allocates space to charter applicants on grade-alike school facilities.

25. District staff next identifies which charter school applicants are currently located in District facilities that they have identified in their geographic area of interest for the following Proposition 39 cycle and, when feasible, matches those charter schools to those school sites. District staff then examines and identifies the geographic areas of interest of other charter school applicants. As described above, multiple charter schools often request space in the exact same location so District staff must assess conflicting geographic as well as particular site interests. In doing so, District staff examines whether the potential match would utilize all available classrooms

and whether the match represents a full, single-site offer. Priority is given to those charters where these two goals can be achieved.

26. Based on an examination of these criteria, District staff makes a preliminary match of available classrooms at a particular site to the projected in-district classroom ADA of each charter school. District staff attempts to find the most geographically relevant grade-alike matches. District staff seeks to minimize disruption to and fairly balance the needs of District and charter programs. For multi-site scenarios, District staff eliminates set-asides whenever reasonably possible to reduce the number of sites assigned to a charter school, which often results in being able to transform multi-site offers to single-site offers. While endeavoring to preserve programmatic spaces essential to enriching instruction and student health and human services, District staff may need to engage in the materially disruptive measure of eliminating or otherwise impacting set-asides used to provide services at District schools in order to share space fairly among charter and non-charter students in the District. Set-asides are divided into two categories: District set-asides and School set-asides.

27. School set-asides allocate space for instructional, safety, and health programs that are specific to a particular school. For example, Title I funding coordinator offices are considered School set-asides. Title I funding provides financial assistance to schools with high numbers or high percentages of low-income children to help ensure that all children meet challenging state academic standards. The District uses Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet state standards in core academic subjects. Such funds support extra instruction in reading and mathematics, as well as special preschool, after-school, and summer programs to extend and reinforce the regular school curriculum. Additionally, School set-asides are used to allocate space for small learning community (“SLC”) offices. An SLC, also referred to as a School-Within-A-School, is a form of school structure in secondary schools to subdivide large school populations into smaller, autonomous groups of students and teachers. SLCs include structures such as

freshman academies, multi-grade academies organized around career interests or other themes, “houses” in which small groups of students remain together throughout high school, and autonomous schools-within-a-school, as well as personalization strategies, such as student advisories, family advocate systems, and mentoring programs. Research continues to show that small schools and SLCs have the necessary elements to counteract the inherent negative effects of poverty and poor academic achievement for low-income students and/or students of color. (Cotton, *New Small Learning Communities: Findings from Recent Literature*, Portland, Ore: Northwest Regional Educational Laboratory (2001); Jimerson, *The Hobbit Effect: Why Small Works in Public Schools*, The Rural School and Community Trust (August 2006).)

28. At the middle school level, School set-asides are used, for example, for Personal Learning Environment (“PLE”) offices, the middle school equivalent to an SLC. Likewise, School set-asides may be used for the District’s Response to Instruction and Intervention (“RTI²”) program. RTI² integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavior problems. With RTI², schools identify students at risk for poor learning outcomes, monitor student progress, provide evidence-based interventions and adjust the intensity and nature of those interventions depending on a student’s responsiveness, and identify students with learning disabilities or other disabilities. In order to provide space to charter schools requesting Proposition 39 facilities, District staff has eliminated or reduced the number of School set-asides on certain campuses. This instructional disruption unfortunately disproportionately affects low-income, low-performing, or disabled District neighborhood children, those who need assistance the most. However, District staff has taken these disruptive measures in order to share facilities fairly with charter schools.

29. District set-asides use school space to implement key District-wide instructional, health, and safety programs. For example, these set-asides include space for District police, regional special educational testing centers, health center clinics, food service, and Beyond the Bell programs, among others. Eliminating these set-asides would deny or interfere with students’

ability to receive the special education and related services to which they are entitled, or force students to travel as much as 50 miles to the next closest center. In the 2023-24 fiscal year, the District's school-based health clinics are projected to provide approximately 156,000 visits to children who would otherwise have been challenged to access health care. The demand for health services remains as high as it did in the previous school year, and to eliminate these clinics would deprive the neediest children of vital services. Additionally, Beyond the Bell programs ensure that all children and youth in the District have access to high-quality, safe, and supervised academic, enrichment, and recreation programs that inspire learning and achievement beyond the regular school day (before and after school and Saturdays). The three components of Beyond the Bell include academic tutorial, recreational, and enrichment programs vital to the safety and wellbeing of school children. Improved school attendance and test scores have been attributed to student participation in Beyond the Bell's after-school programs. By providing supervision and engagement during after school hours when many parents may be working outside the home, Beyond the Bell's programs help reduce the risk that children might engage in drug or alcohol use, sexual activity, and/or crime. To eliminate Beyond the Bell programs would expose the thousands of children who utilize these programs on a daily basis to danger, harming their academic performance and their overall wellbeing.

30. Although District and School set-asides provide space for programs that are vital to the curriculum of a particular school or to District-wide goals, in order to share space fairly, District staff has cut into these set-asides where doing so would minimize the number of sites offered to a charter school in order to make a complete offer of space.

31. For the Next Fiscal Year, District staff had to grapple with the conflicting needs of 46 different charter school applicants and cycled through its comprehensive space matching process as conscientiously as possible, shifting space and potential matches to fulfill the District's obligation to share space fairly among all students – charter school students and those students

attending District schools alike. In doing so, District staff kept in the forefront considerations of student safety and welfare.

32. Often, many charter schools request to be located at the same school site, requiring District staff to assess conflicting geographic as well as particular site interests. In fact, 12 different charter schools (including Charter School) requested space in Region West for the Next Fiscal Year. District staff had to contend with the conflicting needs of these 12 charter schools, as well as all 46 eligible charter school applicants, shifting space and potential matches to fulfill the District's obligation to share space fairly among all in-district students. The process is extraordinarily dynamic with a complex set of ever-changing pieces, decisions regarding any one of which can result in very real ripple effects for students and programs across multiple school sites.

33. The District's space matching guidelines are just that – guidelines. They cannot be applied in a vacuum and without rationale. In allocating space to charter schools, the District must consider the impact on other public school students, both those attending District schools and those attending other charter schools requesting space. District staff applied the District's matching guidelines in conjunction with thoughtful considerations of the real world impacts on all public students in providing co-location offers to charter schools for the Next Fiscal Year.

34. The District began its space analysis for Charter School by examining data from E-CAR for Daniel Webster Middle School related to the 2024-25 school year. As explained above, the E-CAR enrollment for Daniel Webster Middle School is reflected in classroom usage as of September 15, 2023, which is known as "Norm Day." The E-CAR data is a "snapshot in time" that reflects classroom availability and usage at a particular school site at the time it is prepared. It is the baseline for the District's comprehensive space analysis of the current and projected utilization and availability of space for a charter school. It does not contemplate any prospective future revisions or factor in projected classroom usage for any subsequent school year, or changes in space utilization needs that occur after the E-CAR data is prepared, such as, for example,

increases or decreases in the District school site's enrollment projections for the upcoming school year, planned programmatic expansions, adjustments to ADA-to-classrooms ratios and/or assigned teachers, changes to grade levels served, construction projects, removal of portable classrooms, charter schools' potentially forthcoming Proposition 39 facilities requests, the planned occupancy by other charter schools or District programs, or any other factor that would result in an adjustment of the number of available classrooms for the Next Fiscal Year. E-CAR data indicated 3 unassigned/unallocated standard size classrooms at Daniel Webster Middle School at Norm Day. Charter School occupies 8 rooms at the school site in the current school year.

35. In the second week of November 2023, Region Offices were provided information regarding charter schools that had requested Proposition 39 space, and potential space availability at District school sites. Region West was advised of the District school site(s) and/or general geographic area in which Charter School wishes to locate, and that it was entitled to exclusively use a total of 22 spaces (18 instructional spaces, 3 special education spaces, and one administrative office space) for the Next Fiscal Year. Region West was also advised that there were 12 charter schools that had requested facilities within that same Region.

36. Meetings were also conducted between CSD, SMS-MPD, and others, so that additional District stakeholders such as Region Office leadership and school-site staff could provide further valuable input regarding important information, such as impacts of a potential co-location at a particular school site or unique site conditions that might make it unsuitable. Various provisional matches within each Region were identified and deliberated, and participants thoughtfully discussed potential recommendations as part of the District's comprehensive compliance effort. Per established protocols, the District also invited labor partners, including United Teachers Los Angeles, to Advisory meetings to offer feedback.

37. During the course of the meetings and numerous additional discussions, CSD, Region West, District administrators, SMS-MPD, and others discussed that Daniel Webster Middle School will not have adequate availability of space in the Next Fiscal Year to accommodate Charter

School's entire projected in-district classroom ADA due to the planned programmatic needs as accounted for in the E-CAR. Also evaluated were the needs, as operationally feasible and permitted by law, to support the District's 100 Priority Schools, Black Student Achievement Program (BSAP) schools, and Community Schools, and avoid outcomes that would compromise District schools' capacity to serve neighborhood children and/or result in grade span arrangements that negatively impact student safety and actively deter students from attending District schools. Due to these circumstances, Daniel Webster Middle School will be unable to accommodate Charter School's entire projected in-district classroom ADA in the Next Fiscal Year.

38. In summary, the District has no realistic ability to allocate 22 exclusive use classroom spaces to Charter School at the Daniel Webster Middle School site for the Next Fiscal Year. Allocating such space to Charter School would present significant safety, educational, scheduling, facilities, and operational challenges, and result in significantly harmful negative impacts, displacements, and disruptions to Daniel Webster Middle School students. Allocating such space to Charter School would result in an unfair sharing of space between Charter School and Daniel Webster Middle School on this school site.

39. If Charter School was provided 22 classroom spaces at Daniel Webster Middle School, it would so severely diminish the Daniel Webster Middle School program's usable instructional space that it could require some of its teachers to hold classes outside of classroom settings. Alternatively, Daniel Webster Middle School could either overcrowd its existing classrooms by reducing its teaching staff and increasing the number of student desks in classrooms or require two teachers to teach class simultaneously in one classroom. Both options would not only overburden the teachers forced to teach those classes, but would also unfairly crowd students and block safe access to doors. None of these possibilities are realistically feasible.

40. District staff has determined that the quality of the education for both Daniel Webster Middle School students and Charter School students would suffer significantly if Charter School were provided 22 classroom spaces at Daniel Webster Middle School. Daniel Webster Middle

School's existing space constraints have already substantially impacted Daniel Webster Middle School students, teachers, staff, and administrators. Provision of facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA in the Next Fiscal Year would further exacerbate the negative harmful impacts to such a point that it would be impossible for all of the students to share space fairly and receive a proper education. It would also result in increased emotional hardship and further loss of morale in students, teachers, staff, and administrators alike.

41. To accommodate Charter School's entire in-district classroom ADA at Daniel Webster Middle School would also present substantial safety concerns for both charter and non-charter District students. By way of example, District staff estimated that to accommodate all of Charter School's students at Daniel Webster Middle School would require the forcible displacement of a significant number of students attending Daniel Webster Middle School. Displacing students out of Daniel Webster Middle School would have far-reaching safety, instructional, and social implications.

42. For instance, many Daniel Webster Middle School students walk to and from their school. Recent District budgetary cutbacks and the harsh economic climate have made the ability to walk to school a necessity for many families with in-district children. The District school bus program has realized service cuts and route eliminations which have affected many students. As a result of past budget deficits, transportation funding was reduced as part of stabilization efforts. The latest impact came in July 2012, when the District was forced to implement a change to the eligible busing distance for secondary schools from three miles to five miles. These cuts disproportionately affect poorer students and make the ability to walk to school even more crucial.

43. Not only is the ability to walk to school at Daniel Webster Middle School a necessity for some students, but walking to school also provides key health benefits. According to the California Department of Public Health ("DPH"), close to one-third of California's children are overweight or obese. The DPH's California Active Communities ("CAC"), in collaboration with

CA4Health (a project of the Public Health Institute, with funding from the Centers for Disease Control and Prevention) has determined that a child's overall health is affected by levels of physical inactivity which can be directly linked to time spent in automobiles versus in active transportation such as walking. Walking or biking to school provides an opportunity for purposeful physical activity toward the accumulation of the recommended 60 minutes or more of daily physical activity for children and youth. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) Active transportation – such as walking and biking – to school can help increase physical activity levels of students and their families. (ChangeLabSolutions, *Incorporating Safe Routes to School into Local School Wellness Policies* (July 2015).) Physical activity reduces the risk of obesity and related chronic diseases, and improves mental health, attendance, and academic performance. (*Ibid.*) Active transportation can also have broad community benefits, including reducing traffic congestion and air pollution, creating safer streets, encouraging cost savings, and building a stronger sense of community. (*Ibid.*) Increasing physical activity through walking and biking to school can help address high obesity rates. (*Ibid.*)

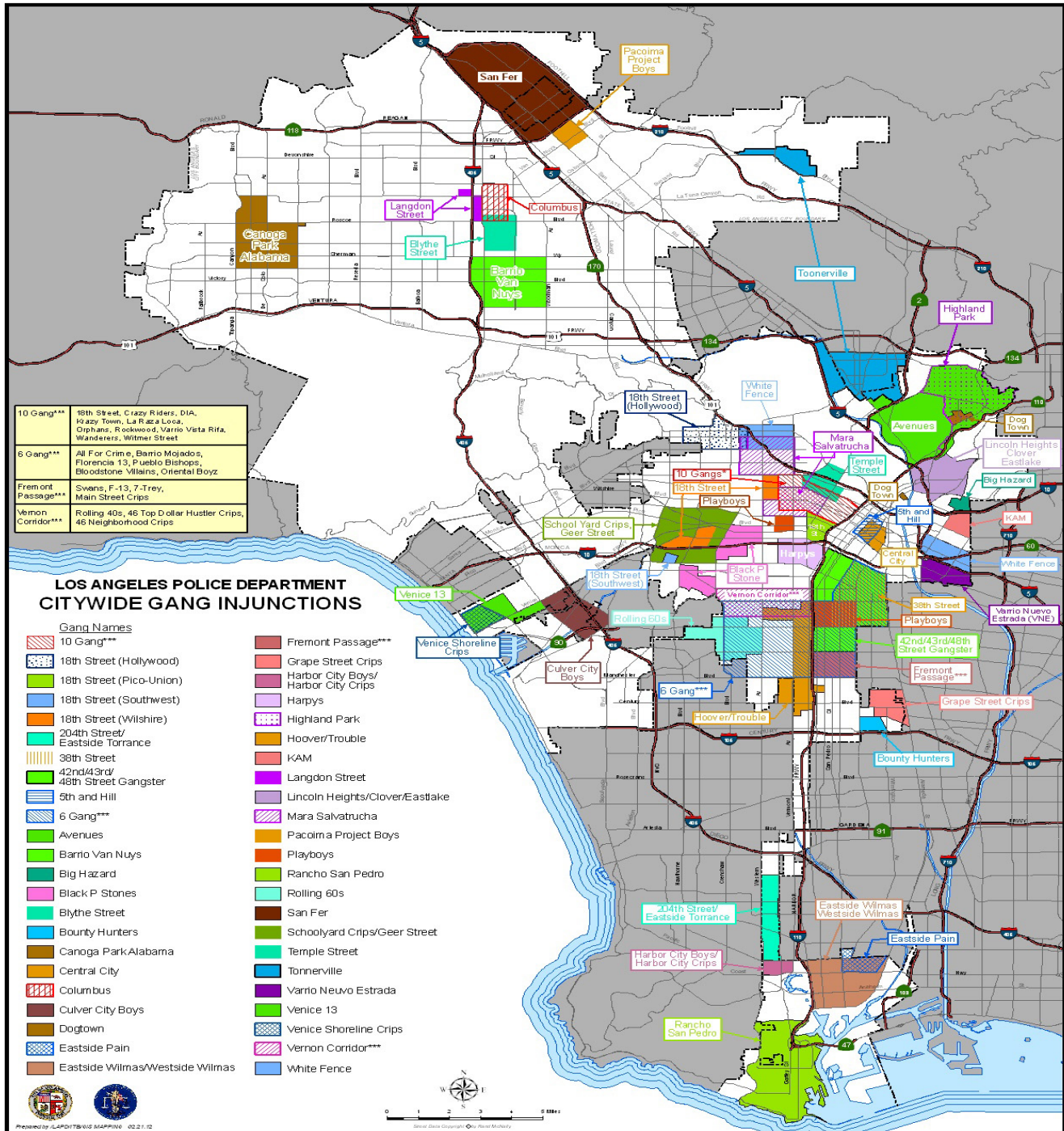
44. Empirical studies have determined that distance is a key impediment to children walking to school safely. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) A study published in the Journal of Public Health Policy examines the multi-level correlates of walking to and from school. Of the physical environmental factors examined, the strongest negative correlates to walking to school were distance and safety concerns. (Zhu & Lee, *Correlates of Walking to School and Implications for Public Policies*, Journal of Public Health Policy (2009).) Recognizing distance as a barrier to the ability for a child to walk to school, CA4Health, the CAC, and the DPH support school siting as well as joint use policies and practices that encourage kids to walk or bike to school.

45. Displacing a significant number of students from Daniel Webster Middle School to

make additional room for Charter School would prevent a significant number of Daniel Webster Middle School children who currently have the ability to safely walk to school from being able to do so. Conversely, Charter School draws its attendance from 99 different District schools. Therefore, providing a single-site offer at Daniel Webster Middle School to Charter School would endanger a significant number of children currently attending their nearby school. Moreover, the forcible displacements would not just be limited to the children attending Daniel Webster Middle School. Instead, those students would need to be absorbed into other District schools which may have insufficient space, programs and/or resources to house the influx of students, and would thereby cause the additional forcible displacement of children from these absorbing schools. This would create a ripple effect of forcible displacements necessitating hundreds of children to relocate for the benefit of a far lesser number of Charter School's children. Such a decision would pose disproportionate harm to a significant number of Daniel Webster Middle School students and to those District students displaced by the influx of these students, and thus produce inequity in the sharing of facilities.

46. Not only does distance play a factor in children safely walking to school due to traffic dangers, but several Los Angeles neighborhoods are plagued by gang violence. In order to create safe passages to and from school in neighborhoods suffering from gang-related violence, meaningful programs and efforts to mitigate these risks have been launched, such as Kid Watch LA which instituted the Walking School Bus for District students. The Walking School Bus enlists parent and community volunteers to accompany groups of small children as they walk to and from their school.

47. According to the Los Angeles Police Department, the District is located within the territory known as the "gang capital" of the nation, with more than 450 competing gangs. Gang violence is unfortunately prevalent on some campuses and within the neighborhoods of several District schools. As shown by the map depicting former gang injunctions in Los Angeles below, Los Angeles gangs claim particular territories:



48. On March 15, 2018, the City of Los Angeles was enjoined from enforcing these gang injunctions. (See, *Youth Justice Coalition, et al., v. City of Los Angeles, et al.*, CV 16-07932 VAP.) The inability to enforce these injunctions may result in an increase in gang-related activity and crime.

49. Involuntarily displacing students who themselves or whose parents are tied to a particular gang and placing them in a different school located in the territory of another gang would potentially breed gang warfare and violence affecting all children, teachers, staff, and parents at a particular school.

50. Pulling children out of their District schools and placing charter students at those school sites prevents the displaced children from taking advantage of safety measures such as the Walking School Bus and other relevant considerations their families have made, and therefore unfairly endangers the safety of those displaced children. These harms disproportionately affect students attending District schools. As parents of charter school students have elected to send their child to a school outside of his or her local attendance area, the parents have secured a means of transporting their child to this school. However, parents of children who attend District schools may not have the means to find alternate transportation and need to rely on children walking to their school. With the aforementioned reduction of several school bus routes and potential further elimination of transportation funding, many forcibly displaced children will be forced to walk long, unsafe distances or take unsafe public transit routes.

51. Displacing children attending Daniel Webster Middle School for the purpose of making a single-site offer to Charter School would have additional instructional and social ramifications. California has an accountability system reported through the California School Dashboard. The state's accountability system includes a three-level identification and support system for local educational agencies, and categorizes district performance levels using a system of five status levels (ranging from Very High, High, Medium, Low and Very Low). The 2022 Dashboard showed the District was assigned a Medium Status level for two of the six state indicators based on the performance of all student groups: English Learner Progress and Graduate Rate indicators. A Low status level was assigned to English Language Arts ("ELA") and Mathematics, and a Very Low status level for Suspension Rate. The District received one Very High-status level for Chronic Absenteeism. Of the thirteen student groups reported, four were in

the Very Low status level, five in Low, three in High, and one in Very High. For the 2023 Dashboard, District performance levels were categorized using a system of five colors, stated in order from lowest to highest performing (Red, Orange, Yellow, Green, and Blue), except in the College/Career Indicator. The 2023 Dashboard results indicate that the District received an Orange performance level for English Learner Progress, Graduation Rate, and English Language Arts (Academic Indicator). The District also received a Yellow performance level for Chronic Absenteeism and Mathematics (Academic Indicator). Though the District received a Yellow indicator for Chronic Absenteeism, it is important to note that the District decreased its chronic absenteeism by 8.8-percentage points to 31% from 39.8% in 2022. In addition, the District received a Blue performance level for its Suspension Rate, and a Medium status level for the College/Career Indicator. In examining the performance of the thirteen student groups, the Dashboard indicates that no student received a Red performance level for Chronic Absenteeism. Among the other indicators, only three of thirteen student groups received at least one Red performance Level. In contrast, twelve student groups received at least one Blue performance level.

52. The District is continuing its efforts to improve performance in all state indicators. Displacing District children attending their District school at Daniel Webster Middle School would thwart these efforts, and have instructional and social ramifications. Studies have empirically established that disrupting a child's trajectory to his or her district high school effectively increases drop-out rates. A review of 25 years of research conducted by the California Dropout Research Project identified strong predictors of dropping out of high school. The compilation study identified non-promotional school changes (student mobility) during middle school and high school as a key predictor of a child dropping out of school. (Rumberger & Lim, *Why Students Drop Out: A Review of 25 Years of Research*, California Dropout Research Project (October 2008).)

53. In 1998, a seminal study on the educational consequences of student mobility found a high causal connection between student mobility and an increased risk of high school drop-out. The staggering results of this study indicate that controlling for other predictors, students who made even one non-promotional school change between the eighth and twelfth grades were *twice* as likely to not complete high school as students who did not change schools. (Rumberger & Larson, *Student Mobility and the Increased Risk of High School Dropout*, American Journal of Education 107 (November 1998).)

54. The safety and welfare of all students is the District's paramount concern and principal charge. The data is indisputable that children who drop out of school are at far greater risk of a vast array of physical, social, and economic harm than those who stay in school and complete their secondary education. This paramount concern of the District remains a material consideration when weighing whether to forcibly displace children from their existing school (such as Daniel Webster Middle School) in order to make way for students who would attend school at that site (such as Charter School) from distant neighborhoods, especially when other solutions for sharing space fairly are feasible.

55. An additional impact of such displacement would be the difficulty of sustaining the same level of parental involvement in the absorbing schools. California State Board of Education Policy #89-01 acknowledges that a critical dimension of effective schooling is parental involvement. This policy initiative states that research studies demonstrate parental involvement at school propels a child's educational career. Forcibly displacing students attending Daniel Webster Middle School would make it more challenging for those children to reap the benefits of parental involvement in their new schools.

56. An alternative to displacing students attending Daniel Webster Middle School would be to overcrowd the site by adding more of Charter School's students. However, this would cause severe safety and operational ramifications due to the design capacity of the Daniel Webster Middle School site, making this course of action infeasible. Adding Charter School's students to

the Daniel Webster Middle School site or any other District campus with insufficient space to feasibly accommodate Charter School's total in-district classroom ADA would raise both schools' classroom loading ratios, thereby disadvantaging both of these schools' children. Likewise, having children over a school site's capacity sharing space would pose a great risk to student safety and well-being.

57. In making decisions regarding allocations of space, District staff placed the safety of students attending Charter School, Daniel Webster Middle School, and other charter and District schools at the forefront of the decision-making process. District staff made substantial efforts to locate charter schools, including Charter School, at or near their desired geographic location and further made material efforts to minimize the number of sites on which each charter school was located. As Charter School's parents/guardians have made a decision to place their child in a school outside of their District school, they have had the opportunity to weigh the safety implications of this decision for their child. On the contrary, the families of forcibly displaced students would have no place in such a decision-making process. Thus, forcibly displacing children from Daniel Webster Middle School and/or other impacted District schools would not afford their parents/guardians the same opportunity. In addition, the decision to forcibly displace students to make way for Charter School students necessarily will have safety impacts upon the displaced children, whereas, given the fact that many Charter School students already voluntarily travel to attend Charter School, these children may not face any increased safety risk by being required to, for example, travel five miles east instead of five miles south.

58. Based on the foregoing, the District determined that it was simply not feasible to provide Charter School with a single-site offer at Daniel Webster Middle School, and because only a total of 9 spaces (6 teaching stations, 2 special education spaces, and one administrative office space) could be provided to Charter School at Daniel Webster Middle School for the Next Fiscal Year, a portion of Charter School's in-district classroom ADA would need to be accommodated at one or more additional site(s). Therefore, in order to ensure a sufficient allocation of special

education and administrative office spaces are provided to Charter School at each District school site, the District has identified 18 classrooms (12 instructional spaces, 4 special education spaces, and two administrative office spaces) at one or more additional District school site(s). While it is always the District's goal to accommodate a charter school's entire program on a single District school site, sometimes charter schools must be offered space on more than one site, particularly if, as in the case of Charter School, the charter school has a large projected in-district classroom ADA and has indicated in its facilities request a preference not to be moved from its current site.

59. Based on the geographic area of interest identified in Charter School's Facilities Request, the District reviewed and considered the space availability at various alternative nearby District sites with reasonably equivalent facilities in order to accommodate the remainder of the Charter School's ADA that could not be accommodated at Daniel Webster Middle School. Specifically, in its facilities request, Charter School stated a desire for potential "overflow" to be allocated at Richland Avenue Elementary. Therefore, the District first attempted to identify adequate space at this site. With only one unassigned/unallocated standard size classroom at Richland Avenue Elementary identified in E-CAR as of Norm Day, the District determined that the remainder of Charter School's ADA could not be accommodated at Richland Avenue Elementary.

60. Although it would be preferable to accommodate Charter School's entire program at the Daniel Webster Middle School site for the Next Fiscal Year, for the reasons set forth herein it is not possible to provide Charter School with 22 classrooms at the Daniel Webster Middle School site without presenting significant, safety, educational, scheduling, facilities, and operational challenges. The Westport Heights Elementary and Cienega Elementary sites, located 6.2 and 5.3 miles away, respectively, from the Daniel Webster Middle School site according to Google Maps, are the closest reasonably equivalent school sites that could also accommodate Charter School. These sites are located within Region West and Board Districts 4 and 1, respectively.

61. Considering that the District spans over 710 square miles and serves over 27 cities,

and based on the plain language of California Code of Regulations, title 5, section 11969.2, subdivision (d), the Westport Heights Elementary and Cienega Elementary sites are “contiguous” with the Daniel Webster Middle School site.

62. Based on all of the foregoing considerations, District staff recommends providing Charter School with a multi-site offer of contiguous facilities at the Recommended Co-Locations.

ATTACHMENT 3(b): CITIZENS OF THE WORLD CHARTER SCHOOL MAR VISTA**Board of Education Finding that Citizens of the World Charter School Mar Vista Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))**

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, The Board hereby incorporates by reference the entire Staff Report on the Deliberative Process for Determining Why Charter School Cannot be Accommodated at a Single Site for the Next Fiscal Year;

Whereas, District staff engaged in an effort to create a single-site offer to accommodate Charter School’s total in-district classroom ADA;

Whereas, The District cannot accommodate Charter School’s request for a single site at Daniel Webster Middle School;

Whereas, 12 different charter schools (including Charter School) requested space in Region West for the Next Fiscal Year;

Whereas, District staff determined that Daniel Webster Middle School (the District school site or general geographic area in which Charter School wishes to be located) will not have sufficient classroom space to accommodate Charter School’s entire projected in-district classroom ADA in the Next Fiscal Year;

Whereas, The District cannot accommodate Charter School’s entire in-district classroom ADA at Daniel Webster Middle School;

Whereas, To accommodate Charter School's entire in-district classroom ADA at Daniel Webster Middle School would present substantial, disproportionate safety concerns for both Charter School's students and students attending their District school;

Whereas, To accommodate all of Charter School's students at Daniel Webster Middle School would require the displacement of a significant number of children attending Daniel Webster Middle School, and potentially additional District schools;

Whereas, Involuntarily displacing children out of their existing District schools has far-reaching safety, instructional, and social implications including: prohibiting children from safely walking to school; subjecting children to possible gang violence; increasing high-school drop-out rates; and impairing parental involvement in their children's schools;

Whereas, Based on these safety and instructional considerations, District staff recommends keeping the student populations of Daniel Webster Middle School and other District schools intact;

Whereas, Alternatively, over-crowding a school's campus in order to provide a single-site offer to Charter School would have equally severe safety and operational ramifications, making this course of action infeasible;

Whereas, The District can provide Charter School with a multi-site contiguous offer of reasonably equivalent facilities at the "Recommended Co-Locations";

Whereas, Providing Charter School space at the Recommended Co-Locations minimizes the number of sites assigned to Charter School;

Whereas, Because of the short distance between the Recommended Co-Locations in a school district spanning 710 square miles and serving over 27 cities, the Recommended Co-Locations are contiguous facilities;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School's entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District

authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

ATTACHMENT 4(a): CITIZENS OF THE WORLD CHARTER SCHOOL SILVER LAKE

Staff Report on Deliberative Process for Determining Why Citizens of the World Charter School Silver Lake Cannot be Accommodated at a Single Site

Charter School's Facilities Request

1. On or before November 1, 2023, Citizens of the World Charter School Silver Lake ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 277.54 in grades 6-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 91 different District schools that its charter school students would otherwise attend. Charter School's Facilities Request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Virgil Middle School. Charter School is currently operating at Virgil Middle School.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 277.26.

3. Education Code section 47614, subdivision (b) requires the District to provide charter schools with facilities sufficient for the charter school to accommodate all of its in-district students in conditions "reasonably equivalent" to those in which the students would be accommodated if they were attending other public schools of the district.

4. To determine whether the conditions of facilities provided to a charter school are "reasonably equivalent" to the school district facilities that charter school students would otherwise attend, the District adheres to the Proposition 39 implementing regulations (California Code of Regulations, title 5, section 11969.1, et seq.) which direct school districts to measure those facilities against the facilities used by district students at a "comparison group" of schools. As the

District is divided into high school attendance areas, in selecting comparison group schools, the District must follow California Code of Regulations, title 5, section 11969.3, subdivision (a)(2), which states, “[t]he comparison group shall be the district-operated schools with similar grade levels that serve students living in the high school attendance area... in which the largest number of students of the charter school reside.” District staff reviewed Charter School’s projected in-district classroom ADA broken down by grade level and its identification of the 91 different District schools its projected charter school students would otherwise attend. Based on the information provided by Charter School, District staff determined that the attendance area where the largest number of Charter School’s projected students reside is the Belmont Zone of Choice attendance area. Consequently, based on the grade levels that Charter School projects it will serve, District staff identified the following as the District-operated schools with similar grade levels that serve students within the Belmont Zone of Choice attendance area; i.e., Charter School’s comparison group schools: Castelar Street Elementary, Sal Castro Middle School, John H Liechty Middle School, Logan Academy of Global Ecology, and Virgil Middle School.

5. The District also follows California Code of Regulations, title 5, section 11969.3, subdivision (b)(1), which requires that the facilities made available by a school district to a charter school shall be provided in the same ratio of teaching stations (classrooms) to ADA as those provided to students in the district attending comparison group schools. To implement a fair sharing of space, the District determines the ratio of ADA-to-classrooms provided for each of the charter school’s comparison group schools and uses an average of those figures to determine the number of classrooms to provide to the charter school. It also results in the District allocating classroom space sufficient to allow a charter school to maintain the same minimum number of seats in a classroom as maintained in the District’s comparison group schools, that is, to maintain conditions reasonably equivalent to the comparison group schools as required by Proposition 39. In other words, it results in accommodating charter school students on District school sites as they would be accommodated if they otherwise attended those District schools. Consequently, this

calculation is used to ensure the number of classrooms provided to charter schools is equivalent to the number of classrooms provided at their comparison group schools.

6. Relying upon an in-district classroom ADA projection of 277.26 for the Next Fiscal Year, and an average ADA-to-classrooms provided ratio at the comparison group schools of 20.05, the District determined that Charter School is entitled to 14 teaching stations (classrooms) and one classroom space to be used as its administrative office. The District also determined that Charter School is entitled to 2 special education classroom(s).

7. Charter School's facilities request states: "CWC SL is currently located on Virgil MS at 152 N Vermont Avenue. Our current co-location with Virgil MS has been a positive partnership that CWC SL wishes to continue in the future. CWC SL respectfully requests that all assigned classrooms be located on the Virgil MS campus."

8. Based on the foregoing, if the in-district classroom ADA of Charter School cannot be accommodated entirely at Virgil Middle School in the Next Fiscal Year, District staff recommends allocating Charter School facilities at Virgil Middle School and additional school site(s).

9. Education Code section 47614, subdivision (b), provides that facilities provided to a charter school by a school district must be, among other things, "contiguous." The definition of "contiguous" expressed in California Code of Regulations, title 5, section 11969.2, subdivision (d), states that facilities are "contiguous" if they are contained on the school site or immediately adjacent to the school site, and that if the in-district classroom ADA of a charter school cannot be accommodated on any single school district school site, contiguous facilities also includes facilities located at more than one site, provided that the school district shall minimize the number of sites assigned and shall consider student safety. As explained below, pursuant to Proposition 39, District staff first engaged in an effort to create a single-site offer to accommodate Charter School's projected total in-district classroom ADA in the Next Fiscal Year at Virgil Middle School. District staff evaluated space at Virgil Middle School (the District school site at which Charter School

wishes to locate) and determined that Virgil Middle School will not have sufficient classroom space to accommodate Charter School's total in-district classroom ADA in the Next Fiscal Year. Rather than attempt to locate Charter School on a single site different from the requested site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site allocation of contiguous facilities.

10. Therefore, District staff recommends providing space at the following locations to Charter School to accommodate its total in-district classroom ADA for the Next Fiscal Year: Virgil Middle School and John H Liechty Middle School (collectively, the "Recommended Co-Locations"). By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate and to minimize the number of sites assigned to Charter School.

Process District Staff Followed to Locate Space for Charter School Pursuant to

Proposition 39

11. The District's Charter Schools Division ("CSD") determined that in the 2023-24 school year, more than 148,194 students enrolled in charter schools authorized by the District. This figure reflects a 1,865 student decrease compared to the number of students enrolled during the previous school year. In the 2023-24 school year, the District had the most charter students attending schools authorized by a District of any school district in the nation. The District ensured that every eligible in-district charter student was offered a seat.

12. For the 2024-25 Proposition 39 cycle, the District is applying a comprehensive process to ensure that every eligible in-district charter school student is offered a seat at a District campus. The District is following a critical schedule of steps, from receiving the initial request for facilities by a charter school to making facilities ready for occupancy, in order to timely meet the Proposition 39 timeline. The general process District staff is following in administering Charter School's Facilities Request is the same that it used to process each of the other facilities requests the District received from charter schools for the Next Fiscal Year. That process is as follows:

13. Beginning in September 2023, School Management Services and Master Planning & Demographics (“SMS-MPD”) staff, which includes District personnel in the District’s Facilities Services Division experienced in public school facilities utilization that assess all of the educational space within the District, conducted a comprehensive analysis of the use of District classrooms school facilities, called E-CAR. E-CAR was implemented at the beginning of the Proposition 39 process to assess capacity at school sites throughout the District, and commenced with a preparation period during which SMS-MPD staff examined materials submitted by all District schools in the previous year for accuracy, as well as for consistency with previous assessments’ classroom usage and availability determinations. The SMS-MPD staff applied standard formulae for the usage of classrooms in order to generate an objective and uniform assessment of the amount of total classroom space at District school sites. The purpose of this calculus is to assess the number of classrooms required to accommodate instructional program enrollment, based on grade level and specific course subject matters at secondary schools.

14. Next, the E-CAR process involves District school principals at more than 700 District school sites logging into an online application to validate their school’s enrollment and to review and confirm details regarding the school site’s classrooms and their respective utilization. Specifically, the principals identified and validated classroom space utilized as teaching stations and “set-asides” (classrooms used for purposes other than general education), along with classroom numbers, locations, and sizes. Additionally, the principals identified classrooms occupied by special education programs, charter schools, preschools, alternative education programs, option programs, and other third-party users, as well as swing space needed for construction projects, and classrooms that are out of service or mandated for removal due to legal and/or safety/physical condition requirements. The purpose of E-CAR is to accurately assess the current capacity of each District school site in several respects: the number and size of classrooms, the manner in which those classrooms are currently used, and the school’s operating capacity. E-CAR entails a detailed review of the present use of District school sites and an analysis of the

projected future uses of those facilities. The analysis includes reporting of data by individual schools, which is reviewed by SMS-MPD staff to confirm its accuracy and to ensure that space is used efficiently and uniformly throughout the District.

15. To ensure that District school administrators are provided the resources necessary for a complete and accurate assessment of their school's capacity, they were instructed to reference the following resource materials for their school site: A current school map; the school's former or most recent Norm Day classification report (which details the number of students enrolled at that school on September 15, 2023); the Norm Day classification report for any magnet centers and/or dual language programs located on the school site; the Classroom Inventory and Allocation Worksheet pages from the prior school year's Capacity Assessment Review report, which contains information for classroom counts and allocations into precisely-defined categories; and the number of teaching positions in all categories, including general education, special day, magnet, dual-language, physical education, and off-norm-funded positions.

16. Categorizing classrooms in this way is important because a school's capacity involves more than its raw seats and room numbers. The District must determine whether a school site has facilities available to sufficiently serve the particular requirements of a school, such as grade levels, special education programs, magnet centers, Small Learning Communities, Personalized Learning Environments, legal mandates, and other student needs.

17. District staff reviewed the foregoing data regarding specific capacity information at District school sites for the Next Fiscal Year. Utilizing this data, SMS-MPD provided CSD with the number of estimated available classrooms, at each District school site given specific operating capacities per programmatic and mandated qualifiers. When planning for maximal use of available school facilities, and in interpreting data generated during the course of facilities planning, it is absolutely critical to understand the difference between "unallocated classrooms" and "available seats." To illustrate, a hypothetical District school may not have any unallocated classrooms but may have individual available seats in classrooms currently occupied. As a result, the school may

be able to absorb 100 students into its existing classrooms by identifying two free seats spread out among 50 of its classrooms that are used for instruction appropriate to the grade level and subject matter requirements for the students being absorbed. Thus, it is an entirely different proposition to provide and integrate 100 seats across a campus than to provide four or five unallocated classrooms with the same total number of contiguous available seats. In many instances, there may be many available seats in a school, but no unallocated classrooms. This is especially the case for District middle and high schools where the students do not sit in one classroom all day, like an elementary school, but instead attend four or more different classes per day, each in different classrooms and with different teachers and groups of students, in order to receive the mandated curriculum.

18. SMS-MPD generated each instructional program's operating capacity using a complex mathematical formula which took into account all aspects of the schools' operations. The operating capacity also accounted for classrooms designated as "set asides." Public school districts are required to provide special education space, and a parent center at each school which is classified as a set-aside. Also, pre-kindergarten and adult education students are served in classrooms at school sites across the District.

19. District staff analyzed each District school's estimated available seats and classrooms for the Next Fiscal Year based on the data.

20. As a public institution, the District is required to provide an education to every student who chooses to enroll. The District previously planned its programming and staffing based on estimated enrollment projections, but in the event projections were short, the District was still obligated to provide an education to students who were not originally anticipated. As a safeguard against the overcrowding of classrooms in such situations, the District historically prepared to reserve 75 seats at every secondary school and 50 seats at every elementary school for additional unanticipated enrollment. Importantly, however, beginning in 2013 and continuing this year, District staff examined the actual historical enrollment data over the last several years at each

school site to determine if a trend could be empirically established demonstrating unanticipated growth. Based upon this analysis, the District determined that no seats at any District school sites offered to a charter school should be reserved for unanticipated growth.

21. The District uses the definition contained in California Code of Regulations, title 5, section 11969.3, subdivision (a)(2) to determine comparison group schools. No two schools are identical; however, on a grade-alike basis, a significant majority of the District's schools share reasonably equivalent conditions, especially when taking into account age, quality of materials and state of maintenance, school site size, conditions of surfaces as well as mechanical, plumbing, electrical and fire-life systems, including conformity to applicable codes, availability and condition of technology infrastructure, the condition of the facility as a safe learning environment, including, but not limited to, the suitability of lighting, noise mitigation, and size for intended use, the conditions of the facility's furnishings and equipment, and the condition of athletic fields and play area space. As part of this process, District staff determined whether the conditions of school facilities offered to a charter school were reasonably equivalent to those of the comparison group schools.

Matching Guidelines Utilized by the District for Charter School

22. In accordance with applicable law, the District is guided by the following matching guidelines in order to make contiguous offers of space to charter schools in facilities with reasonably equivalent conditions to those which would accommodate the charter students if they otherwise attended District schools:

- Consider student safety and welfare
- Identify reasonably equivalent facilities
- Minimize the number of sites assigned
- Make reasonable efforts to provide facilities near to where the charter school wishes to locate
- Avoid moving a charter school unnecessarily
- Minimize disruption to District and charter programs
- Fairly balance the needs of District and charter programs
- Avoid displacing any District students from their school of attendance
- Maximize use of unallocated classroom space (i.e., those with no designated use and would be vacant/unassigned in a particular fiscal year, as identified in the District's

annual comprehensive analysis of space on District school sites. Classrooms used to provide additional programming or services are not considered unallocated classroom space, and are categorized according to their specific designation).

23. District staff makes every reasonable effort to locate space on a single site, or on multiple sites only if necessary or specifically requested by the charter school, in the charter school applicant's geographic area of interest. Consequently, District staff first attempts to accommodate charter schools at a single school site and looks for available facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA within its desired area of geographic interest. Only when no single school site can be feasibly identified based upon school site design and occupancy limitations, as well as after taking into account the paramount considerations of both District and charter school student safety and welfare, does the District make offers that contemplate the use of multiple school sites.

24. District staff first identifies the classroom inventory by grade level configuration in each geographic region. Grade-alike matches typically provide reasonably equivalent space to charter schools; therefore, wherever possible, District staff allocates space to charter applicants on grade-alike school facilities.

25. District staff next identifies which charter school applicants are currently located in District facilities that they have identified in their geographic area of interest for the following Proposition 39 cycle and, when feasible, matches those charter schools to those school sites. District staff then examines and identifies the geographic areas of interest of other charter school applicants. As described above, multiple charter schools often request space in the exact same location so District staff must assess conflicting geographic as well as particular site interests. In doing so, District staff examines whether the potential match would utilize all available classrooms and whether the match represents a full, single-site offer. Priority is given to those charters where these two goals can be achieved.

26. Based on an examination of these criteria, District staff makes a preliminary match of available classrooms at a particular site to the projected in-district classroom ADA of each

charter school. District staff attempts to find the most geographically relevant grade-alike matches. District staff seeks to minimize disruption to and fairly balance the needs of District and charter programs. For multi-site scenarios, District staff eliminates set-asides whenever reasonably possible to reduce the number of sites assigned to a charter school, which often results in being able to transform multi-site offers to single-site offers. While endeavoring to preserve programmatic spaces essential to enriching instruction and student health and human services, District staff may need to engage in the materially disruptive measure of eliminating or otherwise impacting set-asides used to provide services at District schools in order to share space fairly among charter and non-charter students in the District. Set-asides are divided into two categories: District set-asides and School set-asides.

27. School set-asides allocate space for instructional, safety, and health programs that are specific to a particular school. For example, Title I funding coordinator offices are considered School set-asides. Title I funding provides financial assistance to schools with high numbers or high percentages of low-income children to help ensure that all children meet challenging state academic standards. The District uses Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet state standards in core academic subjects. Such funds support extra instruction in reading and mathematics, as well as special preschool, after-school, and summer programs to extend and reinforce the regular school curriculum. Additionally, School set-asides are used to allocate space for small learning community (“SLC”) offices. An SLC, also referred to as a School-Within-A-School, is a form of school structure in secondary schools to subdivide large school populations into smaller, autonomous groups of students and teachers. SLCs include structures such as freshman academies, multi-grade academies organized around career interests or other themes, “houses” in which small groups of students remain together throughout high school, and autonomous schools-within-a-school, as well as personalization strategies, such as student advisories, family advocate systems, and mentoring programs. Research continues to show that

small schools and SLCs have the necessary elements to counteract the inherent negative effects of poverty and poor academic achievement for low-income students and/or students of color. (Cotton, *New Small Learning Communities: Findings from Recent Literature*, Portland, Ore: Northwest Regional Educational Laboratory (2001); Jimerson, *The Hobbit Effect: Why Small Works in Public Schools*, The Rural School and Community Trust (August 2006).)

28. At the middle school level, School set-asides are used, for example, for Personal Learning Environment (“PLE”) offices, the middle school equivalent to an SLC. Likewise, School set-asides may be used for the District’s Response to Instruction and Intervention (“RTI²”) program. RTI² integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavior problems. With RTI², schools identify students at risk for poor learning outcomes, monitor student progress, provide evidence-based interventions and adjust the intensity and nature of those interventions depending on a student’s responsiveness, and identify students with learning disabilities or other disabilities. In order to provide space to charter schools requesting Proposition 39 facilities, District staff has eliminated or reduced the number of School set-asides on certain campuses. This instructional disruption unfortunately disproportionately affects low-income, low-performing, or disabled District neighborhood children, those who need assistance the most. However, District staff has taken these disruptive measures in order to share facilities fairly with charter schools.

29. District set-asides use school space to implement key District-wide instructional, health, and safety programs. For example, these set-asides include space for District police, regional special educational testing centers, health center clinics, food service, and Beyond the Bell programs, among others. Eliminating these set-asides would deny or interfere with students’ ability to receive the special education and related services to which they are entitled, or force students to travel as much as 50 miles to the next closest center. In the 2023-24 fiscal year, the District’s school-based health clinics are projected to provide approximately 156,000 visits to children who would otherwise have been challenged to access health care. The demand for health

services remains as high as it did in the previous school year, and to eliminate these clinics would deprive the neediest children of vital services. Additionally, Beyond the Bell programs ensure that all children and youth in the District have access to high-quality, safe, and supervised academic, enrichment, and recreation programs that inspire learning and achievement beyond the regular school day (before and after school and Saturdays). The three components of Beyond the Bell include academic tutorial, recreational, and enrichment programs vital to the safety and wellbeing of school children. Improved school attendance and test scores have been attributed to student participation in Beyond the Bell's after-school programs. By providing supervision and engagement during after school hours when many parents may be working outside the home, Beyond the Bell's programs help reduce the risk that children might engage in drug or alcohol use, sexual activity, and/or crime. To eliminate Beyond the Bell programs would expose the thousands of children who utilize these programs on a daily basis to danger, harming their academic performance and their overall wellbeing.

30. Although District and School set-asides provide space for programs that are vital to the curriculum of a particular school or to District-wide goals, in order to share space fairly, District staff has cut into these set-asides where doing so would minimize the number of sites offered to a charter school in order to make a complete offer of space.

31. For the Next Fiscal Year, District staff had to grapple with the conflicting needs of 46 different charter school applicants and cycled through its comprehensive space matching process as conscientiously as possible, shifting space and potential matches to fulfill the District's obligation to share space fairly among all students – charter school students and those students attending District schools alike. In doing so, District staff kept in the forefront considerations of student safety and welfare.

32. Often, many charter schools request to be located at the same school site, requiring District staff to assess conflicting geographic as well as particular site interests. In fact, 9 different charter schools (including Charter School) requested space in Region East for the Next Fiscal Year.

District staff had to contend with the conflicting needs of these 9 charter schools, as well as all 46 eligible charter school applicants, shifting space and potential matches to fulfill the District's obligation to share space fairly among all in-district students. The process is extraordinarily dynamic with a complex set of ever-changing pieces, decisions regarding any one of which can result in very real ripple effects for students and programs across multiple school sites.

33. The District's space matching guidelines are just that – guidelines. They cannot be applied in a vacuum and without rationale. In allocating space to charter schools, the District must consider the impact on other public school students, both those attending District schools and those attending other charter schools requesting space. District staff applied the District's matching guidelines in conjunction with thoughtful considerations of the real world impacts on all public students in providing co-location offers to charter schools for the Next Fiscal Year.

34. The District began its space analysis for Charter School by examining data from E-CAR for Virgil Middle School related to the 2024-25 school year. As explained above, the E-CAR enrollment for Virgil Middle School is reflected in classroom usage as of September 15, 2023, which is known as "Norm Day." The E-CAR data is a "snapshot in time" that reflects classroom availability and usage at a particular school site at the time it is prepared. It is the baseline for the District's comprehensive space analysis of the current and projected utilization and availability of space for a charter school. It does not contemplate any prospective future revisions or factor in projected classroom usage for any subsequent school year, or changes in space utilization needs that occur after the E-CAR data is prepared, such as, for example, increases or decreases in the District school site's enrollment projections for the upcoming school year, planned programmatic expansions, adjustments to ADA-to-classrooms ratios and/or assigned teachers, changes to grade levels served, construction projects, removal of portable classrooms, charter schools' potentially forthcoming Proposition 39 facilities requests, the planned occupancy by other charter schools or District programs, or any other factor that would result in an adjustment of the number of available classrooms for the Next Fiscal Year. E-CAR data indicated 0

unassigned/unallocated standard size classrooms at Virgil Middle School at Norm Day. Charter School occupies 10 rooms at the school site in the current school year.

35. In the second week of November 2023, Region Offices were provided information regarding charter schools that had requested Proposition 39 space, and potential space availability at District school sites. Region East was advised of the District school site(s) and/or general geographic area in which Charter School wishes to locate, and that it was entitled to exclusively use a total of 17 spaces (14 instructional spaces, 2 special education spaces, and one administrative office space) for the Next Fiscal Year. Region East was also advised that there were 9 charter schools that had requested facilities within that same Region.

36. Meetings were also conducted between CSD, SMS-MPD, and others, so that additional District stakeholders such as Region Office leadership and school-site staff could provide further valuable input regarding important information, such as impacts of a potential co-location at a particular school site or unique site conditions that might make it unsuitable. Various provisional matches within each Region were identified and deliberated, and participants thoughtfully discussed potential recommendations as part of the District's comprehensive compliance effort. Per established protocols, the District also invited labor partners, including United Teachers Los Angeles, to Advisory meetings to offer feedback.

37. During the course of the meetings and numerous additional discussions, CSD, Region East, District administrators, SMS-MPD, and others discussed that Virgil Middle School will not have adequate availability of space in the Next Fiscal Year to accommodate Charter School's entire projected in-district classroom ADA due to the planned programmatic needs as accounted for in the E-CAR. Also evaluated were the needs, as operationally feasible and permitted by law, to support the District's 100 Priority Schools, Black Student Achievement Program (BSAP) schools, and Community Schools, and avoid outcomes that would compromise District schools' capacity to serve neighborhood children and/or result in grade span arrangements that negatively impact student safety and actively deter students from attending District schools. Due to these

circumstances, Virgil Middle School will be unable to accommodate Charter School's entire projected in-district classroom ADA in the Next Fiscal Year.

38. In summary, the District has no realistic ability to allocate 17 exclusive use classroom spaces to Charter School at the Virgil Middle School site for the Next Fiscal Year. Allocating such space to Charter School would present significant safety, educational, scheduling, facilities, and operational challenges, and result in significantly harmful negative impacts, displacements, and disruptions to Virgil Middle School students. Allocating such space to Charter School would result in an unfair sharing of space between Charter School and Virgil Middle School on this school site.

39. If Charter School was provided 17 classroom spaces at Virgil Middle School, it would so severely diminish the Virgil Middle School program's usable instructional space that it could require some of its teachers to hold classes outside of classroom settings. Alternatively, Virgil Middle School could either overcrowd its existing classrooms by reducing its teaching staff and increasing the number of student desks in classrooms or require two teachers to teach class simultaneously in one classroom. Both options would not only overburden the teachers forced to teach those classes, but would also unfairly crowd students and block safe access to doors. None of these possibilities are realistically feasible.

40. District staff has determined that the quality of the education for both Virgil Middle School students and Charter School students would suffer significantly if Charter School were provided 17 classroom spaces at Virgil Middle School. Virgil Middle School's existing space constraints have already substantially impacted Virgil Middle School students, teachers, staff, and administrators. Provision of facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA in the Next Fiscal Year would further exacerbate the negative harmful impacts to such a point that it would be impossible for all of the students to share space fairly and receive a proper education. It would also result in increased emotional hardship and further loss of morale in students, teachers, staff, and administrators alike.

41. To accommodate Charter School's entire in-district classroom ADA at Virgil Middle School would also present substantial safety concerns for both charter and non-charter District students. By way of example, District staff estimated that to accommodate all of Charter School's students at Virgil Middle School would require the forcible displacement of a significant number of students attending Virgil Middle School. Displacing students out of Virgil Middle School would have far-reaching safety, instructional, and social implications.

42. For instance, many Virgil Middle School students walk to and from their school. Recent District budgetary cutbacks and the harsh economic climate have made the ability to walk to school a necessity for many families with in-district children. The District school bus program has realized service cuts and route eliminations which have affected many students. As a result of past budget deficits, transportation funding was reduced as part of stabilization efforts. The latest impact came in July 2012, when the District was forced to implement a change to the eligible busing distance for secondary schools from three miles to five miles. These cuts disproportionately affect poorer students and make the ability to walk to school even more crucial.

43. Not only is the ability to walk to school at Virgil Middle School a necessity for some students, but walking to school also provides key health benefits. According to the California Department of Public Health ("DPH"), close to one-third of California's children are overweight or obese. The DPH's California Active Communities ("CAC"), in collaboration with CA4Health (a project of the Public Health Institute, with funding from the Centers for Disease Control and Prevention) has determined that a child's overall health is affected by levels of physical inactivity which can be directly linked to time spent in automobiles versus in active transportation such as walking. Walking or biking to school provides an opportunity for purposeful physical activity toward the accumulation of the recommended 60 minutes or more of daily physical activity for children and youth. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) Active transportation – such as walking and biking – to school can help increase physical activity levels of students and

their families. (ChangeLabSolutions, *Incorporating Safe Routes to School into Local School Wellness Policies* (July 2015).) Physical activity reduces the risk of obesity and related chronic diseases, and improves mental health, attendance, and academic performance. (*Ibid.*) Active transportation can also have broad community benefits, including reducing traffic congestion and air pollution, creating safer streets, encouraging cost savings, and building a stronger sense of community. (*Ibid.*) Increasing physical activity through walking and biking to school can help address high obesity rates. (*Ibid.*)

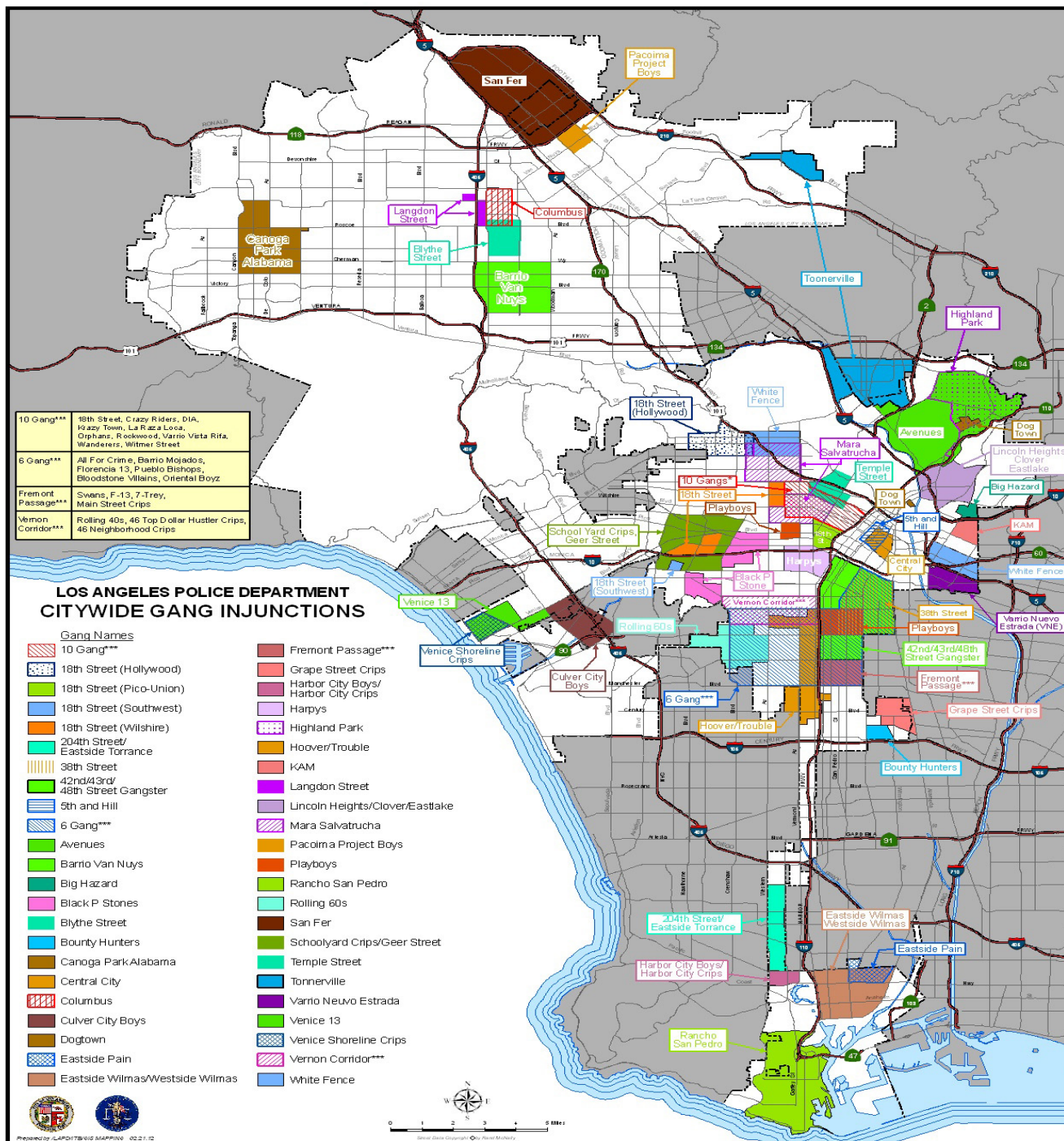
44. Empirical studies have determined that distance is a key impediment to children walking to school safely. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) A study published in the *Journal of Public Health Policy* examines the multi-level correlates of walking to and from school. Of the physical environmental factors examined, the strongest negative correlates to walking to school were distance and safety concerns. (Zhu & Lee, *Correlates of Walking to School and Implications for Public Policies*, *Journal of Public Health Policy* (2009).) Recognizing distance as a barrier to the ability for a child to walk to school, CA4Health, the CAC, and the DPH support school siting as well as joint use policies and practices that encourage kids to walk or bike to school.

45. Displacing a significant number of students from Virgil Middle School to make additional room for Charter School would prevent a significant number of Virgil Middle School children who currently have the ability to safely walk to school from being able to do so. Conversely, Charter School draws its attendance from 91 different District schools. Therefore, providing a single-site offer at Virgil Middle School to Charter School would endanger a significant number of children currently attending their nearby school. Moreover, the forcible displacements would not just be limited to the children attending Virgil Middle School. Instead, those students would need to be absorbed into other District schools which may have insufficient space, programs and/or resources to house the influx of students, and would thereby cause the

additional forcible displacement of children from these absorbing schools. This would create a ripple effect of forcible displacements necessitating hundreds of children to relocate for the benefit of a far lesser number of Charter School's children. Such a decision would pose disproportionate harm to a significant number of Virgil Middle School students and to those District students displaced by the influx of these students, and thus produce inequity in the sharing of facilities.

46. Not only does distance play a factor in children safely walking to school due to traffic dangers, but several Los Angeles neighborhoods are plagued by gang violence. In order to create safe passages to and from school in neighborhoods suffering from gang-related violence, meaningful programs and efforts to mitigate these risks have been launched, such as Kid Watch LA which instituted the Walking School Bus for District students. The Walking School Bus enlists parent and community volunteers to accompany groups of small children as they walk to and from their school.

47. According to the Los Angeles Police Department, the District is located within the territory known as the "gang capital" of the nation, with more than 450 competing gangs. Gang violence is unfortunately prevalent on some campuses and within the neighborhoods of several District schools. As shown by the map depicting former gang injunctions in Los Angeles below, Los Angeles gangs claim particular territories:



48. On March 15, 2018, the City of Los Angeles was enjoined from enforcing these gang injunctions. (See, *Youth Justice Coalition, et al., v. City of Los Angeles, et al.*, CV 16-07932 VAP.) The inability to enforce these injunctions may result in an increase in gang-related activity and crime.

49. Involuntarily displacing students who themselves or whose parents are tied to a particular gang and placing them in a different school located in the territory of another gang would potentially breed gang warfare and violence affecting all children, teachers, staff, and parents at a particular school.

50. Pulling children out of their District schools and placing charter students at those school sites prevents the displaced children from taking advantage of safety measures such as the Walking School Bus and other relevant considerations their families have made, and therefore unfairly endangers the safety of those displaced children. These harms disproportionately affect students attending District schools. As parents of charter school students have elected to send their child to a school outside of his or her local attendance area, the parents have secured a means of transporting their child to this school. However, parents of children who attend District schools may not have the means to find alternate transportation and need to rely on children walking to their school. With the aforementioned reduction of several school bus routes and potential further elimination of transportation funding, many forcibly displaced children will be forced to walk long, unsafe distances or take unsafe public transit routes.

51. Displacing children attending Virgil Middle School for the purpose of making a single-site offer to Charter School would have additional instructional and social ramifications. California has an accountability system reported through the California School Dashboard. The state's accountability system includes a three-level identification and support system for local educational agencies, and categorizes district performance levels using a system of five status levels (ranging from Very High, High, Medium, Low and Very Low). The 2022 Dashboard showed the District was assigned a Medium Status level for two of the six state indicators based on the performance of all student groups: English Learner Progress and Graduate Rate indicators. A Low status level was assigned to English Language Arts ("ELA") and Mathematics, and a Very Low status level for Suspension Rate. The District received one Very High-status level for Chronic Absenteeism. Of the thirteen student groups reported, four were in the Very Low status level, five

in Low, three in High, and one in Very High. For the 2023 Dashboard, District performance levels were categorized using a system of five colors, stated in order from lowest to highest performing (Red, Orange, Yellow, Green, and Blue), except in the College/Career Indicator. The 2023 Dashboard results indicate that the District received an Orange performance level for English Learner Progress, Graduation Rate, and English Language Arts (Academic Indicator). The District also received a Yellow performance level for Chronic Absenteeism and Mathematics (Academic Indicator). Though the District received a Yellow indicator for Chronic Absenteeism, it is important to note that the District decreased its chronic absenteeism by 8.8-percentage points to 31% from 39.8% in 2022. In addition, the District received a Blue performance level for its Suspension Rate, and a Medium status level for the College/Career Indicator. In examining the performance of the thirteen student groups, the Dashboard indicates that no student received a Red performance level for Chronic Absenteeism. Among the other indicators, only three of thirteen student groups received at least one Red performance Level. In contrast, twelve student groups received at least one Blue performance level.

52. The District is continuing its efforts to improve performance in all state indicators. Displacing District children attending their District school at Virgil Middle School would thwart these efforts, and have instructional and social ramifications. Studies have empirically established that disrupting a child's trajectory to his or her district high school effectively increases drop-out rates. A review of 25 years of research conducted by the California Dropout Research Project identified strong predictors of dropping out of high school. The compilation study identified non-promotional school changes (student mobility) during middle school and high school as a key predictor of a child dropping out of school. (Rumberger & Lim, *Why Students Drop Out: A Review of 25 Years of Research*, California Dropout Research Project (October 2008).)

53. In 1998, a seminal study on the educational consequences of student mobility found a high causal connection between student mobility and an increased risk of high school drop-out. The staggering results of this study indicate that controlling for other predictors, students who

made even one non-promotional school change between the eighth and twelfth grades were *twice* as likely to not complete high school as students who did not change schools. (Rumberger & Larson, *Student Mobility and the Increased Risk of High School Dropout*, American Journal of Education 107 (November 1998).)

54. The safety and welfare of all students is the District's paramount concern and principal charge. The data is indisputable that children who drop out of school are at far greater risk of a vast array of physical, social, and economic harm than those who stay in school and complete their secondary education. This paramount concern of the District remains a material consideration when weighing whether to forcibly displace children from their existing school (such as Virgil Middle School) in order to make way for students who would attend school at that site (such as Charter School) from distant neighborhoods, especially when other solutions for sharing space fairly are feasible.

55. An additional impact of such displacement would be the difficulty of sustaining the same level of parental involvement in the absorbing schools. California State Board of Education Policy #89-01 acknowledges that a critical dimension of effective schooling is parental involvement. This policy initiative states that research studies demonstrate parental involvement at school propels a child's educational career. Forcibly displacing students attending Virgil Middle School would make it more challenging for those children to reap the benefits of parental involvement in their new schools.

56. An alternative to displacing students attending Virgil Middle School would be to overcrowd the site by adding more of Charter School's students. However, this would cause severe safety and operational ramifications due to the design capacity of the Virgil Middle School site, making this course of action infeasible. Adding Charter School's students to the Virgil Middle School site or any other District campus with insufficient space to feasibly accommodate Charter School's total in-district classroom ADA would raise both schools' classroom loading ratios,

thereby disadvantaging both of these schools' children. Likewise, having children over a school site's capacity sharing space would pose a great risk to student safety and well-being.

57. In making decisions regarding allocations of space, District staff placed the safety of students attending Charter School, Virgil Middle School, and other charter and District schools at the forefront of the decision-making process. District staff made substantial efforts to locate charter schools, including Charter School, at or near their desired geographic location and further made material efforts to minimize the number of sites on which each charter school was located. As Charter School's parents/guardians have made a decision to place their child in a school outside of their District school, they have had the opportunity to weigh the safety implications of this decision for their child. On the contrary, the families of forcibly displaced students would have no place in such a decision-making process. Thus, forcibly displacing children from Virgil Middle School and/or other impacted District schools would not afford their parents/guardians the same opportunity. In addition, the decision to forcibly displace students to make way for Charter School students necessarily will have safety impacts upon the displaced children, whereas, given the fact that many Charter School students already voluntarily travel to attend Charter School, these children may not face any increased safety risk by being required to, for example, travel five miles east instead of five miles south.

58. Based on the foregoing, the District determined that it was simply not feasible to provide Charter School with a single-site offer at Virgil Middle School, and because only a total of 8 spaces (5 teaching stations, 2 special education spaces, and one administrative office space) could be provided to Charter School at Virgil Middle School for the Next Fiscal Year, a portion of Charter School's in-district classroom ADA would need to be accommodated at one or more additional site(s). Therefore, in order to ensure a sufficient allocation of special education and administrative office spaces are provided to Charter School at each District school site, the District has identified 12 classrooms (9 instructional spaces, 2 special education spaces, and one administrative office space) at one or more additional District school site(s). While it is always the

District's goal to accommodate a charter school's entire program on a single District school site, sometimes charter schools must be offered space on more than one site, particularly if, as in the case of Charter School, the charter school has a large projected in-district classroom ADA and has indicated in its facilities request a preference not to be moved from its current site.

59. Based on the geographic area of interest identified in Charter School's Facilities Request, the District reviewed and considered the space availability at various alternative nearby District sites with reasonably equivalent facilities in order to accommodate the remainder of Charter School's ADA that could not be accommodated at Virgil Middle School.

60. Although it would be preferable to accommodate Charter School's entire program at the Virgil Middle School site for the Next Fiscal Year, for the reasons set forth herein it is not possible to provide Charter School with 17 classrooms at the Virgil Middle School site without presenting significant, safety, educational, scheduling, facilities, and operational challenges. The John H Liechty Middle School site, which is within Region East and Board District 2, and is located 2.2 miles from the Virgil Middle School site according to Google Maps, is the closest reasonably equivalent school site that could also accommodate Charter School. Considering that the District spans over 710 square miles and serves over 27 cities, and based on the plain language of California Code of Regulations, title 5, section 11969.2, subdivision (d), the John H Liechty Middle School site is "contiguous" with the Virgil Middle School site.

61. Based on all of the foregoing considerations, District staff recommends providing Charter School with a multi-site offer of contiguous facilities at the Recommended Co-Locations.

ATTACHMENT 4(b): CITIZENS OF THE WORLD CHARTER SCHOOL SILVER LAKE

Board of Education Finding that Citizens of the World Charter School Silver Lake Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d)), and Determination of Necessity to Move

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, The Board hereby incorporates by reference the entire Staff Report on the Deliberative Process for Determining Why Charter School Cannot be Accommodated at a Single Site for the Next Fiscal Year;

Whereas, District staff engaged in an effort to create a single-site offer to accommodate Charter School’s total in-district classroom ADA;

Whereas, The District cannot accommodate Charter School’s request for a single site at Virgil Middle School;

Whereas, 9 different charter schools (including Charter School) requested space in Region East for the Next Fiscal Year;

Whereas, District staff determined that Virgil Middle School (the only District school site or general geographic area in which Charter School wishes to be located) will not have sufficient classroom space to accommodate Charter School’s entire projected in-district classroom ADA in the Next Fiscal Year;

Whereas, The District cannot accommodate Charter School’s entire in-district classroom ADA at Virgil Middle School;

Whereas, To accommodate Charter School's entire in-district classroom ADA at Virgil Middle School would present substantial, disproportionate safety concerns for both Charter School's students and students attending their District school;

Whereas, To accommodate all of Charter School's students at Virgil Middle School would require the displacement of a significant number of children attending Virgil Middle School, and potentially additional District schools;

Whereas, Involuntarily displacing children out of their existing District schools has far-reaching safety, instructional, and social implications including: prohibiting children from safely walking to school; subjecting children to possible gang violence; increasing high-school drop-out rates; and impairing parental involvement in their children's schools;

Whereas, Based on these safety and instructional considerations, District staff recommends keeping the student populations of Virgil Middle School and other District schools intact;

Whereas, Alternatively, over-crowding a school's campus in order to provide a single-site offer to Charter School would have equally severe safety and operational ramifications, making this course of action infeasible;

Whereas, The District can provide Charter School with a multi-site contiguous offer of reasonably equivalent facilities at the "Recommended Co-Locations";

Whereas, Providing Charter School space at the Recommended Co-Locations minimizes the number of sites assigned to Charter School;

Whereas, Because of the short distance between the Recommended Co-Locations in a school district spanning 710 square miles and serving over 27 cities, the Recommended Co-Locations are contiguous facilities;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School's entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site;

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District

authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites; and therefore be it finally

Resolved, That pursuant to Education Code section 47614, subdivision (b), for the reasons set forth herein and as further expressed by District staff, if to the extent that part of Charter School's operations which existed at the Virgil Middle School site for the 2023-24 school year must be accommodated at the John H Liechty Middle School site for the Next Fiscal Year constitutes a "move" of Charter School, the Governing Board of the Los Angeles Unified School District determines that such a move is necessary.

ATTACHMENT 5(a): EXTERA PUBLIC SCHOOL**Staff Report on Deliberative Process for Determining Why Extera Public School Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, Extera Public School ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 267.43 in grades TK-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 28 different District schools that its charter school students would otherwise attend. Charter School's facilities request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at 2nd St. EL and Breed EL ("Requested Sites"). Charter School is currently operating at 2nd St EL and Breed EL.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 267.43.

3. Charter School's facilities request states: "Based upon the needs of the Charter School and the residency of the currently enrolled students and projected student enrollment, the Charter School desires to continue the location of its facilities in Boyle Heights and specifically at the two co-locations where the Charter School's students and families are currently served. The Charter School seeks to continue its current co-locations on the 2nd Street and Breed Street campuses and requests sufficient allocation of classrooms at the two campuses to allow the School to operate each class in its own classroom without the use of doubled-up classes."

4. If Charter School's request can be satisfied, further analysis is unnecessary. Therefore, rather than attempt to locate Charter School on a single site, pursuant to Education Code

section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site co-location at the Requested Sites.

5. Charter School requested to locate on two campuses. The District has the ability to locate Charter School at the two facilities where it wishes to locate. Consequently, District staff concluded it could not accommodate Charter School on a single site and comply with Education Code section 47614.

6. Therefore, District staff recommends making this complete offer of contiguous space to Charter School at Requested Sites ("Recommended Co-Locations").

ATTACHMENT 5(b): EXTERA PUBLIC SCHOOL

Board of Education Finding that Extera Public School Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, Charter School’s facilities request states that it wishes to remain at its current two campuses;

Whereas, Rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School’s request and provide a multi-site co-location at Requested Sites;

Whereas, The District has the ability to co-locate Charter School where it wishes;

Whereas, The District cannot accommodate Charter School on a single site and comply with Education Code section 47614;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School’s entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board

of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, that pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

ATTACHMENT 6(a): GABRIELLA CHARTER SCHOOL 2**Staff Report on Deliberative Process for Determining Why Gabriella Charter School 2 Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, Gabriella Charter School 2 ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 391.40 in grades TK-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 18 different District schools that its charter school students would otherwise attend. Charter School's Facilities Request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Trinity Street Elementary or a single site location within a 1.25 mile radius of Trinity Street Elementary. Charter School is currently operating at Trinity Street Elementary and West Vernon Avenue Elementary.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 391.40.

3. Education Code section 47614, subdivision (b) requires the District to provide charter schools with facilities sufficient for the charter school to accommodate all of its in-district students in conditions "reasonably equivalent" to those in which the students would be accommodated if they were attending other public schools of the district.

4. To determine whether the conditions of facilities provided to a charter school are "reasonably equivalent" to the school district facilities that charter school students would otherwise attend, the District adheres to the Proposition 39 implementing regulations (California Code of Regulations, title 5, section 11969.1, et seq.) which direct school districts to measure those facilities against the facilities used by district students at a "comparison group" of schools. As the

District is divided into high school attendance areas, in selecting comparison group schools, the District must follow California Code of Regulations, title 5, section 11969.3, subdivision (a)(2), which states, “[t]he comparison group shall be the district-operated schools with similar grade levels that serve students living in the high school attendance area... in which the largest number of students of the charter school reside.” District staff reviewed Charter School’s projected in-district classroom ADA broken down by grade level and its identification of the 18 different District schools its projected charter school students would otherwise attend. Based on the information provided by Charter School, District staff determined that the attendance area where the largest number of Charter School’s projected students reside is the Jefferson Zone of Choice attendance area. Consequently, based on the grade levels that Charter School projects it will serve, District staff identified the following as the District-operated schools with similar grade levels that serve students within the Jefferson Zone of Choice attendance area; i.e., Charter School’s comparison group schools: 20th Street Elementary, 28th Street Elementary, 49th Street Elementary, John Adams Middle School, Ascot Avenue Elementary, Aurora Elementary, George Washington Carver Middle School, William Jefferson Clinton Middle School, Estrella Elementary, Harmony Elementary, Hooper Avenue Elementary, Hooper Avenue Primary Center, Dolores Huerta Elementary, Quincy Jones Elementary, Ricardo Lizarraga Elementary, Los Angeles Academy Middle School, Main Street Elementary, Maple Primary Center, Dr. Julian Nava Learning Academy, Nevin Avenue Elementary, Sally Ride Elementary: A Smart Academy, San Pedro Street Elementary, Trinity Street Elementary, Wadsworth Avenue Elementary, and West Vernon Avenue Elementary.

5. The District also follows California Code of Regulations, title 5, section 11969.3, subdivision (b)(1), which requires that the facilities made available by a school district to a charter school shall be provided in the same ratio of teaching stations (classrooms) to ADA as those provided to students in the district attending comparison group schools. To implement a fair sharing of space, the District determines the ratio of ADA-to-classrooms provided for each of the

charter school's comparison group schools and uses an average of those figures to determine the number of classrooms to provide to the charter school. It also results in the District allocating classroom space sufficient to allow a charter school to maintain the same minimum number of seats in a classroom as maintained in the District's comparison group schools, that is, to maintain conditions reasonably equivalent to the comparison group schools as required by Proposition 39. In other words, it results in accommodating charter school students on District school sites as they would be accommodated if they otherwise attended those District schools. Consequently, this calculation is used to ensure the number of classrooms provided to charter schools is equivalent to the number of classrooms provided at their comparison group schools.

6. Relying upon an in-district classroom ADA projection of 391.40 for the Next Fiscal Year, and an average ADA to classrooms provided ratio at the comparison group schools of 18.55, the District determined that Charter School is entitled to 21 teaching stations (classrooms) and one space to be used as its administrative office. The District also determined that Charter School is entitled to 2 special education space(s).

7. Charter School's facilities request states: "GCS 2 is requesting a single site location. GCS 2 would prefer to remain on our current split campuses (Trinity and West Vernon) if a single site location within a 1.25 mile radius of Trinity Elementary is not possible."

8. Based on the foregoing, if the in-district classroom ADA of Charter School cannot be accommodated entirely at Trinity Street Elementary or another single site within 1.25 miles of Trinity Street Elementary in the Next Fiscal Year, District staff recommends allocating Charter School facilities at Trinity Street Elementary and additional school site(s).

9. Education Code section 47614, subdivision (b), provides that facilities provided to a charter school by a school district must be, among other things, "contiguous." The definition of "contiguous" expressed in California Code of Regulations, title 5, section 11969.2, subdivision (d), states that facilities are "contiguous" if they are contained on the school site or immediately adjacent to the school site, and that if the in-district classroom ADA of a charter school cannot be

accommodated on any single school district school site, contiguous facilities also includes facilities located at more than one site, provided that the school district shall minimize the number of sites assigned and shall consider student safety. As explained below, pursuant to Proposition 39, District staff first engaged in an effort to create a single-site offer to accommodate Charter School's projected total in-district classroom ADA in the Next Fiscal Year. District staff evaluated space at Trinity Street Elementary (the District school site at which Charter School wishes to locate) and determined that Trinity Street Elementary will not have sufficient classroom space to accommodate Charter School's total in-district classroom ADA in the Next Fiscal Year. District staff then expanded its search to other schools near Trinity Street Elementary ("Other Considered Sites"), including, but not limited to, West Vernon Avenue Elementary, Ricardo Lizarraga Elementary, Maple Primary Center, William Jefferson Clinton Middle School, Dr. Theodore T Alexander Jr. Science Center School, Marguerite Poindexter LaMotte Elementary, George Washington Carver Middle School, Harmony Elementary School, Dolores Huerta Elementary School, Quincy Jones Elementary, Main Street Elementary, 49th Street Elementary, Wadsworth Avenue Elementary, John Adams Middle School, and 28th Street Elementary. The District determined, however, that it is not possible to accommodate Charter School's entire in-district student population on a single site in the Next Fiscal Year.

10. Therefore, District staff recommends providing space at the following locations to Charter School to accommodate its total in-district classroom ADA for the Next Fiscal Year: Trinity Street Elementary and West Vernon Avenue Elementary (collectively, the "Recommended Co-Locations"). By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate and to minimize the number of sites assigned to Charter School.

**Process District Staff Followed to Locate Space for Charter School Pursuant to
Proposition 39**

11. The District's Charter Schools Division ("CSD") determined that in the 2023-24

school year, more than 148,194 students enrolled in charter schools authorized by the District. This figure reflects a 1,865 student decrease compared to the number of students enrolled during the previous school year. In the 2023-24 school year, the District had the most charter students attending schools authorized by a District of any school district in the nation. The District ensured that every eligible in-district charter student was offered a seat.

12. For the 2024-25 Proposition 39 cycle, the District is applying a comprehensive process to ensure that every eligible in-district charter school student is offered a seat at a District campus. The District is following a critical schedule of steps, from receiving the initial request for facilities by a charter school to making facilities ready for occupancy, in order to timely meet the Proposition 39 timeline. The general process District staff is following in administrating Charter School's Facilities Request is the same that it used to process each of the other facilities requests the District received from charter schools for the Next Fiscal Year. That process is as follows:

13. Beginning in September 2023, School Management Services and Master Planning & Demographics ("SMS-MPD") staff, which includes District personnel in the District's Facilities Services Division experienced in public school facilities utilization that assess all of the educational space within the District, conducted a comprehensive analysis of the use of District classrooms school facilities, called E-CAR. E-CAR was implemented at the beginning of the Proposition 39 process to assess capacity at school sites throughout the District, and commenced with a preparation period during which SMS-MPD staff examined materials submitted by all District schools in the previous year for accuracy, as well as for consistency with previous assessments' classroom usage and availability determinations. The SMS-MPD staff applied standard formulae for the usage of classrooms in order to generate an objective and uniform assessment of the amount of total classroom space at District school sites. The purpose of this calculus is to assess the number of classrooms required to accommodate instructional program enrollment, based on grade level and specific course subject matters at secondary schools.

14. Next, the E-CAR process involves District school principals at more than 700 District school sites logging into an online application to validate their school's enrollment and to

review and confirm details regarding the school site's classrooms and their respective utilization. Specifically, the principals identified and validated classroom space utilized as teaching stations and "set-asides" (classrooms used for purposes other than general education), along with classroom numbers, locations, and sizes. Additionally, the principals identified classrooms occupied by special education programs, charter schools, preschools, alternative education programs, option programs, and other third-party users, as well as swing space needed for construction projects, and classrooms that are out of service or mandated for removal due to legal and/or safety/physical condition requirements. The purpose of E-CAR is to accurately assess the current capacity of each District school site in several respects: the number and size of classrooms, the manner in which those classrooms are currently used, and the school's operating capacity. E-CAR entails a detailed review of the present use of District school sites and an analysis of the projected future uses of those facilities. The analysis includes reporting of data by individual schools, which is reviewed by SMS-MPD staff to confirm its accuracy and to ensure that space is used efficiently and uniformly throughout the District.

15. To ensure that District school administrators are provided the resources necessary for a complete and accurate assessment of their school's capacity, they were instructed to reference the following resource materials for their school site: A current school map; the school's former or most recent Norm Day classification report (which details the number of students enrolled at that school on September 15, 2023); the Norm Day classification report for any magnet centers and/or dual language programs located on the school site; the Classroom Inventory and Allocation Worksheet pages from the prior school year's Capacity Assessment Review report, which contains information for classroom counts and allocations into precisely-defined categories; and the number of teaching positions in all categories, including general education, special day, magnet, dual-language, physical education, and off-norm-funded positions.

16. Categorizing classrooms in this way is important because a school's capacity involves more than its raw seats and room numbers. The District must determine whether a school site has facilities available to sufficiently serve the particular requirements of a school, such as

grade levels, special education programs, magnet centers, Small Learning Communities, Personalized Learning Environments, legal mandates, and other student needs.

17. District staff reviewed the foregoing data regarding specific capacity information at District school sites for the Next Fiscal Year. Utilizing this data, SMS-MPD provided CSD with the number of estimated available classrooms, at each District school site given specific operating capacities per programmatic and mandated qualifiers. When planning for maximal use of available school facilities, and in interpreting data generated during the course of facilities planning, it is absolutely critical to understand the difference between “unallocated classrooms” and “available seats.” To illustrate, a hypothetical District school may not have any unallocated classrooms but may have individual available seats in classrooms currently occupied. As a result, the school may be able to absorb 100 students into its existing classrooms by identifying two free seats spread out among 50 of its classrooms that are used for instruction appropriate to the grade level and subject matter requirements for the students being absorbed. Thus, it is an entirely different proposition to provide and integrate 100 seats across a campus than to provide four or five unallocated classrooms with the same total number of contiguous available seats. In many instances, there may be many available seats in a school, but no unallocated classrooms. This is especially the case for District middle and high schools where the students do not sit in one classroom all day, like an elementary school, but instead attend four or more different classes per day, each in different classrooms and with different teachers and groups of students, in order to receive the mandated curriculum.

18. SMS-MPD generated each instructional program’s operating capacity using a complex mathematical formula which took into account all aspects of the schools’ operations. The operating capacity also accounted for classrooms designated as “set asides.” Public school districts are required to provide special education space, and a parent center at each school which is classified as a set-aside. Also, pre-kindergarten and adult education students are served in classrooms at school sites across the District.

19. District staff analyzed each District school’s estimated available seats and classrooms for the Next Fiscal Year based on the data.

20. As a public institution, the District is required to provide an education to every student who chooses to enroll. The District previously planned its programming and staffing based on estimated enrollment projections, but in the event projections were short, the District was still obligated to provide an education to students who were not originally anticipated. As a safeguard against the overcrowding of classrooms in such situations, the District historically prepared to reserve 75 seats at every secondary school and 50 seats at every elementary school for additional unanticipated enrollment. Importantly, however, beginning in 2013 and continuing this year, District staff examined the actual historical enrollment data over the last several years at each school site to determine if a trend could be empirically established demonstrating unanticipated growth. Based upon this analysis, the District determined that no seats at any District school sites offered to a charter school should be reserved for unanticipated growth.

21. The District uses the definition contained in California Code of Regulations, title 5, section 11969.3, subdivision (a)(2) to determine comparison group schools. No two schools are identical; however, on a grade-alike basis, a significant majority of the District's schools share reasonably equivalent conditions, especially when taking into account age, quality of materials and state of maintenance, school site size, conditions of surfaces as well as mechanical, plumbing, electrical and fire-life systems, including conformity to applicable codes, availability and condition of technology infrastructure, the condition of the facility as a safe learning environment, including, but not limited to, the suitability of lighting, noise mitigation, and size for intended use, the conditions of the facility's furnishings and equipment, and the condition of athletic fields and play area space. As part of this process, District staff determined whether the conditions of school facilities offered to a charter school were reasonably equivalent to those of the comparison group schools.

Matching Guidelines Utilized by the District for Charter School

22. In accordance with applicable law, the District is guided by the following matching guidelines in order to make contiguous offers of space to charter schools in facilities with

reasonably equivalent conditions to those which would accommodate the charter students if they otherwise attended District schools:

- Consider student safety and welfare
- Identify reasonably equivalent facilities
- Minimize the number of sites assigned
- Make reasonable efforts to provide facilities near to where the charter school wishes to locate
- Avoid moving a charter school unnecessarily
- Minimize disruption to District and charter programs
- Fairly balance the needs of District and charter programs
- Avoid displacing any District students from their school of attendance
- Maximize use of unallocated classroom space (i.e., those with no designated use and would be vacant/unassigned in a particular fiscal year, as identified in the District's annual comprehensive analysis of space on District school sites. Classrooms used to provide additional programming or services are not considered unallocated classroom space, and are categorized according to their specific designation).

23. District staff makes every reasonable effort to locate space on a single site, or on multiple sites only if necessary or specifically requested by the charter school, in the charter school applicant's geographic area of interest. Consequently, District staff first attempts to accommodate charter schools at a single school site and looks for available facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA within its desired area of geographic interest. Only when no single school site can be feasibly identified based upon school site design and occupancy limitations, as well as after taking into account the paramount considerations of both District and charter school student safety and welfare, does the District make offers that contemplate the use of multiple school sites.

24. District staff first identifies the classroom inventory by grade level configuration in each geographic region. Grade-alike matches typically provide reasonably equivalent space to charter schools; therefore, wherever possible, District staff allocates space to charter applicants on grade-alike school facilities.

25. District staff next identifies which charter school applicants are currently located in District facilities that they have identified in their geographic area of interest for the following Proposition 39 cycle and, when feasible, matches those charter schools to those school sites.

District staff then examines and identifies the geographic areas of interest of other charter school applicants. As described above, multiple charter schools often request space in the exact same location so District staff must assess conflicting geographic as well as particular site interests. In doing so, District staff examines whether the potential match would utilize all available classrooms and whether the match represents a full, single-site offer. Priority is given to those charters where these two goals can be achieved.

26. Based on an examination of these criteria, District staff makes a preliminary match of available classrooms at a particular site to the projected in-district classroom ADA of each charter school. District staff attempts to find the most geographically relevant grade-alike matches. District staff seeks to minimize disruption to and fairly balance the needs of District and charter programs. For multi-site scenarios, District staff eliminates set-asides whenever reasonably possible to reduce the number of sites assigned to a charter school, which often results in being able to transform multi-site offers to single-site offers. While endeavoring to preserve programmatic spaces essential to enriching instruction and student health and human services, District staff may need to engage in the materially disruptive measure of eliminating or otherwise impacting set-asides used to provide services at District schools in order to share space fairly among charter and non-charter students in the District. Set-asides are divided into two categories: District set-asides and School set-asides.

27. School set-asides allocate space for instructional, safety, and health programs that are specific to a particular school. For example, Title I funding coordinator offices are considered School set-asides. Title I funding provides financial assistance to schools with high numbers or high percentages of low-income children to help ensure that all children meet challenging state academic standards. The District uses Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet state standards in core academic subjects. Such funds support extra instruction in reading and mathematics, as well as special preschool, after-school, and summer programs to extend and

reinforce the regular school curriculum. Additionally, School set-asides are used to allocate space for small learning community (“SLC”) offices. An SLC, also referred to as a School-Within-A-School, is a form of school structure in secondary schools to subdivide large school populations into smaller, autonomous groups of students and teachers. SLCs include structures such as freshman academies, multi-grade academies organized around career interests or other themes, “houses” in which small groups of students remain together throughout high school, and autonomous schools-within-a-school, as well as personalization strategies, such as student advisories, family advocate systems, and mentoring programs. Research continues to show that small schools and SLCs have the necessary elements to counteract the inherent negative effects of poverty and poor academic achievement for low-income students and/or students of color. (Cotton, *New Small Learning Communities: Findings from Recent Literature*, Portland, Ore: Northwest Regional Educational Laboratory (2001); Jimerson, *The Hobbit Effect: Why Small Works in Public Schools*, The Rural School and Community Trust (August 2006).)

28. At the middle school level, School set-asides are used, for example, for Personal Learning Environment (“PLE”) offices, the middle school equivalent to an SLC. Likewise, School set-asides may be used for the District’s Response to Instruction and Intervention (“RTI²”) program. RTI² integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavior problems. With RTI², schools identify students at risk for poor learning outcomes, monitor student progress, provide evidence-based interventions and adjust the intensity and nature of those interventions depending on a student’s responsiveness, and identify students with learning disabilities or other disabilities. In order to provide space to charter schools requesting Proposition 39 facilities, District staff has eliminated or reduced the number of School set-asides on certain campuses. This instructional disruption unfortunately disproportionately affects low-income, low-performing, or disabled District neighborhood children, those who need assistance the most. However, District staff has taken these disruptive measures in order to share facilities fairly with charter schools.

29. District set-asides use school space to implement key District-wide instructional, health, and safety programs. For example, these set-asides include space for District police, regional special educational testing centers, health center clinics, food service, and Beyond the Bell programs, among others. Eliminating these set-asides would deny or interfere with students' ability to receive the special education and related services to which they are entitled, or force students to travel as much as 50 miles to the next closest center. In the 2023-24 fiscal year, the District's school-based health clinics are projected to provide approximately 156,000 visits to children who would otherwise have been challenged to access health care. The demand for health services remains as high as it did in the previous school year, and to eliminate these clinics would deprive the neediest children of vital services. Additionally, Beyond the Bell programs ensure that all children and youth in the District have access to high-quality, safe, and supervised academic, enrichment, and recreation programs that inspire learning and achievement beyond the regular school day (before and after school and Saturdays). The three components of Beyond the Bell include academic tutorial, recreational, and enrichment programs vital to the safety and wellbeing of school children. Improved school attendance and test scores have been attributed to student participation in Beyond the Bell's after-school programs. By providing supervision and engagement during after school hours when many parents may be working outside the home, Beyond the Bell's programs help reduce the risk that children might engage in drug or alcohol use, sexual activity, and/or crime. To eliminate Beyond the Bell programs would expose the thousands of children who utilize these programs on a daily basis to danger, harming their academic performance and their overall wellbeing.

30. Although District and School set-asides provide space for programs that are vital to the curriculum of a particular school or to District-wide goals, in order to share space fairly, District staff has cut into these set-asides where doing so would minimize the number of sites offered to a charter school in order to make a complete offer of space.

31. For the Next Fiscal Year, District staff had to grapple with the conflicting needs of 46 different charter school applicants and cycled through its comprehensive space matching process as conscientiously as possible, shifting space and potential matches to fulfill the District's obligation to share space fairly among all students – charter school students and those students attending District schools alike. In doing so, District staff kept in the forefront considerations of student safety and welfare.

32. Often, many charter schools request to be located at the same school site, requiring District staff to assess conflicting geographic as well as particular site interests. In fact, 9 different charter schools (including Charter School) requested space in Region East for the Next Fiscal Year. District staff had to contend with the conflicting needs of these 9 charter schools, as well as all 46 eligible charter school applicants, shifting space and potential matches to fulfill the District's obligation to share space fairly among all in-district students. The process is extraordinarily dynamic with a complex set of ever-changing pieces, decisions regarding any one of which can result in very real ripple effects for students and programs across multiple school sites.

33. The District's space matching guidelines are just that – guidelines. They cannot be applied in a vacuum and without rationale. In allocating space to charter schools, the District must consider the impact on other public school students, both those attending District schools and those attending other charter schools requesting space. District staff applied the District's matching guidelines in conjunction with thoughtful considerations of the real world impacts on all public students in providing co-location offers to charter schools for the Next Fiscal Year.

34. The District began its space analysis for Charter School by examining data from E-CAR for Trinity Street Elementary related to the 2024-25 school year. As explained above, the E-CAR enrollment for Trinity Street Elementary is reflected in classroom usage as of September 15, 2023, which is known as "Norm Day." The E-CAR data is a "snapshot in time" that reflects classroom availability and usage at a particular school site at the time it is prepared. It is the baseline for the District's comprehensive space analysis of the current and projected utilization

and availability of space for a charter school. It does not contemplate any prospective future revisions or factor in projected classroom usage for any subsequent school year, or changes in space utilization needs that occur after the E-CAR data is prepared, such as, for example, increases or decreases in the District school site's enrollment projections for the upcoming school year, planned programmatic expansions, adjustments to ADA-to-classrooms ratios and/or assigned teachers, changes to grade levels served, construction projects, removal of portable classrooms, charter schools' potentially forthcoming Proposition 39 facilities requests, the planned occupancy by other charter schools or District programs, or any other factor that would result in an adjustment of the number of available classrooms for the Next Fiscal Year. E-CAR data indicated 0 unassigned/unallocated standard size classrooms at Trinity Street Elementary at Norm Day. Charter School occupies 12 exclusive use spaces at the school site in the current school year.

35. In the second week of November 2023, Region Offices were provided information regarding charter schools that had requested Proposition 39 space, and potential space availability at District school sites. Region East was advised of the District school site(s) and/or general geographic area in which Charter School wishes to locate, and that it was entitled to exclusively use a total of 24 spaces (21 instructional spaces, 2 special education spaces, and one administrative office space) for the Next Fiscal Year. Region East was also advised that there were 9 charter schools that had requested facilities within that same Region.

36. Meetings were also conducted between CSD, SMS-MPD, and others, so that additional District stakeholders such as Region Office leadership and school-site staff could provide further valuable input regarding important information, such as impacts of a potential co-location at a particular school site or unique site conditions that might make it unsuitable. Various provisional matches within each Region were identified and deliberated, and participants thoughtfully discussed potential recommendations as part of the District's comprehensive compliance effort. Per established protocols, the District also invited labor partners, including United Teachers Los Angeles, to Advisory meetings to offer feedback.

37. During the course of the meetings and numerous additional discussions, CSD, Region East, District administrators, SMS-MPD, and others discussed that Trinity Street Elementary and Other Considered Sites will not have adequate availability of space in the Next Fiscal Year to accommodate Charter School's entire projected in-district classroom ADA due to the planned programmatic needs as accounted for in the E-CAR. Information considered included, but was not limited to, the following:

School Site	Distance from Centroid of the Requested Sites (miles)	Projected Number of Available Spaces in Next Fiscal Year
West Vernon Avenue Elementary	0	18
Ricardo Lizarraga Elementary	0.51	0
Maple Primary Center	0.66	0
William Jefferson Clinton Middle School*	0.72	0
Dr. Theodore T Alexander Jr. Science Center School	0.89	0
Marguerite Poindexter LaMotte Elementary	0.95	0
George Washington Carver Middle School	0.96	4
Harmony Elementary School	1	0
Dolores Huerta Elementary School	1.03	0
Quincy Jones Elementary*	1.07	0
Main Street Elementary	1.07	0
49 th Street Elementary	1.13	2
Wadsworth Avenue Elementary	1.13	0
John Adams Middle School	1.17	3
28 th Street Elementary	1.25	0

*Identified as a Proposition 39 co-location site for another charter school

Also evaluated were the needs, as operationally feasible and permitted by law, to support the District's 100 Priority Schools, Black Student Achievement Program (BSAP) schools, and Community Schools, and avoid outcomes that would compromise District schools' capacity to serve neighborhood children and/or result in grade span arrangements that negatively impact student safety and actively deter students from attending District schools. Due to these circumstances, Trinity Street Elementary and Other Considered Sites will be unable to accommodate Charter School's entire projected in-district classroom ADA in the Next Fiscal Year.

38. In summary, the District has no realistic ability to allocate 24 exclusive use classroom spaces to Charter School at the Trinity Street Elementary school site or Other Considered Sites for the Next Fiscal Year. Allocating such space to Charter School would present significant safety, educational, scheduling, facilities, and operational challenges, and result in significantly harmful negative impacts, displacements, and disruptions to students at Trinity Street Elementary or Other Considered Sites. Allocating such space to Charter School would result in an unfair sharing of space between Charter School and Trinity Street Elementary or Other Considered Sites.

39. If Charter School was provided 24 classroom spaces at Trinity Street Elementary or Other Considered Sites, it would so severely diminish the Trinity Street Elementary or Other Considered Sites program's usable instructional space that it could require some teachers to hold classes outside of classroom settings. Alternatively, Trinity Street Elementary or Other Considered Sites could either overcrowd its existing classrooms by reducing its teaching staff and increasing the number of student desks in classrooms or require two teachers to teach class simultaneously in one classroom. Both options would not only overburden the teachers forced to teach those classes, but would also unfairly crowd students and block safe access to doors. None of these possibilities are realistically feasible.

40. District staff has determined that the quality of the education for students attending school at Trinity Street Elementary, Other Considered Sites, and Charter School would suffer significantly if Charter School were provided 24 classroom spaces at Trinity Street Elementary, or Other Considered Sites. Existing space constraints at Trinity Street Elementary and Other Considered Sites have already substantially impacted Trinity Street Elementary and Other Considered Sites' students, teachers, staff, and administrators. Provision of any additional classroom space to Charter School in the Next Fiscal Year would further exacerbate the negative harmful impacts to such a point that it would be impossible for all of the students to share space fairly and receive a proper education. It would also result in increased emotional hardship and

further loss of morale in students, teachers, staff, and administrators alike.

41. To accommodate Charter School's entire in-district classroom ADA at Trinity Street Elementary or Other Considered Sites would also present substantial safety concerns for both charter and non-charter District students. By way of example, District staff estimated that to accommodate all of Charter School's students at Trinity Street Elementary or Other Considered Sites would require the forcible displacement of a significant number of students attending Trinity Street Elementary or Other Considered Sites. Displacing students out of Trinity Street Elementary, or Other Considered Sites would have far-reaching safety, instructional, and social implications.

42. For instance, many Trinity Street Elementary and Other Considered Sites students walk to and from their school. Recent District budgetary cutbacks and the harsh economic climate have made the ability to walk to school a necessity for many families with in-district children. The District school bus program has realized service cuts and route eliminations which have affected many students. As a result of past budget deficits, transportation funding was reduced as part of stabilization efforts. The latest impact came in July 2012, when the District was forced to implement a change to the eligible busing distance for secondary schools from three miles to five miles. These cuts disproportionately affect poorer students and make the ability to walk to school even more crucial.

43. Not only is the ability to walk to school at Trinity Street Elementary and Other Considered Sites a necessity for some students, but walking to school also provides key health benefits. According to the California Department of Public Health ("DPH"), close to one-third of California's children are overweight or obese. The DPH's California Active Communities ("CAC"), in collaboration with CA4Health (a project of the Public Health Institute, with funding from the Centers for Disease Control and Prevention) has determined that a child's overall health is affected by levels of physical inactivity which can be directly linked to time spent in automobiles versus in active transportation such as walking. Walking or biking to school provides an opportunity for purposeful physical activity toward the accumulation of the recommended 60

minutes or more of daily physical activity for children and youth. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) Active transportation – such as walking and biking – to school can help increase physical activity levels of students and their families. (ChangeLabSolutions, *Incorporating Safe Routes to School into Local School Wellness Policies* (July 2015).) Physical activity reduces the risk of obesity and related chronic diseases, and improves mental health, attendance, and academic performance. (*Ibid.*) Active transportation can also have broad community benefits, including reducing traffic congestion and air pollution, creating safer streets, encouraging cost savings, and building a stronger sense of community. (*Ibid.*) Increasing physical activity through walking and biking to school can help address high obesity rates. (*Ibid.*)

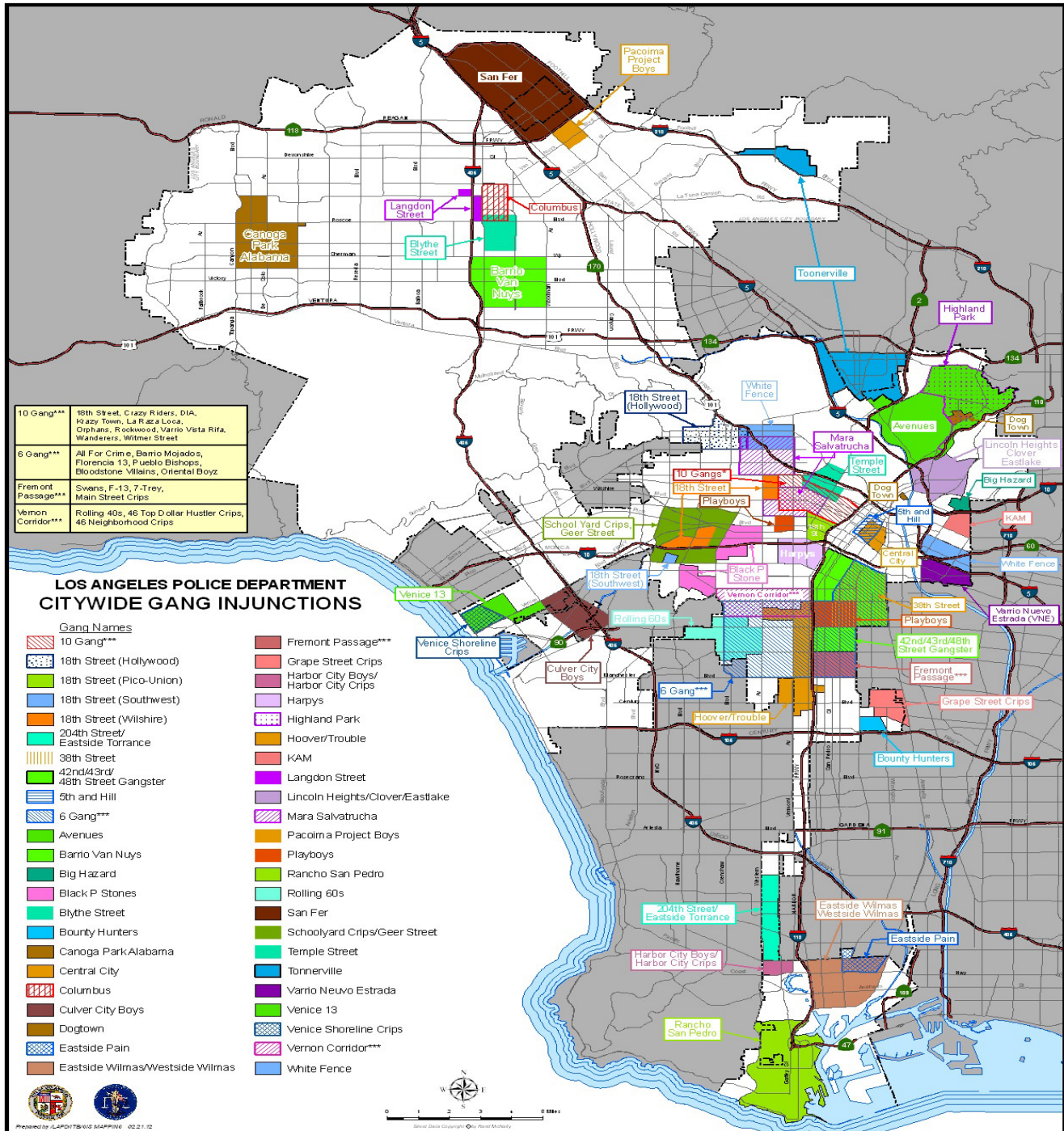
44. Empirical studies have determined that distance is a key impediment to children walking to school safely. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) A study published in the Journal of Public Health Policy examines the multi-level correlates of walking to and from school. Of the physical environmental factors examined, the strongest negative correlates to walking to school were distance and safety concerns. (Zhu & Lee, *Correlates of Walking to School and Implications for Public Policies*, Journal of Public Health Policy (2009).) Recognizing distance as a barrier to the ability for a child to walk to school, CA4Health, the CAC, and the DPH support school siting as well as joint use policies and practices that encourage kids to walk or bike to school.

45. Displacing a significant number of students from Trinity Street Elementary or Other Considered Sites to make additional room for Charter School would prevent a significant number of the children who currently have the ability to safely walk to school from being able to do so. Conversely, Charter School draws its attendance from 18 different District schools. Therefore, providing a single-site offer at Trinity Street Elementary or Other Considered Sites to Charter School would endanger a significant number of children currently attending their nearby school.

Moreover, the forcible displacements would not just be limited to the children attending Trinity Street Elementary or Other Considered Sites. Instead, those students would need to be absorbed into other District schools which may have insufficient space, programs and/or resources to house the influx of students, and would thereby cause the additional forcible displacement of children from these absorbing schools. This would create a ripple effect of forcible displacements necessitating hundreds of children to relocate for the benefit of a far lesser number of Charter School's children. Such a decision would pose disproportionate harm to a significant number of students attending school at Trinity Street Elementary, Other Considered Sites, and to those District students displaced by the influx of these students, and thus produce inequity in the sharing of facilities.

46. Not only does distance play a factor in children safely walking to school due to traffic dangers, but several Los Angeles neighborhoods are plagued by gang violence. In order to create safe passages to and from school in neighborhoods suffering from gang-related violence, meaningful programs and efforts to mitigate these risks have been launched, such as Kid Watch LA which instituted the Walking School Bus for District students. The Walking School Bus enlists parent and community volunteers to accompany groups of small children as they walk to and from their school.

47. According to the Los Angeles Police Department, the District is located within the territory known as the “gang capital” of the nation, with more than 450 competing gangs. Gang violence is unfortunately prevalent on some campuses and within the neighborhoods of several District schools. As shown by the map depicting former gang injunctions in Los Angeles below, Los Angeles gangs claim particular territories:



48. On March 15, 2018, the City of Los Angeles was enjoined from enforcing these gang injunctions. (See, *Youth Justice Coalition, et al., v. City of Los Angeles, et al.*, CV 16-07932 VAP.) The inability to enforce these injunctions may result in an increase in gang-related activity and crime.

49. Involuntarily displacing students who themselves or whose parents are tied to a particular gang and placing them in a different school located in the territory of another gang would potentially breed gang warfare and violence affecting all children, teachers, staff, and parents at a particular school.

50. Pulling children out of their District schools and placing charter students at those school sites prevents the displaced children from taking advantage of safety measures such as the Walking School Bus and other relevant considerations their families have made, and therefore unfairly endangers the safety of those displaced children. These harms disproportionately affect students attending District schools. As parents of charter school students have elected to send their child to a school outside of his or her local attendance area, the parents have secured a means of transporting their child to this school. However, parents of children who attend District schools may not have the means to find alternate transportation and need to rely on children walking to their school. With the aforementioned reduction of several school bus routes and potential further elimination of transportation funding, many forcibly displaced children will be forced to walk long, unsafe distances or take unsafe public transit routes.

51. Displacing children attending Trinity Street Elementary or Other Considered Sites for the purpose of making a single-site offer to Charter School would have additional instructional and social ramifications. California has an accountability system reported through the California School Dashboard. The state's accountability system includes a three-level identification and support system for local educational agencies, and categorizes district performance levels using a system of five status levels (ranging from Very High, High, Medium, Low and Very Low). The 2022 Dashboard showed the District was assigned a Medium Status level for two of the six state indicators based on the performance of all student groups: English Learner Progress and Graduate Rate indicators. A Low status level was assigned to English Language Arts ("ELA") and Mathematics, and a Very Low status level for Suspension Rate. The District received one Very High-status level for Chronic Absenteeism. Of the thirteen student groups reported, four were in

the Very Low status level, five in Low, three in High, and one in Very High. For the 2023 Dashboard, District performance levels were categorized using a system of five colors, stated in order from lowest to highest performing (Red, Orange, Yellow, Green, and Blue), except in the College/Career Indicator. The 2023 Dashboard results indicate that the District received an Orange performance level for English Learner Progress, Graduation Rate, and English Language Arts (Academic Indicator). The District also received a Yellow performance level for Chronic Absenteeism and Mathematics (Academic Indicator). Though the District received a Yellow indicator for Chronic Absenteeism, it is important to note that the District decreased its chronic absenteeism by 8.8-percentage points to 31% from 39.8% in 2022. In addition, the District received a Blue performance level for its Suspension Rate, and a Medium status level for the College/Career Indicator. In examining the performance of the thirteen student groups, the Dashboard indicates that no student received a Red performance level for Chronic Absenteeism. Among the other indicators, only three of thirteen student groups received at least one Red performance Level. In contrast, twelve student groups received at least one Blue performance level.

52. The District is continuing its efforts to improve performance in all state indicators. Displacing District children attending their District school at Trinity Street Elementary or Other Considered Sites would thwart these efforts, and have instructional and social ramifications. Studies have empirically established that disrupting a child's trajectory to his or her district high school effectively increases drop-out rates. A review of 25 years of research conducted by the California Dropout Research Project identified strong predictors of dropping out of high school. The compilation study identified non-promotional school changes (student mobility) during middle school and high school as a key predictor of a child dropping out of school. (Rumberger & Lim, *Why Students Drop Out: A Review of 25 Years of Research*, California Dropout Research Project (October 2008).)

53. In 1998, a seminal study on the educational consequences of student mobility found a high causal connection between student mobility and an increased risk of high school drop-out. The staggering results of this study indicate that controlling for other predictors, students who made even one non-promotional school change between the eighth and twelfth grades were *twice* as likely to not complete high school as students who did not change schools. (Rumberger & Larson, *Student Mobility and the Increased Risk of High School Dropout*, American Journal of Education 107 (November 1998).)

54. The safety and welfare of all students is the District's paramount concern and principal charge. The data is indisputable that children who drop out of school are at far greater risk of a vast array of physical, social, and economic harm than those who stay in school and complete their secondary education. This paramount concern of the District remains a material consideration when weighing whether to forcibly displace children from their existing school (such as Trinity Street Elementary or Other Considered Sites) in order to make way for students who would attend school at that site (such as Charter School) from distant neighborhoods, especially when other solutions for sharing space fairly are feasible.

55. An additional impact of such displacement would be the difficulty of sustaining the same level of parental involvement in the absorbing schools. California State Board of Education Policy #89-01 acknowledges that a critical dimension of effective schooling is parental involvement. This policy initiative states that research studies demonstrate parental involvement at school propels a child's educational career. Forcibly displacing students attending Trinity Street Elementary or Other Considered Sites would make it more challenging for those children to reap the benefits of parental involvement in their new schools.

56. An alternative to displacing students attending Trinity Street Elementary or Other Considered Sites would be to overcrowd the site by adding more of Charter School's students. However, this would cause severe safety and operational ramifications due to the design capacity of the Trinity Street Elementary site or Other Considered Sites, making this course of action

infeasible. Adding Charter School's students to the Trinity Street Elementary site, Other Considered Sites, or any other District campus with insufficient space to feasibly accommodate Charter School's total in-district classroom ADA would raise both schools' classroom loading ratios, thereby disadvantaging both of these schools' children. Likewise, having children over a school site's capacity sharing space would pose a great risk to student safety and well-being.

57. In making decisions regarding allocations of space, District staff placed the safety of students attending Charter School, Trinity Street Elementary, Other Considered Sites, and other charter and District schools at the forefront of the decision-making process. District staff made substantial efforts to locate charter schools, including Charter School, at or near their desired geographic location and further made material efforts to minimize the number of sites on which each charter school was located. As Charter School's parents/guardians have made a decision to place their child in a school outside of their District school, they have had the opportunity to weigh the safety implications of this decision for their child. On the contrary, the families of forcibly displaced students would have no place in such a decision-making process. Thus, forcibly displacing children from Trinity Street Elementary, Other Considered Sites, and/or other impacted District schools would not afford their parents/guardians the same opportunity. In addition, the decision to forcibly displace students to make way for Charter School students necessarily will have safety impacts upon the displaced children, whereas, given the fact that many Charter School students already voluntarily travel to attend Charter School, these children may not face any increased safety risk by being required to, for example, travel five miles east instead of five miles south.

58. Based on the foregoing, the District determined that it was simply not feasible to provide Charter School with a single-site offer at Trinity Street Elementary or Other Considered Sites for the Next Fiscal Year.

59. While it is always the District's goal to accommodate a charter school's entire program on a single District school site, sometimes charter schools must be offered space on more

than one site, particularly if, as in the case of Charter School, the charter school has a large projected in-district classroom ADA. Because only a total of 14 spaces (11 teaching stations, 2 special education spaces, and one administrative office space) could be provided to Charter School at Trinity Street Elementary, a portion of Charter School's in-district classroom ADA would need to be accommodated at one or more additional site(s). Therefore, in order to ensure a sufficient allocation of special education and administrative office spaces are provided to Charter School at each District school site, the District has identified 13 classrooms (10 instructional spaces, 2 special education spaces, and one administrative office space) at one or more additional District school site(s).

60. Although it would be preferable to accommodate Charter School's entire program at the Trinity Street Elementary site or Other Considered Sites for the Next Fiscal Year, for the reasons set forth herein it is not possible to provide Charter School with 24 classrooms at the Trinity Street Elementary site or Other Considered Sites without presenting significant, safety, educational, scheduling, facilities, and operational challenges. The West Vernon Avenue Elementary site is within Region East and Board District 5, and is located 0.9 miles from the Trinity Street Elementary site according to Google Maps. Additionally, Charter School is currently occupying space at both Trinity Street Elementary and West Vernon Avenue Elementary, and expressly requested to remain at both of these sites if it could not be accommodated entirely on a single site at or within a 1.25-mile radius of Trinity Elementary School. Considering that the District spans over 710 square miles and serves over 27 cities, and based on the plain language of California Code of Regulations, title 5, section 11969.2, subdivision (d), the West Vernon Avenue Elementary site is "contiguous" with the Trinity Street Elementary site.

61. Based on all of the foregoing considerations, District staff recommends providing Charter School with a multi-site offer of contiguous facilities at the Recommended Co-Locations.

ATTACHMENT 6(b): GABRIELLA CHARTER SCHOOL 2**Board of Education Finding that Gabriella Charter School 2 Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))**

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, The Board hereby incorporates by reference the entire Staff Report on the Deliberative Process for Determining Why Charter School Cannot be Accommodated at a Single Site for the Next Fiscal Year;

Whereas, District staff engaged in an effort to create a single-site offer to accommodate Charter School’s total in-district classroom ADA;

Whereas, The District cannot accommodate Charter School’s request for a single site at any of the District school site(s) and/or in the geographic area in which Charter School wishes to locate;

Whereas, 9 different charter schools (including Charter School) requested space in Region East for the Next Fiscal Year;

Whereas, District staff determined that Trinity Street Elementary (the District school site or general geographic area in which Charter School wishes to be located) will not have sufficient classroom space to accommodate Charter School’s entire projected in-district classroom ADA in the Next Fiscal Year;

Whereas, District staff then expanded its search to additional District schools near to the Trinity Street Elementary site, but determined that it is not possible to accommodate Charter School’s entire student population on a single site in the Next Fiscal Year;

Whereas, The District cannot accommodate Charter School's entire in-district classroom ADA at a single school site;

Whereas, To accommodate Charter School's entire in-district classroom ADA at Trinity Street Elementary or any other single District school site would present substantial, disproportionate safety concerns for both Charter School's students and students attending their District school;

Whereas, To accommodate all of Charter School's students at Trinity Street Elementary would require the displacement of a significant number of children attending Trinity Street Elementary, and potentially additional District schools;

Whereas, Involuntarily displacing children out of their existing District schools has far-reaching safety, instructional, and social implications including: prohibiting children from safely walking to school; subjecting children to possible gang violence; increasing high-school drop-out rates; and impairing parental involvement in their children's schools;

Whereas, Based on these safety and instructional considerations, District staff recommends keeping the student populations of Trinity Street Elementary and other District schools intact;

Whereas, Alternatively, over-crowding a school's campus in order to provide a single-site offer to Charter School would have equally severe safety and operational ramifications, making this course of action infeasible;

Whereas, The District can provide Charter School with a multi-site contiguous offer of reasonably equivalent facilities at the "Recommended Co-Locations";

Whereas, Providing Charter School space at the Recommended Co-Locations minimizes the number of sites assigned to Charter School;

Whereas, Because of the short distance between the Recommended Co-Locations in a school district spanning 710 square miles and serving over 27 cities, the Recommended Co-Locations, they are contiguous facilities;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School's entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

ATTACHMENT 7(a): INGENIUM CHARTER MIDDLE SCHOOL**Staff Report on Deliberative Process for Determining Why Ingenium Charter Middle School
Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, Ingenium Charter Middle School ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 163.76 in grades 6-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 12 different District schools that its charter school students would otherwise attend. Charter School's Facilities Request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at John A. Sutter Middle School. Charter School is currently operating at John A. Sutter Middle School.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 163.76.

3. Education Code section 47614, subdivision (b) requires the District to provide charter schools with facilities sufficient for the charter school to accommodate all of its in-district students in conditions "reasonably equivalent" to those in which the students would be accommodated if they were attending other public schools of the district.

4. To determine whether the conditions of facilities provided to a charter school are "reasonably equivalent" to the school district facilities that charter school students would otherwise attend, the District adheres to the Proposition 39 implementing regulations (California Code of Regulations, title 5, section 11969.1, et seq.) which direct school districts to measure those facilities against the facilities used by district students at a "comparison group" of schools. As the District is divided into high school attendance areas, in selecting comparison group schools, the

District must follow California Code of Regulations, title 5, section 11969.3, subdivision (a)(2), which states, “[t]he comparison group shall be the district-operated schools with similar grade levels that serve students living in the high school attendance area... in which the largest number of students of the charter school reside.” District staff reviewed Charter School’s projected in-district classroom ADA broken down by grade level and its identification of the 12 different District schools its projected charter school students would otherwise attend. Based on the information provided by Charter School, District staff determined that the attendance area where the largest number of Charter School’s projected students reside is the Canoga Park Senior High attendance area. Consequently, based on the grade levels that Charter School projects it will serve, District staff identified the following as the District-operated schools with similar grade levels that serve students within the Canoga Park Senior High attendance area; i.e., Charter School’s comparison group schools: Canoga Park Middle School.

5. The District also follows California Code of Regulations, title 5, section 11969.3, subdivision (b)(1), which requires that the facilities made available by a school district to a charter school shall be provided in the same ratio of teaching stations (classrooms) to ADA as those provided to students in the district attending comparison group schools. To implement a fair sharing of space, the District determines the ratio of ADA-to-classrooms provided for each of the charter school’s comparison group schools and uses an average of those figures to determine the number of classrooms to provide to the charter school. It also results in the District allocating classroom space sufficient to allow a charter school to maintain the same minimum number of seats in a classroom as maintained in the District’s comparison group schools, that is, to maintain conditions reasonably equivalent to the comparison group schools as required by Proposition 39. In other words, it results in accommodating charter school students on District school sites as they would be accommodated if they otherwise attended those District schools. Consequently, this calculation is used to ensure the number of classrooms provided to charter schools is equivalent to the number of classrooms provided at their comparison group schools.

6. Relying upon an in-district classroom ADA projection of 163.76 for the Next Fiscal Year, and an average ADA-to-classrooms provided ratio at the comparison group schools of 20.56, the District determined that Charter School is entitled to 8 teaching stations (classrooms) and one classroom space to be used as its administrative office. The District also determined that Charter School is entitled to 2 special education classroom(s).

7. Charter School's facilities request states: "More than 80% of ICMS families live within a three-mile radius of its current location at Sutter MS, and many of the students walk or take public transportation to school. Thus, it is particularly imperative to the ICMS community to continue to be located on the site of Sutter MS."

8. Based on the foregoing, if the in-district classroom ADA of Charter School cannot be accommodated entirely at John A. Sutter Middle School in the Next Fiscal Year, District staff recommends allocating Charter School facilities at John A. Sutter Middle School and additional school site(s).

9. Education Code section 47614, subdivision (b), provides that facilities provided to a charter school by a school district must be, among other things, "contiguous." The definition of "contiguous" expressed in California Code of Regulations, title 5, section 11969.2, subdivision (d), states that facilities are "contiguous" if they are contained on the school site or immediately adjacent to the school site, and that if the in-district classroom ADA of a charter school cannot be accommodated on any single school district school site, contiguous facilities also includes facilities located at more than one site, provided that the school district shall minimize the number of sites assigned and shall consider student safety. As explained below, pursuant to Proposition 39, District staff first engaged in an effort to create a single-site offer to accommodate Charter School's projected total in-district classroom ADA in the Next Fiscal Year at John A. Sutter Middle School. District staff evaluated space at John A. Sutter Middle School (the District school site at which Charter School wishes to locate) and determined that John A. Sutter Middle School will not have sufficient classroom space to accommodate Charter School's total in-district classroom ADA in

the Next Fiscal Year. Rather than attempt to locate Charter School on a single site different from the requested site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site allocation of contiguous facilities.

10. Therefore, District staff recommends providing space at the following locations to Charter School to accommodate its total in-district classroom ADA for the Next Fiscal Year: John A. Sutter Middle School and Woodland Hills Academy (collectively, the "Recommended Co-Locations"). By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate and to minimize the number of sites assigned to Charter School.

Process District Staff Followed to Locate Space for Charter School Pursuant to Proposition 39

11. The District's Charter Schools Division ("CSD") determined that in the 2023-24 school year, more than 148,194 students enrolled in charter schools authorized by the District. This figure reflects a 1,865 student decrease compared to the number of students enrolled during the previous school year. In the 2023-24 school year, the District had the most charter students attending schools authorized by a District of any school district in the nation. The District ensured that every eligible in-district charter student was offered a seat.

12. For the 2024-25 Proposition 39 cycle, the District is applying a comprehensive process to ensure that every eligible in-district charter school student is offered a seat at a District campus. The District is following a critical schedule of steps, from receiving the initial request for facilities by a charter school to making facilities ready for occupancy, in order to timely meet the Proposition 39 timeline. The general process District staff is following in administering Charter School's Facilities Request is the same that it used to process each of the other facilities requests the District received from charter schools for the Next Fiscal Year. That process is as follows:

13. Beginning in September 2023, School Management Services and Master Planning & Demographics ("SMS-MPD") staff, which includes District personnel in the District's Facilities

Services Division experienced in public school facilities utilization that assess all of the educational space within the District, conducted a comprehensive analysis of the use of District classrooms school facilities, called E-CAR. E-CAR was implemented at the beginning of the Proposition 39 process to assess capacity at school sites throughout the District, and commenced with a preparation period during which SMS-MPD staff examined materials submitted by all District schools in the previous year for accuracy, as well as for consistency with previous assessments' classroom usage and availability determinations. The SMS-MPD staff applied standard formulae for the usage of classrooms in order to generate an objective and uniform assessment of the amount of total classroom space at District school sites. The purpose of this calculus is to assess the number of classrooms required to accommodate instructional program enrollment, based on grade level and specific course subject matters at secondary schools.

14. Next, the E-CAR process involves District school principals at more than 700 District school sites logging into an online application to validate their school's enrollment and to review and confirm details regarding the school site's classrooms and their respective utilization. Specifically, the principals identified and validated classroom space utilized as teaching stations and "set-asides" (classrooms used for purposes other than general education), along with classroom numbers, locations, and sizes. Additionally, the principals identified classrooms occupied by special education programs, charter schools, preschools, alternative education programs, option programs, and other third-party users, as well as swing space needed for construction projects, and classrooms that are out of service or mandated for removal due to legal and/or safety/physical condition requirements. The purpose of E-CAR is to accurately assess the current capacity of each District school site in several respects: the number and size of classrooms, the manner in which those classrooms are currently used, and the school's operating capacity. E-CAR entails a detailed review of the present use of District school sites and an analysis of the projected future uses of those facilities. The analysis includes reporting of data by individual

schools, which is reviewed by SMS-MPD staff to confirm its accuracy and to ensure that space is used efficiently and uniformly throughout the District.

15. To ensure that District school administrators are provided the resources necessary for a complete and accurate assessment of their school's capacity, they were instructed to reference the following resource materials for their school site: A current school map; the school's former or most recent Norm Day classification report (which details the number of students enrolled at that school on September 15, 2023); the Norm Day classification report for any magnet centers and/or dual language programs located on the school site; the Classroom Inventory and Allocation Worksheet pages from the prior school year's Capacity Assessment Review report, which contains information for classroom counts and allocations into precisely-defined categories; and the number of teaching positions in all categories, including general education, special day, magnet, dual-language, physical education, and off-norm-funded positions.

16. Categorizing classrooms in this way is important because a school's capacity involves more than its raw seats and room numbers. The District must determine whether a school site has facilities available to sufficiently serve the particular requirements of a school, such as grade levels, special education programs, magnet centers, Small Learning Communities, Personalized Learning Environments, legal mandates, and other student needs.

17. District staff reviewed the foregoing data regarding specific capacity information at District school sites for the Next Fiscal Year. Utilizing this data, SMS-MPD provided CSD with the number of estimated available classrooms, at each District school site given specific operating capacities per programmatic and mandated qualifiers. When planning for maximal use of available school facilities, and in interpreting data generated during the course of facilities planning, it is absolutely critical to understand the difference between "unallocated classrooms" and "available seats." To illustrate, a hypothetical District school may not have any unallocated classrooms but may have individual available seats in classrooms currently occupied. As a result, the school may be able to absorb 100 students into its existing classrooms by identifying two free seats spread out

among 50 of its classrooms that are used for instruction appropriate to the grade level and subject matter requirements for the students being absorbed. Thus, it is an entirely different proposition to provide and integrate 100 seats across a campus than to provide four or five unallocated classrooms with the same total number of contiguous available seats. In many instances, there may be many available seats in a school, but no unallocated classrooms. This is especially the case for District middle and high schools where the students do not sit in one classroom all day, like an elementary school, but instead attend four or more different classes per day, each in different classrooms and with different teachers and groups of students, in order to receive the mandated curriculum.

18. SMS-MPD generated each instructional program's operating capacity using a complex mathematical formula which took into account all aspects of the schools' operations. The operating capacity also accounted for classrooms designated as "set asides." Public school districts are required to provide special education space, and a parent center at each school which is classified as a set-aside. Also, pre-kindergarten and adult education students are served in classrooms at school sites across the District.

19. District staff analyzed each District school's estimated available seats and classrooms for the Next Fiscal Year based on the data.

20. As a public institution, the District is required to provide an education to every student who chooses to enroll. The District previously planned its programming and staffing based on estimated enrollment projections, but in the event projections were short, the District was still obligated to provide an education to students who were not originally anticipated. As a safeguard against the overcrowding of classrooms in such situations, the District historically prepared to reserve 75 seats at every secondary school and 50 seats at every elementary school for additional unanticipated enrollment. Importantly, however, beginning in 2013 and continuing this year, District staff examined the actual historical enrollment data over the last several years at each school site to determine if a trend could be empirically established demonstrating unanticipated

growth. Based upon this analysis, the District determined that no seats at any District school sites offered to a charter school should be reserved for unanticipated growth.

21. The District uses the definition contained in California Code of Regulations, title 5, section 11969.3, subdivision (a)(2) to determine comparison group schools. No two schools are identical; however, on a grade-alike basis, a significant majority of the District's schools share reasonably equivalent conditions, especially when taking into account age, quality of materials and state of maintenance, school site size, conditions of surfaces as well as mechanical, plumbing, electrical and fire-life systems, including conformity to applicable codes, availability and condition of technology infrastructure, the condition of the facility as a safe learning environment, including, but not limited to, the suitability of lighting, noise mitigation, and size for intended use, the conditions of the facility's furnishings and equipment, and the condition of athletic fields and play area space. As part of this process, District staff determined whether the conditions of school facilities offered to a charter school were reasonably equivalent to those of the comparison group schools.

Matching Guidelines Utilized by the District for Charter School

22. In accordance with applicable law, the District is guided by the following matching guidelines in order to make contiguous offers of space to charter schools in facilities with reasonably equivalent conditions to those which would accommodate the charter students if they otherwise attended District schools:

- Consider student safety and welfare
- Identify reasonably equivalent facilities
- Minimize the number of sites assigned
- Make reasonable efforts to provide facilities near to where the charter school wishes to locate
- Avoid moving a charter school unnecessarily
- Minimize disruption to District and charter programs
- Fairly balance the needs of District and charter programs
- Avoid displacing any District students from their school of attendance
- Maximize use of unallocated classroom space (i.e., those with no designated use and would be vacant/unassigned in a particular fiscal year, as identified in the District's annual comprehensive analysis of space on District school sites. Classrooms used

to provide additional programming or services are not considered unallocated classroom space, and are categorized according to their specific designation).

23. District staff makes every reasonable effort to locate space on a single site, or on multiple sites only if necessary or specifically requested by the charter school, in the charter school applicant's geographic area of interest. Consequently, District staff first attempts to accommodate charter schools at a single school site and looks for available facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA within its desired area of geographic interest. Only when no single school site can be feasibly identified based upon school site design and occupancy limitations, as well as after taking into account the paramount considerations of both District and charter school student safety and welfare, does the District make offers that contemplate the use of multiple school sites.

24. District staff first identifies the classroom inventory by grade level configuration in each geographic region. Grade-alike matches typically provide reasonably equivalent space to charter schools; therefore, wherever possible, District staff allocates space to charter applicants on grade-alike school facilities.

25. District staff next identifies which charter school applicants are currently located in District facilities that they have identified in their geographic area of interest for the following Proposition 39 cycle and, when feasible, matches those charter schools to those school sites. District staff then examines and identifies the geographic areas of interest of other charter school applicants. As described above, multiple charter schools often request space in the exact same location so District staff must assess conflicting geographic as well as particular site interests. In doing so, District staff examines whether the potential match would utilize all available classrooms and whether the match represents a full, single-site offer. Priority is given to those charters where these two goals can be achieved.

26. Based on an examination of these criteria, District staff makes a preliminary match of available classrooms at a particular site to the projected in-district classroom ADA of each charter school. District staff attempts to find the most geographically relevant grade-alike matches.

District staff seeks to minimize disruption to and fairly balance the needs of District and charter programs. For multi-site scenarios, District staff eliminates set-asides whenever reasonably possible to reduce the number of sites assigned to a charter school, which often results in being able to transform multi-site offers to single-site offers. While endeavoring to preserve programmatic spaces essential to enriching instruction and student health and human services, District staff may need to engage in the materially disruptive measure of eliminating or otherwise impacting set-asides used to provide services at District schools in order to share space fairly among charter and non-charter students in the District. Set-asides are divided into two categories: District set-asides and School set-asides.

27. School set-asides allocate space for instructional, safety, and health programs that are specific to a particular school. For example, Title I funding coordinator offices are considered School set-asides. Title I funding provides financial assistance to schools with high numbers or high percentages of low-income children to help ensure that all children meet challenging state academic standards. The District uses Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet state standards in core academic subjects. Such funds support extra instruction in reading and mathematics, as well as special preschool, after-school, and summer programs to extend and reinforce the regular school curriculum. Additionally, School set-asides are used to allocate space for small learning community (“SLC”) offices. An SLC, also referred to as a School-Within-A-School, is a form of school structure in secondary schools to subdivide large school populations into smaller, autonomous groups of students and teachers. SLCs include structures such as freshman academies, multi-grade academies organized around career interests or other themes, “houses” in which small groups of students remain together throughout high school, and autonomous schools-within-a-school, as well as personalization strategies, such as student advisories, family advocate systems, and mentoring programs. Research continues to show that small schools and SLCs have the necessary elements to counteract the inherent negative effects of

poverty and poor academic achievement for low-income students and/or students of color. (Cotton, *New Small Learning Communities: Findings from Recent Literature*, Portland, Ore: Northwest Regional Educational Laboratory (2001); Jimerson, *The Hobbit Effect: Why Small Works in Public Schools*, The Rural School and Community Trust (August 2006).)

28. At the middle school level, School set-asides are used, for example, for Personal Learning Environment (“PLE”) offices, the middle school equivalent to an SLC. Likewise, School set-asides may be used for the District’s Response to Instruction and Intervention (“RTI²”) program. RTI² integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavior problems. With RTI², schools identify students at risk for poor learning outcomes, monitor student progress, provide evidence-based interventions and adjust the intensity and nature of those interventions depending on a student’s responsiveness, and identify students with learning disabilities or other disabilities. In order to provide space to charter schools requesting Proposition 39 facilities, District staff has eliminated or reduced the number of School set-asides on certain campuses. This instructional disruption unfortunately disproportionately affects low-income, low-performing, or disabled District neighborhood children, those who need assistance the most. However, District staff has taken these disruptive measures in order to share facilities fairly with charter schools.

29. District set-asides use school space to implement key District-wide instructional, health, and safety programs. For example, these set-asides include space for District police, regional special educational testing centers, health center clinics, food service, and Beyond the Bell programs, among others. Eliminating these set-asides would deny or interfere with students’ ability to receive the special education and related services to which they are entitled, or force students to travel as much as 50 miles to the next closest center. In the 2023-24 fiscal year, the District’s school-based health clinics are projected to provide approximately 156,000 visits to children who would otherwise have been challenged to access health care. The demand for health services remains as high as it did in the previous school year, and to eliminate these clinics would

deprive the neediest children of vital services. Additionally, Beyond the Bell programs ensure that all children and youth in the District have access to high-quality, safe, and supervised academic, enrichment, and recreation programs that inspire learning and achievement beyond the regular school day (before and after school and Saturdays). The three components of Beyond the Bell include academic tutorial, recreational, and enrichment programs vital to the safety and wellbeing of school children. Improved school attendance and test scores have been attributed to student participation in Beyond the Bell's after-school programs. By providing supervision and engagement during after school hours when many parents may be working outside the home, Beyond the Bell's programs help reduce the risk that children might engage in drug or alcohol use, sexual activity, and/or crime. To eliminate Beyond the Bell programs would expose the thousands of children who utilize these programs on a daily basis to danger, harming their academic performance and their overall wellbeing.

30. Although District and School set-asides provide space for programs that are vital to the curriculum of a particular school or to District-wide goals, in order to share space fairly, District staff has cut into these set-asides where doing so would minimize the number of sites offered to a charter school in order to make a complete offer of space.

31. For the Next Fiscal Year, District staff had to grapple with the conflicting needs of 46 different charter school applicants and cycled through its comprehensive space matching process as conscientiously as possible, shifting space and potential matches to fulfill the District's obligation to share space fairly among all students – charter school students and those students attending District schools alike. In doing so, District staff kept in the forefront considerations of student safety and welfare.

32. Often, many charter schools request to be located at the same school site, requiring District staff to assess conflicting geographic as well as particular site interests. In fact, 13 different charter schools (including Charter School) requested space in Region North for the Next Fiscal Year. District staff had to contend with the conflicting needs of these 13 charter schools, as well

as all 46 eligible charter school applicants, shifting space and potential matches to fulfill the District's obligation to share space fairly among all in-district students. The process is extraordinarily dynamic with a complex set of ever-changing pieces, decisions regarding any one of which can result in very real ripple effects for students and programs across multiple school sites.

33. The District's space matching guidelines are just that – guidelines. They cannot be applied in a vacuum and without rationale. In allocating space to charter schools, the District must consider the impact on other public school students, both those attending District schools and those attending other charter schools requesting space. District staff applied the District's matching guidelines in conjunction with thoughtful considerations of the real world impacts on all public students in providing co-location offers to charter schools for the Next Fiscal Year.

34. The District began its space analysis for Charter School by examining data from E-CAR for John A. Sutter Middle School related to the 2024-25 school year. As explained above, the E-CAR enrollment for John A. Sutter Middle School is reflected in classroom usage as of September 15, 2023, which is known as "Norm Day." The E-CAR data is a "snapshot in time" that reflects classroom availability and usage at a particular school site at the time it is prepared. It is the baseline for the District's comprehensive space analysis of the current and projected utilization and availability of space for a charter school. It does not contemplate any prospective future revisions or factor in projected classroom usage for any subsequent school year, or changes in space utilization needs that occur after the E-CAR data is prepared, such as, for example, increases or decreases in the District school site's enrollment projections for the upcoming school year, planned programmatic expansions, adjustments to ADA-to-classrooms ratios and/or assigned teachers, changes to grade levels served, construction projects, removal of portable classrooms, charter schools' potentially forthcoming Proposition 39 facilities requests, the planned occupancy by other charter schools or District programs, or any other factor that would result in an adjustment of the number of available classrooms for the Next Fiscal Year. E-CAR data indicated 0

unassigned/unallocated standard size classrooms at John A. Sutter Middle School at Norm Day. Charter School occupies 9 classrooms at the school site in the current school year.

35. In the second week of November 2023, Region Offices were provided information regarding charter schools that had requested Proposition 39 space, and potential space availability at District school sites. Region North was advised of the District school site(s) and/or general geographic area in which Charter School wishes to locate, and that it was entitled to exclusively use a total of 11 spaces (8 instructional spaces, 2 special education spaces, and one administrative office space) for the Next Fiscal Year. Region North was also advised that there were 13 charter schools that had requested facilities within that same Region.

36. Meetings were also conducted between CSD, SMS-MPD, and others, so that additional District stakeholders such as Region Office leadership and school-site staff could provide further valuable input regarding important information, such as impacts of a potential co-location at a particular school site or unique site conditions that might make it unsuitable. Various provisional matches within each Region were identified and deliberated, and participants thoughtfully discussed potential recommendations as part of the District's comprehensive compliance effort. Per established protocols, the District also invited labor partners, including United Teachers Los Angeles, to Advisory meetings to offer feedback.

37. During the course of the meetings and numerous additional discussions, CSD, Region North, District administrators, SMS-MPD, and others discussed that John A. Sutter Middle School will not have adequate availability of space in the Next Fiscal Year to accommodate Charter School's entire projected in-district classroom ADA due to the planned programmatic needs as accounted for in the E-CAR. Also evaluated were the needs, as operationally feasible and permitted by law, to support the District's 100 Priority Schools, Black Student Achievement Program (BSAP) schools, and Community Schools, and avoid outcomes that would compromise District schools' capacity to serve neighborhood children and/or result in grade span arrangements that negatively impact student safety and actively deter students from attending District schools.

Due to these circumstances, John A. Sutter Middle School will be unable to accommodate Charter School's entire projected in-district classroom ADA in the Next Fiscal Year.

38. In summary, the District has no realistic ability to allocate 11 exclusive use classroom spaces to Charter School at the John A. Sutter Middle School site for the Next Fiscal Year. Allocating such space to Charter School would present significant safety, educational, scheduling, facilities, and operational challenges, and result in significantly harmful negative impacts, displacements, and disruptions to John A. Sutter Middle School students. Allocating such space to Charter School would result in an unfair sharing of space between Charter School and John A. Sutter Middle School on this school site.

39. If Charter School was provided 11 classroom spaces at John A. Sutter Middle School, it would so severely diminish the John A. Sutter Middle School program's usable instructional space that it could require some of its teachers to hold classes outside of classroom settings. Alternatively, John A. Sutter Middle School could either overcrowd its existing classrooms by reducing its teaching staff and increasing the number of student desks in classrooms or require two teachers to teach class simultaneously in one classroom. Both options would not only overburden the teachers forced to teach those classes, but would also unfairly crowd students and block safe access to doors. None of these possibilities are realistically feasible.

40. District staff has determined that the quality of the education for both John A. Sutter Middle School students and Charter School students would suffer significantly if Charter School were provided 11 classroom spaces at John A. Sutter Middle School. John A. Sutter Middle School's existing space constraints have already substantially impacted John A. Sutter Middle School students, teachers, staff, and administrators. Provision of facilities sufficient to accommodate the entirety of charter school's projected in-district classroom ADA in the Next Fiscal Year would further exacerbate the negative harmful impacts to such a point that it would be impossible for all of the students to share space fairly and receive a proper education. It would also result in increased emotional hardship and further loss of morale in students, teachers, staff,

and administrators alike.

41. To accommodate Charter School's entire in-district classroom ADA at John A. Sutter Middle School would also present substantial safety concerns for both charter and non-charter District students. By way of example, District staff estimated that to accommodate all of Charter School's students at John A. Sutter Middle School would require the forcible displacement of a significant number of students attending John A. Sutter Middle School. Displacing students out of John A. Sutter Middle School would have far-reaching safety, instructional, and social implications.

42. For instance, many John A. Sutter Middle School students walk to and from their school. Recent District budgetary cutbacks and the harsh economic climate have made the ability to walk to school a necessity for many families with in-district children. The District school bus program has realized service cuts and route eliminations which have affected many students. As a result of past budget deficits, transportation funding was reduced as part of stabilization efforts. The latest impact came in July 2012, when the District was forced to implement a change to the eligible busing distance for secondary schools from three miles to five miles. These cuts disproportionately affect poorer students and make the ability to walk to school even more crucial.

43. Not only is the ability to walk to school at John A. Sutter Middle School a necessity for some students, but walking to school also provides key health benefits. According to the California Department of Public Health ("DPH"), close to one-third of California's children are overweight or obese. The DPH's California Active Communities ("CAC"), in collaboration with CA4Health (a project of the Public Health Institute, with funding from the Centers for Disease Control and Prevention) has determined that a child's overall health is affected by levels of physical inactivity which can be directly linked to time spent in automobiles versus in active transportation such as walking. Walking or biking to school provides an opportunity for purposeful physical activity toward the accumulation of the recommended 60 minutes or more of daily physical activity for children and youth. (Martin, Moeti and Pullen-Seufert, *Implementing*

Safe Routes to School: Application for the Socioecological Model and Issues to Consider (2008).) Active transportation – such as walking and biking – to school can help increase physical activity levels of students and their families. (ChangeLabSolutions, *Incorporating Safe Routes to School into Local School Wellness Policies* (July 2015).) Physical activity reduces the risk of obesity and related chronic diseases, and improves mental health, attendance, and academic performance. (*Ibid.*) Active transportation can also have broad community benefits, including reducing traffic congestion and air pollution, creating safer streets, encouraging cost savings, and building a stronger sense of community. (*Ibid.*) Increasing physical activity through walking and biking to school can help address high obesity rates. (*Ibid.*)

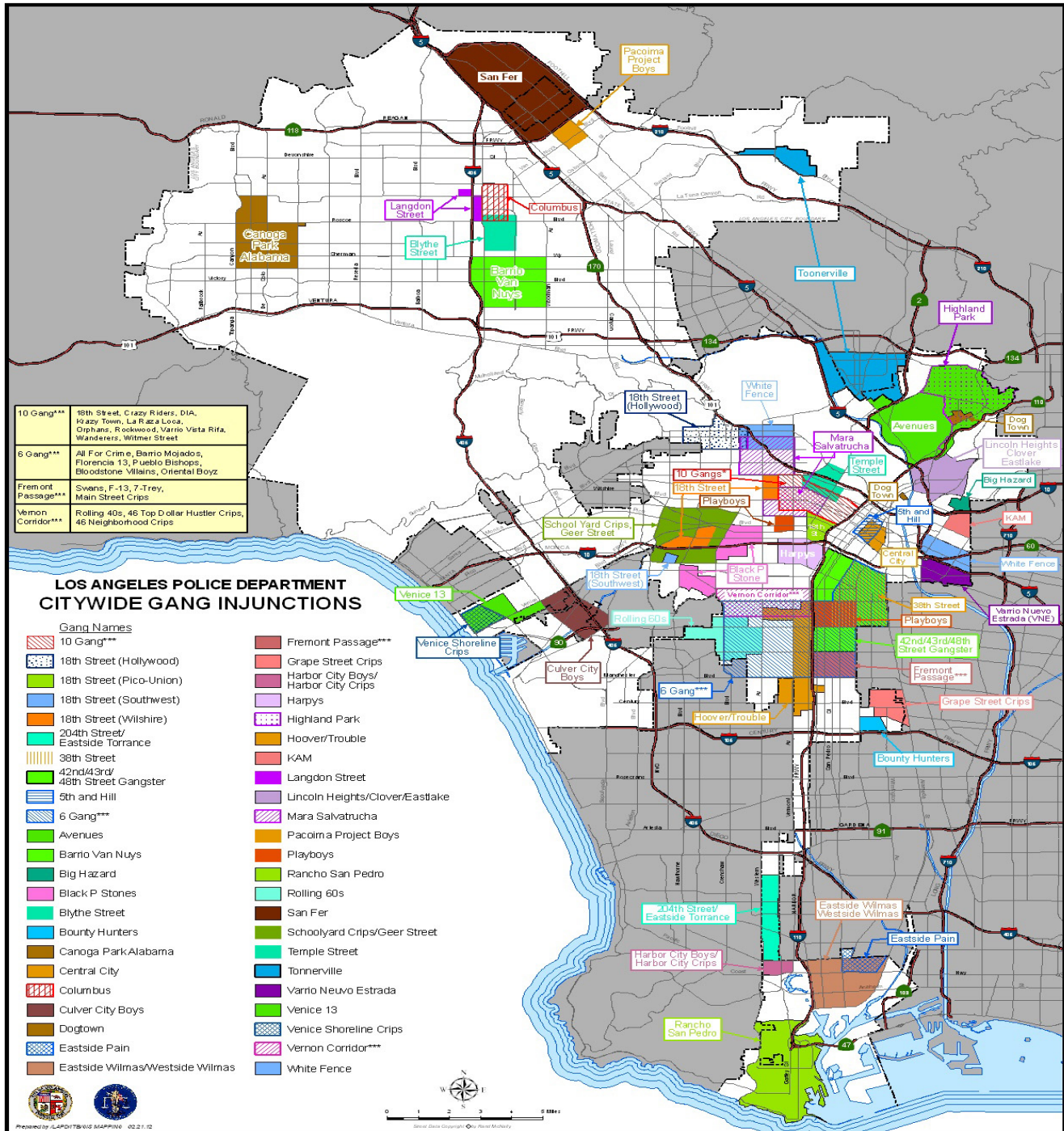
44. Empirical studies have determined that distance is a key impediment to children walking to school safely. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) A study published in the *Journal of Public Health Policy* examines the multi-level correlates of walking to and from school. Of the physical environmental factors examined, the strongest negative correlates to walking to school were distance and safety concerns. (Zhu & Lee, *Correlates of Walking to School and Implications for Public Policies*, *Journal of Public Health Policy* (2009).) Recognizing distance as a barrier to the ability for a child to walk to school, CA4Health, the CAC, and the DPH support school siting as well as joint use policies and practices that encourage kids to walk or bike to school.

45. Displacing a significant number of students from John A. Sutter Middle School to make additional room for Charter School would prevent a significant number of John A. Sutter Middle School children who currently have the ability to safely walk to school from being able to do so. Conversely, Charter School draws its attendance from 12 different District schools. Therefore, providing a single-site offer at John A. Sutter Middle School to Charter School would endanger a significant number of children currently attending their nearby school. Moreover, the forcible displacements would not just be limited to the children attending John A. Sutter Middle

School. Instead, those students would need to be absorbed into other District schools which may have insufficient space, programs and/or resources to house the influx of students, and would thereby cause the additional forcible displacement of children from these absorbing schools. This would create a ripple effect of forcible displacements necessitating hundreds of children to relocate for the benefit of a far lesser number of Charter School's children. Such a decision would pose disproportionate harm to a significant number of John A. Sutter Middle School students and to those District students displaced by the influx of these students, and thus produce inequity in the sharing of facilities.

46. Not only does distance play a factor in children safely walking to school due to traffic dangers, but several Los Angeles neighborhoods are plagued by gang violence. In order to create safe passages to and from school in neighborhoods suffering from gang-related violence, meaningful programs and efforts to mitigate these risks have been launched, such as Kid Watch LA which instituted the Walking School Bus for District students. The Walking School Bus enlists parent and community volunteers to accompany groups of small children as they walk to and from their school.

47. According to the Los Angeles Police Department, the District is located within the territory known as the "gang capital" of the nation, with more than 450 competing gangs. Gang violence is unfortunately prevalent on some campuses and within the neighborhoods of several District schools. As shown by the map depicting former gang injunctions in Los Angeles below, Los Angeles gangs claim particular territories:



48. On March 15, 2018, the City of Los Angeles was enjoined from enforcing these gang injunctions. (See, *Youth Justice Coalition, et al., v. City of Los Angeles, et al.*, CV 16-07932 VAP.) The inability to enforce these injunctions may result in an increase in gang-related activity and crime.

49. Involuntarily displacing students who themselves or whose parents are tied to a particular gang and placing them in a different school located in the territory of another gang would potentially breed gang warfare and violence affecting all children, teachers, staff, and parents at a particular school.

50. Pulling children out of their District schools and placing charter students at those school sites prevents the displaced children from taking advantage of safety measures such as the Walking School Bus and other relevant considerations their families have made, and therefore unfairly endangers the safety of those displaced children. These harms disproportionately affect students attending District schools. As parents of charter school students have elected to send their child to a school outside of his or her local attendance area, the parents have secured a means of transporting their child to this school. However, parents of children who attend District schools may not have the means to find alternate transportation and need to rely on children walking to their school. With the aforementioned reduction of several school bus routes and potential further elimination of transportation funding, many forcibly displaced children will be forced to walk long, unsafe distances or take unsafe public transit routes.

51. Displacing children attending John A. Sutter Middle School for the purpose of making a single-site offer to Charter School would have additional instructional and social ramifications. California has an accountability system reported through the California School Dashboard. The state's accountability system includes a three-level identification and support system for local educational agencies, and categorizes district performance levels using a system of five status levels (ranging from Very High, High, Medium, Low and Very Low). The 2022 Dashboard showed the District was assigned a Medium Status level for two of the six state indicators based on the performance of all student groups: English Learner Progress and Graduate Rate indicators. A Low status level was assigned to English Language Arts ("ELA") and Mathematics, and a Very Low status level for Suspension Rate. The District received one Very High-status level for Chronic Absenteeism. Of the thirteen student groups reported, four were in

the Very Low status level, five in Low, three in High, and one in Very High. For the 2023 Dashboard, District performance levels were categorized using a system of five colors, stated in order from lowest to highest performing (Red, Orange, Yellow, Green, and Blue), except in the College/Career Indicator. The 2023 Dashboard results indicate that the District received an Orange performance level for English Learner Progress, Graduation Rate, and English Language Arts (Academic Indicator). The District also received a Yellow performance level for Chronic Absenteeism and Mathematics (Academic Indicator). Though the District received a Yellow indicator for Chronic Absenteeism, it is important to note that the District decreased its chronic absenteeism by 8.8-percentage points to 31% from 39.8% in 2022. In addition, the District received a Blue performance level for its Suspension Rate, and a Medium status level for the College/Career Indicator. In examining the performance of the thirteen student groups, the Dashboard indicates that no student received a Red performance level for Chronic Absenteeism. Among the other indicators, only three of thirteen student groups received at least one Red performance Level. In contrast, twelve student groups received at least one Blue performance level.

52. The District is continuing its efforts to improve performance in all state indicators. Displacing District children attending their District school at John A. Sutter Middle School would thwart these efforts, and have instructional and social ramifications. Studies have empirically established that disrupting a child's trajectory to his or her district high school effectively increases drop-out rates. A review of 25 years of research conducted by the California Dropout Research Project identified strong predictors of dropping out of high school. The compilation study identified non-promotional school changes (student mobility) during middle school and high school as a key predictor of a child dropping out of school. (Rumberger & Lim, *Why Students Drop Out: A Review of 25 Years of Research*, California Dropout Research Project (October 2008).)

53. In 1998, a seminal study on the educational consequences of student mobility found a high causal connection between student mobility and an increased risk of high school drop-out. The staggering results of this study indicate that controlling for other predictors, students who made even one non-promotional school change between the eighth and twelfth grades were *twice* as likely to not complete high school as students who did not change schools. (Rumberger & Larson, *Student Mobility and the Increased Risk of High School Dropout*, American Journal of Education 107 (November 1998).)

54. The safety and welfare of all students is the District's paramount concern and principal charge. The data is indisputable that children who drop out of school are at far greater risk of a vast array of physical, social, and economic harm than those who stay in school and complete their secondary education. This paramount concern of the District remains a material consideration when weighing whether to forcibly displace children from their existing school (such as John A. Sutter Middle School) in order to make way for students who would attend school at that site (such as Charter School) from distant neighborhoods, especially when other solutions for sharing space fairly are feasible.

55. An additional impact of such displacement would be the difficulty of sustaining the same level of parental involvement in the absorbing schools. California State Board of Education Policy #89-01 acknowledges that a critical dimension of effective schooling is parental involvement. This policy initiative states that research studies demonstrate parental involvement at school propels a child's educational career. Forcibly displacing students attending John A. Sutter Middle School would make it more challenging for those children to reap the benefits of parental involvement in their new schools.

56. An alternative to displacing students attending John A. Sutter Middle School would be to overcrowd the site by adding more of Charter School's students. However, this would cause severe safety and operational ramifications due to the design capacity of the John A. Sutter Middle School site, making this course of action infeasible. Adding Charter School's students to the John

A. Sutter Middle School site or any other District campus with insufficient space to feasibly accommodate Charter School's total in-district classroom ADA would raise both schools' classroom loading ratios, thereby disadvantaging both of these schools' children. Likewise, having children over a school site's capacity sharing space would pose a great risk to student safety and well-being.

57. In making decisions regarding allocations of space, District staff placed the safety of students attending Charter School, John A. Sutter Middle School, and other charter and District schools at the forefront of the decision-making process. District staff made substantial efforts to locate charter schools, including Charter School, at or near their desired geographic location and further made material efforts to minimize the number of sites on which each charter school was located. As Charter School's parents/guardians have made a decision to place their child in a school outside of their District school, they have had the opportunity to weigh the safety implications of this decision for their child. On the contrary, the families of forcibly displaced students would have no place in such a decision-making process. Thus, forcibly displacing children from John A. Sutter Middle School and/or other impacted District schools would not afford their parents/guardians the same opportunity. In addition, the decision to forcibly displace students to make way for Charter School students necessarily will have safety impacts upon the displaced children, whereas, given the fact that many Charter School students already voluntarily travel to attend Charter School, these children may not face any increased safety risk by being required to, for example, travel five miles east instead of five miles south.

58. Based on the foregoing, the District determined that it was simply not feasible to provide Charter School with a single-site offer at John A. Sutter Middle School, and because only a total of 9 spaces (6 teaching stations, 2 special education spaces, and one administrative office space) could be provided to Charter School at John A. Sutter Middle School for the Next Fiscal Year, a portion of Charter School's in-district classroom ADA would need to be accommodated at one or more additional site(s). Therefore, in order to ensure a sufficient allocation of special

education and administrative office spaces are provided to Charter School at each District school site, the District has identified 5 classrooms (2 instructional spaces, 2 special education spaces, and one administrative office space) at one or more additional District school site(s). While it is always the District's goal to accommodate a charter school's entire program on a single District school site, sometimes charter schools must be offered space on more than one site, particularly if, as in the case of Charter School, the charter school has a large projected in-district classroom ADA and has indicated in its facilities request a preference not to be moved from its current site.

59. Based on the geographic area of interest identified in Charter School's Facilities Request, the District reviewed and considered the space availability at various alternative nearby District sites with reasonably equivalent facilities in order to accommodate the remainder of Charter School's ADA that could not be accommodated at John A. Sutter Middle School.

60. Although it would be preferable to accommodate Charter School's entire program at the John A. Sutter Middle School site for the Next Fiscal Year, for the reasons set forth herein it is not possible to provide Charter School with 11 classrooms at the John A. Sutter Middle School site without presenting significant, safety, educational, scheduling, facilities, and operational challenges. The Woodland Hills Academy site, which is within Region North and Board District 4, and is located 3.0 miles from the John A. Sutter Middle School site according to Google Maps, is the closest reasonably equivalent school site that could also accommodate Charter School. Considering that the District spans over 710 square miles and serves over 27 cities, and based on the plain language of California Code of Regulations, title 5, section 11969.2, subdivision (d), the Woodland Hills Academy site is "contiguous" with the John A. Sutter Middle School site.

61. Based on all of the foregoing considerations, District staff recommends providing Charter School with a multi-site offer of contiguous facilities at the Recommended Co-Locations.

ATTACHMENT 7(b): INGENIUM CHARTER MIDDLE SCHOOL**Board of Education Finding that Ingenium Charter Middle School Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding
(Cal. Code Regs., tit. 5, § 11969.2, subd. (d))**

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, The Board hereby incorporates by reference the entire Staff Report on the Deliberative Process for Determining Why Charter School Cannot be Accommodated at a Single Site for the Next Fiscal Year;

Whereas, District staff engaged in an effort to create a single-site offer to accommodate Charter School’s total in-district classroom ADA;

Whereas, The District cannot accommodate Charter School’s request for a single site at John A. Sutter Middle School;

Whereas, 13 different charter schools (including Charter School) requested space in Region North for the Next Fiscal Year;

Whereas, District staff determined that John A. Sutter Middle School (the only District school site or general geographic area in which Charter School wishes to be located) will not have sufficient classroom space to accommodate Charter School’s entire projected in-district classroom ADA in the Next Fiscal Year;

Whereas, The District cannot accommodate Charter School’s entire in-district classroom ADA at John A. Sutter Middle School;

Whereas, To accommodate Charter School's entire in-district classroom ADA at John A. Sutter Middle School would present substantial, disproportionate safety concerns for both Charter School's students and students attending their District school;

Whereas, To accommodate all of Charter School's students at John A. Sutter Middle School would require the displacement of a significant number of children attending John A. Sutter Middle School, and potentially additional District schools;

Whereas, Involuntarily displacing children out of their existing District schools has far-reaching safety, instructional, and social implications including: prohibiting children from safely walking to school; subjecting children to possible gang violence; increasing high-school drop-out rates; and impairing parental involvement in their children's schools;

Whereas, Based on these safety and instructional considerations, District staff recommends keeping the student populations of John A. Sutter Middle School and other District schools intact;

Whereas, Alternatively, over-crowding a school's campus in order to provide a single-site offer to Charter School would have equally severe safety and operational ramifications, making this course of action infeasible;

Whereas, The District can provide Charter School with a multi-site contiguous offer of reasonably equivalent facilities at the "Recommended Co-Locations";

Whereas, Providing Charter School space at the Recommended Co-Locations minimizes the number of sites assigned to Charter School;

Whereas, Because of the short distance between the Recommended Co-Locations in a school district spanning 710 square miles and serving over 27 cities, the Recommended Co-Locations are contiguous facilities;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School's entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District

authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

ATTACHMENT 8(a): ISANA OCTAVIA ACADEMY**Staff Report on Deliberative Process for Determining Why ISANA Octavia Academy Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, ISANA Octavia Academy ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 322.05 in grades TK-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 46 different District schools that its charter school students would otherwise attend. Charter School's facilities request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Fletcher Dr. EL and Irving MS ("Requested Sites"). Charter School is currently operating at Fletcher Dr. EL and Irving MS.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 322.05.

3. Charter School's facilities request states: "ISANA Octavia Academy requests to maintain its colocations at Fletcher Dr ES and Irving MS...."

4. If Charter School's request can be satisfied, further analysis is unnecessary. Therefore, rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site co-location at the Requested Sites.

5. Charter School requested to locate on two campuses. The District has the ability to locate Charter School at the two facilities where it wishes to locate. Consequently, District staff concluded it could not accommodate Charter School on a single site and comply with Education Code section 47614.

6. Therefore, District staff recommends making this complete offer of contiguous space to Charter School at Requested Sites (“Recommended Co-Locations”).

ATTACHMENT 8(b): ISANA OCTAVIA ACADEMY

Board of Education Finding that ISANA Octavia Academy Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, Charter School’s facilities request states that it wishes to remain at its current two campuses;

Whereas, Rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School’s request and provide a multi-site co-location at Requested Sites;

Whereas, The District has the ability to co-locate Charter School where it wishes;

Whereas, The District cannot accommodate Charter School on a single site and comply with Education Code section 47614;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School’s entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board

of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

ATTACHMENT 9(a): ISANA PALMATI ACADEMY**Staff Report on Deliberative Process for Determining Why ISANA Palmati Academy Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, ISANA Palmati Academy ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 348.65 in grades TK-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 66 different District schools that its charter school students would otherwise attend. Charter School's facilities request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Glenwood EL and Romer MS ("Requested Sites"). Charter School is currently operating at Glenwood EL and Romer MS.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 348.65.

3. Charter School's facilities request states: "ISANA Palmati Academy requests that the District allocates space at Roy Romer MS and Glenwood ES to maintain the continuity of its current instructional program."

4. If Charter School's request can be satisfied, further analysis is unnecessary. Therefore, rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site co-location at the Requested Sites.

5. Charter School requested to locate on two campuses. The District has the ability to locate Charter School at the two facilities where it wishes to locate. Consequently, District staff

concluded it could not accommodate Charter School on a single site and comply with Education Code section 47614.

6. Therefore, District staff recommends making this complete offer of contiguous space to Charter School at Requested Sites (“Recommended Co-Locations”).

ATTACHMENT 9(b): ISANA PALMATI ACADEMY

Board of Education Finding that ISANA Palmati Academy Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, Charter School’s facilities request states that it wishes to remain at its current two campuses;

Whereas, Rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School’s request and provide a multi-site co-location at Requested Sites;

Whereas, The District has the ability to co-locate Charter School where it wishes;

Whereas, The District cannot accommodate Charter School on a single site and comply with Education Code section 47614;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School’s entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board

of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

ATTACHMENT 10(a): LASHON ACADEMY**Staff Report on Deliberative Process for Determining Why Lashon Academy Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, Lashon Academy ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 615.95 in grades TK-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 111 different District schools that its charter school students would otherwise attend. Charter School's facilities request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Fulton College Preparatory School and Valerio EL ("Requested Sites"). Charter School is currently operating at Fulton College Preparatory School and Valerio EL.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 604.31.

3. Charter School's facilities request states: "Lashon Academy's educational program requires the same setup on which to operate. Lashon Academy would like to stay at Fulton College Prep and Valerio as it is centrally located in the geographic middle of where our student population resides. It will thus serve our students' needs."

4. If Charter School's request can be satisfied, further analysis is unnecessary. Therefore, rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site co-location at the Requested Sites.

5. Charter School requested to locate on two campuses. The District has the ability to locate Charter School at the two facilities where it wishes to locate. Consequently, District staff

concluded it could not accommodate Charter School on a single site and comply with Education Code section 47614.

6. Therefore, District staff recommends making this complete offer of contiguous space to Charter School at Requested Sites (“Recommended Co-Locations”).

ATTACHMENT 10(b): LASHON ACADEMY

Board of Education Finding that Lashon Academy Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, Charter School’s facilities request states that it wishes to remain at its current two campuses;

Whereas, Rather than attempt to locate Charter School on a single site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School’s request and provide a multi-site co-location at Requested Sites;

Whereas, The District has the ability to co-locate Charter School where it wishes;

Whereas, The District cannot accommodate Charter School on a single site and comply with Education Code section 47614;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School’s entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board

of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

ATTACHMENT 11(a): MAGNOLIA SCIENCE ACADEMY 7**Staff Report on Deliberative Process for Determining Why Magnolia Science Academy 7 Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, Magnolia Science Academy 7 ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 261.90 in grades TK-5 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 50 different District schools that its charter school students would otherwise attend. Charter School's Facilities Request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Lorne Street Elementary, Shirley Avenue Elementary, or Sunny Brae Avenue Elementary ("Requested Sites"). Charter School is currently operating on a private site.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 261.90.

3. Education Code section 47614, subdivision (b) requires the District to provide charter schools with facilities sufficient for the charter school to accommodate all of its in-district students in conditions "reasonably equivalent" to those in which the students would be accommodated if they were attending other public schools of the district.

4. To determine whether the conditions of facilities provided to a charter school are "reasonably equivalent" to the school district facilities that charter school students would otherwise attend, the District adheres to the Proposition 39 implementing regulations (California Code of Regulations, title 5, section 11969.1, et seq.) which direct school districts to measure those facilities against the facilities used by district students at a "comparison group" of schools. As the District is

divided into high school attendance areas, in selecting comparison group schools, the District must follow California Code of Regulations, title 5, section 11969.3, subdivision (a)(2), which states, “[t]he comparison group shall be the district-operated schools with similar grade levels that serve students living in the high school attendance area... in which the largest number of students of the charter school reside.” District staff reviewed Charter School’s projected in-district classroom ADA broken down by grade level and its identification of the 50 different District schools its projected charter school students would otherwise attend. Based on the information provided by Charter School, District staff determined that the attendance area where the largest number of Charter School’s projected students reside is the Cleveland Senior High attendance area. Consequently, based on the grade levels that Charter School projects it will serve, District staff identified the following as the District-operated schools with similar grade levels that serve students within the Cleveland Senior High attendance area; i.e., Charter School’s comparison group schools: Blythe Street Elementary, Calahan Street Elementary, Cantara Street Elementary, Lorne Street Elementary, Melvin Avenue Elementary, Stanley Mosk Elementary, Napa Street Elementary, and Winnetka Avenue Elementary.

5. The District also follows California Code of Regulations, title 5, section 11969.3, subdivision (b)(1), which requires that the facilities made available by a school district to a charter school shall be provided in the same ratio of teaching stations (classrooms) to ADA as those provided to students in the district attending comparison group schools. To implement a fair sharing of space, the District determines the ratio of ADA-to-classrooms provided for each of the charter school’s comparison group schools and uses an average of those figures to determine the number of classrooms to provide to the charter school. It also results in the District allocating classroom space sufficient to allow a charter school to maintain the same minimum number of seats in a classroom as maintained in the District’s comparison group schools, that is, to maintain conditions reasonably equivalent to the comparison group schools as required by Proposition 39. In other words, it results in accommodating charter school students on District school sites as they would be accommodated

if they otherwise attended those District schools. Consequently, this calculation is used to ensure the number of classrooms provided to charter schools is equivalent to the number of classrooms provided at their comparison group schools.

6. Relying upon an in-district classroom ADA projection of 261.90 for the Next Fiscal Year, and an average ADA to classrooms provided ratio at the comparison group schools of 19.40, the District determined that Charter School is entitled to 13 teaching stations (classrooms) and one classroom space to be used as its administrative office. The District also determined that Charter School is entitled to 2 special education classrooms.

7. Based on the foregoing, if the in-district classroom ADA of Charter School cannot be accommodated entirely at any one of the Requested Sites, or another single site, in the Next Fiscal Year, District staff recommends allocating Charter School facilities at Sunny Brae Avenue Elementary, Shirley Avenue Elementary, and Lorne Street Elementary.

8. Education Code section 47614, subdivision (b), provides that facilities provided to a charter school by a school district must be, among other things, “contiguous.” The definition of “contiguous” expressed in California Code of Regulations, title 5, section 11969.2, subdivision (d), states that facilities are “contiguous” if they are contained on the school site or immediately adjacent to the school site, and that if the in-district classroom ADA of a charter school cannot be accommodated on any single school district school site, contiguous facilities also includes facilities located at more than one site, provided that the school district shall minimize the number of sites assigned and shall consider student safety. As explained below, pursuant to Proposition 39, District staff first engaged in an effort to create a single-site offer to accommodate Charter School’s projected total in-district classroom ADA in the Next Fiscal Year at one of the Requested Sites. District staff evaluated space at each of the Requested Sites (the District school sites at which Charter School wishes to locate) and determined that none of the Requested Sites will have sufficient classroom space to accommodate Charter School’s total in-district classroom ADA in the Next Fiscal Year. District staff then expanded its search to other schools near the Requested Sites (“Other Considered

Sites”). The District determined, however, that it is not possible to accommodate Charter School’s entire in-district student population on a single site in the Next Fiscal Year.

9. Therefore, District staff recommends providing space at the following locations to Charter School to accommodate its total in-district classroom ADA for the Next Fiscal Year: Sunny Brae Avenue Elementary, Shirley Avenue Elementary, and Lorne Street Elementary (collectively, the “Recommended Co-Locations”). By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate and to minimize the number of sites assigned to Charter School.

**Process District Staff Followed to Locate Space for Charter School Pursuant to
Proposition 39**

10. The District’s Charter Schools Division (“CSD”) determined that in the 2023-24 school year, more than 148,194 students enrolled in charter schools authorized by the District. This figure reflects a 1,865 student decrease compared to the number of students enrolled during the previous school year. In the 2023-24 school year, the District had the most charter students attending schools authorized by a District of any school district in the nation. The District ensured that every eligible in-district charter student was offered a seat.

11. For the 2024-25 Proposition 39 cycle, the District is applying a comprehensive process to ensure that every eligible in-district charter school student is offered a seat at a District campus. The District is following a critical schedule of steps, from receiving the initial request for facilities by a charter school to making facilities ready for occupancy, in order to timely meet the Proposition 39 timeline. The general process District staff followed in administering Charter School’s Facilities Request is the same that it used to process each of the other facilities requests the District received from charter schools for the Next Fiscal Year. That process is as follows:

12. Beginning in September 2023, School Management Services and Master Planning & Demographics (“SMS-MPD”) staff, which includes District personnel in the District’s Facilities Services Division experienced in public school facilities utilization that assess all of the educational

space within the District, conducted a comprehensive analysis of the use of District classrooms school facilities, called E-CAR. E-CAR was implemented at the beginning of the Proposition 39 process to assess capacity at school sites throughout the District, and commenced with a preparation period during which SMS-MPD staff examined materials submitted by all District schools in the previous year for accuracy, as well as for consistency with previous assessments' classroom usage and availability determinations. The SMS-MPD staff applied standard formulae for the usage of classrooms in order to generate an objective and uniform assessment of the amount of total classroom space at District school sites. The purpose of this calculus is to assess the number of classrooms required to accommodate instructional program enrollment, based on grade level and specific course subject matters at secondary schools.

13. Next, the E-CAR process involves District school principals at more than 700 District school sites logging into an online application to validate their school's enrollment and to review and confirm details regarding the school site's classrooms and their respective utilization. Specifically, the principals identified and validated classroom space utilized as teaching stations and "set-asides" (classrooms used for purposes other than general education), along with classroom numbers, locations, and sizes. Additionally, the principals identified classrooms occupied by special education programs, charter schools, preschools, alternative education programs, option programs, and other third-party users, as well as swing space needed for construction projects, and classrooms that are out of service or mandated for removal due to legal and/or safety/physical condition requirements. The purpose of E-CAR is to accurately assess the current capacity of each District school site in several respects: the number and size of classrooms, the manner in which those classrooms are currently used, and the school's operating capacity. E-CAR entails a detailed review of the present use of District school sites and an analysis of the projected future uses of those facilities. The analysis includes reporting of data by individual schools, which is reviewed by SMS-MPD staff to confirm its accuracy and to ensure that space is used efficiently and uniformly throughout the District.

14. To ensure that District school administrators are provided the resources necessary for a complete and accurate assessment of their school's capacity, they were instructed to reference the

following resource materials for their school site: A current school map; the school's former or most recent Norm Day classification report (which details the number of students enrolled at that school on September 15, 2023); the Norm Day classification report for any magnet centers and/or dual language programs located on the school site; the Classroom Inventory and Allocation Worksheet pages from the prior school year's Capacity Assessment Review report, which contains information for classroom counts and allocations into precisely-defined categories; and the number of teaching positions in all categories, including general education, special day, magnet, dual-language, physical education, and off-norm-funded positions.

15. Categorizing classrooms in this way is important because a school's capacity involves more than its raw seats and room numbers. The District must determine whether a school site has facilities available to sufficiently serve the particular requirements of a school, such as grade levels, special education programs, magnet centers, Small Learning Communities, Personalized Learning Environments, legal mandates, and other student needs.

16. District staff reviewed the foregoing data regarding specific capacity information at District school sites for the Next Fiscal Year. Utilizing this data, SMS-MPD provided CSD with the number of estimated classrooms, at each District school site given specific operating capacities per programmatic and mandated qualifiers. When planning for maximal use of available school facilities, and in interpreting data generated during the course of facilities planning, it is absolutely critical to understand the difference between "unallocated classrooms" and "available seats." To illustrate, a hypothetical District school may not have any unallocated classrooms but may have individual available seats in classrooms currently occupied. As a result, the school may be able to absorb 100 students into its existing classrooms by identifying two free seats spread out among 50 of its classrooms that are used for instruction appropriate to the grade level and subject matter requirements for the students being absorbed. Thus, it is an entirely different proposition to provide and integrate 100 seats across a campus than to provide four or five unallocated classrooms with the same total number of contiguous available seats. In many instances, there may be many available seats in a school, but no unallocated classrooms. This is especially the case for District middle and high schools where the students do not sit in one classroom all day, like an elementary school, but

instead attend four or more different classes per day, each in different classrooms and with different teachers and groups of students, in order to receive the mandated curriculum.

17. SMS-MPD generated each instructional program's operating capacity using a complex mathematical formula which took into account all aspects of the schools' operations. The operating capacity also accounted for classrooms designated as "set asides." Public school districts are required to provide special education space, and a parent center at each school which is classified as a set-aside. Also, pre-kindergarten and adult education students are served in classrooms at school sites across the District.

18. District staff analyzed each District school's estimated available seats and classrooms for the Next Fiscal Year based on the data.

19. As a public institution, the District is required to provide an education to every student who chooses to enroll. The District previously planned its programming and staffing based on estimated enrollment projections, but in the event projections were short, the District was still obligated to provide an education to students who were not originally anticipated. As a safeguard against the overcrowding of classrooms in such situations, the District historically prepared to reserve 75 seats at every secondary school and 50 seats at every elementary school for additional unanticipated enrollment. Importantly, however, beginning in 2013 and continuing this year, District staff examined the actual historical enrollment data over the last several years at each school site to determine if a trend could be empirically established demonstrating unanticipated growth. Based upon this analysis, the District determined that no seats at any District school sites offered to a charter school should be reserved for unanticipated growth.

20. The District uses the definition contained in California Code of Regulations, title 5, section 11969.3, subdivision (a)(2) to determine comparison group schools. No two schools are identical; however, on a grade-alike basis, a significant majority of the District's schools share reasonably equivalent conditions, especially when taking into account age, quality of materials and state of maintenance, school site size, conditions of surfaces as well as mechanical, plumbing, electrical and fire-life systems, including conformity to applicable codes, availability and condition

of technology infrastructure, the condition of the facility as a safe learning environment, including, but not limited to, the suitability of lighting, noise mitigation, and size for intended use, the conditions of the facility's furnishings and equipment, and the condition of athletic fields and play area space. As part of this process, District staff determined whether the conditions of school facilities offered to a charter school were reasonably equivalent to those of the comparison group schools.

Matching Guidelines Utilized by the District for Charter School

21. In accordance with applicable law, the District is guided by the following matching guidelines in order to make contiguous offers of space to charter schools in facilities with reasonably equivalent conditions to those which would accommodate the charter students if they otherwise attended District schools:

- Consider student safety and welfare
- Identify reasonably equivalent facilities
- Minimize the number of sites assigned
- Make reasonable efforts to provide facilities near to where the charter school wishes to locate
- Avoid moving a charter school unnecessarily
- Minimize disruption to District and charter programs
- Fairly balance the needs of District and charter programs
- Avoid displacing any District students from their school of attendance
- Maximize use of unallocated classroom space (i.e., those with no designated use and would be vacant/unassigned in a particular fiscal year, as identified in the District's annual comprehensive analysis of space on District school sites. Classrooms used to provide additional programming or services are not considered unallocated classroom space, and are categorized according to their specific designation).

22. District staff makes every reasonable effort to locate space on a single site, or on multiple sites only if necessary or specifically requested by the charter school, in the charter school applicant's geographic area of interest. Consequently, District staff first attempts to accommodate charter schools at a single school site and looks for available facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA within its desired area of geographic interest. Only when no single school site can be feasibly identified based upon school site design and occupancy limitations, as well as after taking into account the paramount

considerations of both District and charter school student safety and welfare, does the District make offers that contemplate the use of multiple school sites.

23. District staff first identifies the classroom inventory by grade level configuration in each geographic region. Grade-alike matches typically provide reasonably equivalent space to charter schools; therefore, wherever possible, District staff allocates space to charter applicants on grade-alike school facilities.

24. District staff next identifies which charter school applicants are currently located in District facilities that they have identified in their geographic area of interest for the following Proposition 39 cycle and, when feasible, matches those charter schools to those school sites. District staff then examines and identifies the geographic areas of interest of other charter school applicants. As described above, multiple charter schools often request space in the exact same location so District staff must assess conflicting geographic as well as particular site interests. In doing so, District staff examines whether the potential match would utilize all available classrooms and whether the match represents a full, single-site offer. Priority is given to those charters where these two goals can be achieved.

25. Based on an examination of these criteria, District staff makes a preliminary match of available classrooms at a particular site to the projected in-district classroom ADA of each charter school. District staff attempts to find the most geographically relevant grade-alike matches. District staff seeks to minimize disruption to and fairly balance the needs of District and charter programs. For multi-site scenarios, District staff eliminates set-asides whenever reasonably possible to reduce the number of sites assigned to a charter school, which often results in being able to transform multi-site offers to single-site offers. While endeavoring to preserve programmatic spaces essential to enriching instruction and student health and human services, District staff may need to engage in the materially disruptive measure of eliminating or otherwise impacting set-asides used to provide services at District schools in order to share space fairly among charter and non-charter students in the District. Set-asides are divided into two categories: District set-asides and School set-asides.

26. School set-asides allocate space for instructional, safety, and health programs that are specific to a particular school. For example, Title I funding coordinator offices are considered School set-asides. Title I funding provides financial assistance to schools with high numbers or high percentages of low-income children to help ensure that all children meet challenging state academic standards. The District uses Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet state standards in core academic subjects. Such funds support extra instruction in reading and mathematics, as well as special preschool, after-school, and summer programs to extend and reinforce the regular school curriculum. Additionally, School set-asides are used to allocate space for small learning community (“SLC”) offices. An SLC, also referred to as a School-Within-A-School, is a form of school structure in secondary schools to subdivide large school populations into smaller, autonomous groups of students and teachers. SLCs include structures such as freshman academies, multi-grade academies organized around career interests or other themes, “houses” in which small groups of students remain together throughout high school, and autonomous schools-within-a-school, as well as personalization strategies, such as student advisories, family advocate systems, and mentoring programs. Research continues to show that small schools and SLCs have the necessary elements to counteract the inherent negative effects of poverty and poor academic achievement for low-income students and/or students of color. (Cotton, *New Small Learning Communities: Findings from Recent Literature*, Portland, Ore: Northwest Regional Educational Laboratory (2001); Jimerson, *The Hobbit Effect: Why Small Works in Public Schools*, The Rural School and Community Trust (August 2006).)

27. At the middle school level, School set-asides are used, for example, for Personal Learning Environment (“PLE”) offices, the middle school equivalent to an SLC. Likewise, School set-asides may be used for the District’s Response to Instruction and Intervention (“RTI²”) program. RTI² integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavior problems. With RTI², schools identify students at risk for poor learning outcomes, monitor student progress, provide evidence-based interventions and

adjust the intensity and nature of those interventions depending on a student's responsiveness, and identify students with learning disabilities or other disabilities. In order to provide space to charter schools requesting Proposition 39 facilities, District staff has eliminated or reduced the number of School set-asides on certain campuses. This instructional disruption unfortunately disproportionately affects low-income, low-performing, or disabled District neighborhood children, those who need assistance the most. However, District staff has taken these disruptive measures in order to share facilities fairly with charter schools.

28. District set-asides use school space to implement key District-wide instructional, health, and safety programs. For example, these set-asides include space for District police, regional special educational testing centers, health center clinics, food service, and Beyond the Bell programs, among others. Eliminating these set-asides would deny or interfere with students' ability to receive the special education and related services to which they are entitled, or force students to travel as much as 50 miles to the next closest center. In the 2023-24 fiscal year, the District's school-based health clinics are projected to provide approximately 156,000 visits to children who would otherwise have been challenged to access health care. The demand for health services remains as high as it did in the previous school year, and to eliminate these clinics would deprive the neediest children of vital services. Additionally, Beyond the Bell programs ensure that all children and youth in the District have access to high-quality, safe, and supervised academic, enrichment, and recreation programs that inspire learning and achievement beyond the regular school day (before and after school and Saturdays). The three components of Beyond the Bell include academic tutorial, recreational, and enrichment programs vital to the safety and wellbeing of school children. Improved school attendance and test scores have been attributed to student participation in Beyond the Bell's after-school programs. By providing supervision and engagement during after school hours when many parents may be working outside the home, Beyond the Bell's programs help reduce the risk that children might engage in drug or alcohol use sexual activity, and/or crime. To eliminate Beyond

the Bell programs would expose the thousands of children who utilize these programs on a daily basis to danger, harming their academic performance and their overall wellbeing.

29. Although District and School set-asides provide space for programs that are vital to the curriculum of a particular school or to District-wide goals, in order to share space fairly, District staff has cut into these set-asides where doing so would minimize the number of sites offered to a charter school in order to make a complete offer of space.

30. For the Next Fiscal Year, District staff had to grapple with the conflicting needs of 46 different charter school applicants and cycled through its comprehensive space matching process as conscientiously as possible, shifting space and potential matches to fulfill the District's obligation to share space fairly among all students – charter school students and those students attending District schools alike. In doing so, District staff kept in the forefront considerations of student safety and welfare.

31. Often, many charter schools request to be located at the same school site, requiring District staff to assess conflicting geographic as well as particular site interests. In fact, 13 different charter schools (including Charter School) requested space in Region North for the Next Fiscal Year. District staff had to contend with the conflicting needs of these 13 charter schools, as well as all 46 eligible charter school applicants, shifting space and potential matches to fulfill the District's obligation to share space fairly among all in-district students. The process is extraordinarily dynamic with a complex set of ever-changing pieces, decisions regarding any one of which can result in very real ripple effects for students and programs across multiple school sites.

32. The District's space matching guidelines are just that – guidelines. They cannot be applied in a vacuum and without rationale. In allocating space to charter schools, the District must consider the impact on other public school students, both those attending District schools and those attending other charter schools requesting space. District staff applied the District's matching guidelines in conjunction with thoughtful considerations of the real world impacts on all public students in providing co-location offers to charter schools for the Next Fiscal Year.

33. The District began its space analysis for Charter School by examining data from E-CAR for the Requested Sites related to the 2024-25 school year. As explained above, the E-CAR enrollment for the Requested Sites is reflected in classroom usage as of September 15, 2023, which is known as “Norm Day.” The E-CAR data is a “snapshot in time” that reflects classroom availability and usage at a particular school site at the time it is prepared. It is the baseline for the District’s comprehensive space analysis of the current and projected utilization and availability of space for a charter school. It does not contemplate any prospective future revisions or factor in projected classroom usage for any subsequent school year, or changes in space utilization needs that occur after the E-CAR data is prepared, such as, for example, increases or decreases in the District school site’s enrollment projections for the upcoming school year, planned programmatic expansions, adjustments to ADA-to-classrooms ratios and/or assigned teachers, changes to grade levels served, construction projects, removal of portable classrooms, charter schools’ potentially forthcoming Proposition 39 facilities requests, the planned occupancy by other charter schools or District programs, or any other factor that would result in an adjustment of the number of available classrooms for the Next Fiscal Year. E-CAR data indicated 0 unassigned/unallocated standard size classrooms at Lorne Street Elementary, 0 unassigned/unallocated standard size classrooms at Shirley Avenue Elementary, and 0 unassigned/unallocated standard size classrooms at Sunny Brae Avenue Elementary at Norm Day.

34. In the second week of November 2023, Region Offices were provided information regarding charter schools that had requested Proposition 39 space, and potential space availability at District school sites. Region North was advised of the District school site(s) and/or general geographic area in which Charter School wishes to locate, and that it was entitled to exclusively use a total of 16 spaces (13 instructional spaces, 2 special education spaces, and one administrative office space) for the Next Fiscal Year. Region North was also advised that there were 13 charter schools that had requested facilities within that same Region.

35. Meetings were also conducted between CSD, SMS-MPD, and others, so that additional

District stakeholders such as Region Office leadership and school-site staff could provide further valuable input regarding important information, such as impacts of a potential co-location at a particular school site or unique site conditions that might make it unsuitable. Various provisional matches within each Region were identified and deliberated, and participants thoughtfully discussed potential recommendations as part of the District's comprehensive compliance effort. Per established protocols, the District also invited labor partners, including United Teachers Los Angeles, to Advisory meetings to offer feedback.

36. During the course of the meetings and numerous additional discussions, CSD, Region North, District administrators, SMS-MPD, and others discussed that none of the Requested Sites or Other Considered Sites will have adequate availability of space in the Next Fiscal Year to accommodate Charter School's entire projected in-district classroom ADA due to the planned programmatic needs as accounted for in the E-CAR. Information considered included, but was not limited to, the following:

School Site	Distance from Centroid of the Requested Sites (miles)	Projected Number of Available Spaces in Next Fiscal Year
Melvin Avenue Elementary	0.57	2
Blythe Street Elementary	0.69	0
Reseda Elementary	0.79	0
Stanley Mosk Elementary School	1.29	0
Napa Street Elementary	1.41	0
Garden Grove Elementary	1.43	0
Winnetka Avenue Elementary	1.61	0
Bertrand Avenue Elementary	1.8	0
Cantara Street Elementary	1.83	3
Fullbright Avenue Elementary	1.98	0
Vanalden Avenue Elementary	2.01	0
Newcastle Elementary School	2.27	0
Calvert Charter for Enriched Studies	2.37	0
Calahan Street Elementary	2.45	3
Anatola Avenue Elementary	2.45	0
Limerick Avenue Elementary	2.58	0

Lemay Street Elementary	2.6	0
Tarzana Elementary	2.67	0
Stagg Street Elementary	2.95	0
Hart Street Elementary	2.96	1
Emelita Street Elementary	3.06	0
Gault Street Elementary	3.16	0
Topeka Drive Charter for Advanced Studies	3.23	0
Wilbur Charter for Enriched Academics	3.54	0
Academy for Enriched Sciences Elementary Magnet	3.58	0
Superior Street Elementary	3.61	0
Canoga Park Elementary	3.78	0
Dearborn Elementary Charter Academy	3.78	1
Parthenia Academy of Arts and Technology	3.8	0
Nestle Avenue Charter	4.01	0
Nevada Avenue Elementary	4.14	0
Andasol Avenue Elementary	4.54	0
Balboa Elementary Gifted/Highly Gifted/High Ability Magnet	4.55	0
Capistrano Avenue Elementary	4.6	0
Serrania Avenue Charter for Enriched Studies	4.64	0
Beckford Charter for Enriched Studies	4.85	0
Cohasset Street Elementary	4.92	0
Darby Avenue Elementary	4.95	0
Encino Charter Elementary	4.96	0
Bassett Street Elementary	5	0
Hamlin Charter Academy	5	0
Germain Academy for Academic Achievement	5.04	0
Enadia Way Technology Charter	5.27	0
Mayall Street Academy of Arts/Technology Magnet	5.32	0
Gledhill Street Elementary	5.38	0
Granada Elementary	5.64	5
Chatsworth Park Elementary UP/CD Magnet	5.68	0
Langdon Avenue Elementary	5.7	0
Woodland Hills Charter Elementary for Enriched Studies	5.72	0
Justice Street Academy Charter	5.83	0
Columbus Avenue Elementary	6.06	0
Valerio Street Elementary*	6.1	0
Vintage Elementary Math/Science/Technology Magnet	6.13	0
Welby Way Charter Elementary Gifted Magnet	6.15	0
Noble Avenue Elementary	6.17	0
Woodlake Elementary Community Charter	6.25	0

Lanai Road Elementary	6.27	0
Rosa Parks Learning Center	6.32	1
Pomelo Community Charter School	6.35	0
Carlos Santana Arts Academy	6.35	0
Tulsa Street Elementary	6.4	0
Sylvan Park Elementary	6.42	0
Panorama City Elementary	6.58	0

* Identified as a Proposition 39 co-location site for another charter school

Also evaluated were the needs, as operationally feasible and permitted by law, to support the District's 100 Priority Schools, Black Student Achievement Program (BSAP) schools, and Community Schools, and avoid outcomes that would compromise District schools' capacity to serve neighborhood children and/or result in grade span arrangements that negatively impact student safety and actively deter students from attending District schools. Due to these circumstances, none of the Requested Sites or Other Considered Sites will be unable to accommodate Charter School's entire projected in-district classroom ADA in the Next Fiscal Year.

37. In summary, the District has no realistic ability to allocate 16 exclusive use classroom spaces to Charter School at the Requested Sites or Other Considered Sites for the Next Fiscal Year. Allocating such space to Charter School would present significant safety, educational, scheduling, facilities, and operational challenges, and result in significantly harmful negative impacts, displacements, and disruptions to students at the Requested Sites or Other Considered Sites. Allocating such space to Charter School would result in an unfair sharing of space between Charter School and the Requested Sites or Other Considered Sites.

38. If Charter School was provided 16 classroom spaces at the Requested Sites or Other Considered Sites, it would so severely diminish the Requested Sites or Other Considered Sites programs' usable instructional space that it could require some of its teachers to hold classes outside of classroom settings. Alternatively, the Requested Sites or Other Considered Sites could either overcrowd existing classrooms by reducing teaching staff and increasing the number of student desks in classrooms or require two teachers to teach class simultaneously in one classroom. Both options would not only overburden the teachers forced to teach those classes, but would also unfairly

crowd students and block safe access to doors. None of these possibilities are realistically feasible.

39. District staff has determined that the quality of the education for students attending school at the Requested Sites, Other Considered Sites, and Charter School would suffer significantly if Charter School were provided 16 classroom spaces at the Requested Sites or Other Considered Sites. Existing space constraints at the Requested Sites and Other Considered Sites have already substantially impacted students, teachers, staff, and administrators. Provision of facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA in the Next Fiscal Year would further exacerbate the negative harmful impacts to such a point that it would be impossible for all of the students to share space fairly and receive a proper education. It would also result in increased emotional hardship and further loss of morale in students, teachers, staff, and administrators alike.

40. To accommodate Charter School's entire in-district classroom ADA at the Requested Sites or Other Considered Sites would also present substantial safety concerns for both charter and non-charter District students. By way of example, District staff estimated that to accommodate all of Charter School's students at the Requested Sites or Other Considered Sites would require the forcible displacement of a significant number of students attending school at the Requested Sites or Other Considered Sites. Displacing students out of the Requested Sites or Other Considered Sites would have far-reaching safety, instructional, and social implications.

41. For instance, many of the students attending school at the Requested Sites and Other Considered Sites walk to and from their school. Recent District budgetary cutbacks and the harsh economic climate have made the ability to walk to school a necessity for many families with in-district children. The District school bus program has realized service cuts and route eliminations which have affected many students. As a result of past budget deficits, transportation funding was reduced as part of stabilization efforts. The latest impact came in July 2012, when the District was forced to implement a change to the eligible busing distance for secondary schools from three miles to five miles. These cuts disproportionately affect poorer students and make the ability to walk to

school even more crucial.

42. Not only is the ability to walk to school at the Requested Sites and Other Considered Sites a necessity for some students, but walking to school also provides key health benefits. According to the California Department of Public Health (“DPH”), close to one-third of California’s children are overweight or obese. The DPH’s California Active Communities (“CAC”), in collaboration with CA4Health (a project of the Public Health Institute, with funding from the Centers for Disease Control and Prevention) has determined that a child’s overall health is affected by levels of physical inactivity which can be directly linked to time spent in automobiles versus in active transportation such as walking. Walking or biking to school provides an opportunity for purposeful physical activity toward the accumulation of the recommended 60 minutes or more of daily physical activity for children and youth. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) Active transportation – such as walking and biking – to school can help increase physical activity levels of students and their families. (ChangeLabSolutions, *Incorporating Safe Routes to School into Local School Wellness Policies* (July 2015).) Physical activity reduces the risk of obesity and related chronic diseases, and improves mental health, attendance, and academic performance. (*Ibid.*) Active transportation can also have broad community benefits, including reducing traffic congestion and air pollution, creating safer streets, encouraging cost savings, and building a stronger sense of community. (*Ibid.*) Increasing physical activity through walking and biking to school can help address high obesity rates. (*Ibid.*)

43. Empirical studies have determined that distance is a key impediment to children walking to school safely. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) A study published in the *Journal of Public Health Policy* examines the multi-level correlates of walking to and from school. Of the physical environmental factors examined, the strongest negative correlates to walking to school were distance and safety concerns. (Zhu & Lee, *Correlates of Walking to School and*

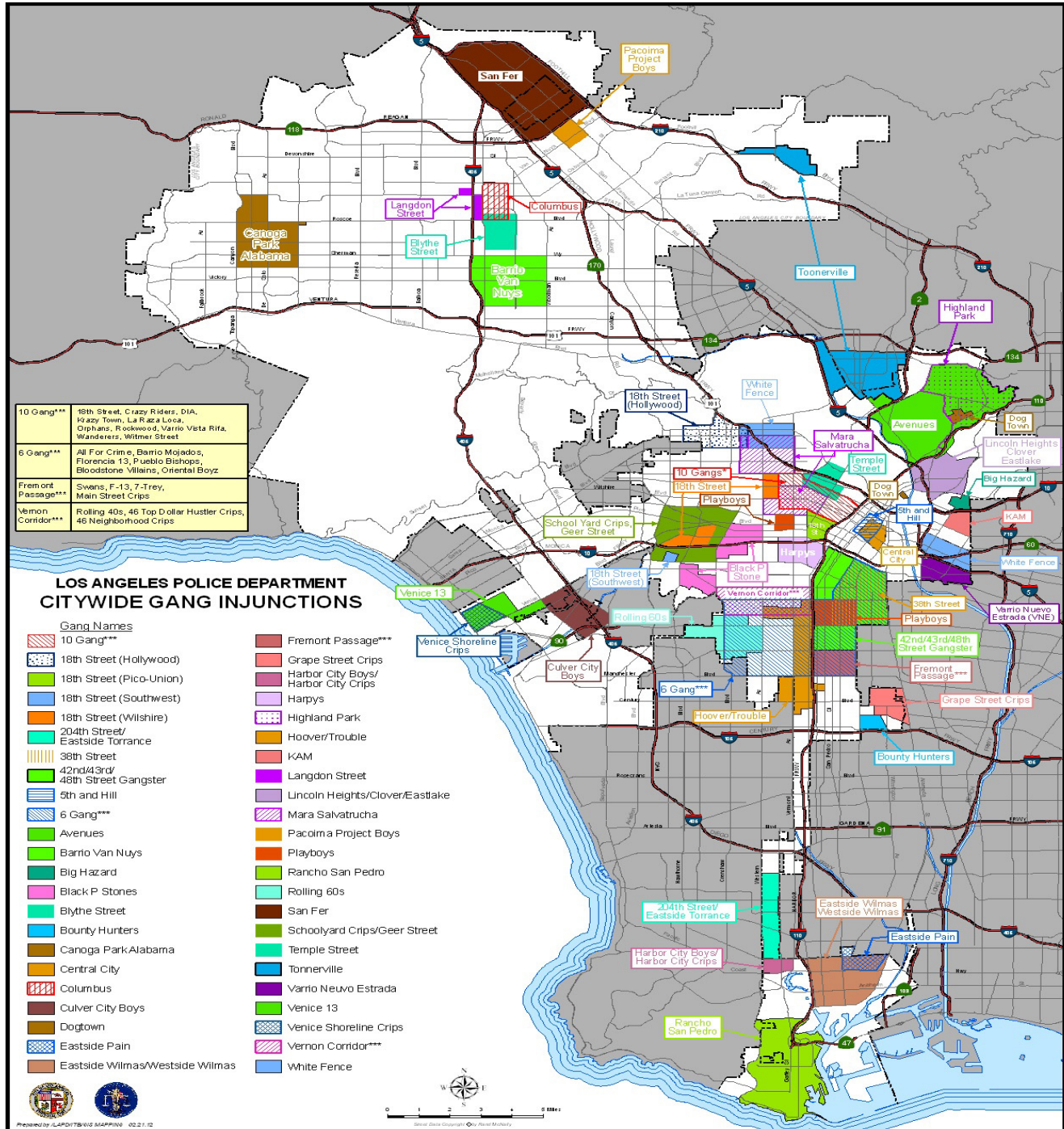
Implications for Public Policies, Journal of Public Health Policy (2009).) Recognizing distance as a barrier to the ability for a child to walk to school, CA4Health, the CAC, and the DPH support school siting as well as joint use policies and practices that encourage kids to walk or bike to school.

44. Displacing a significant number of students from the Requested Sites or Other Considered Sites to make room for Charter School would prevent a significant number of the children who currently have the ability to safely walk to school from being able to do so. Conversely, Charter School draws its attendance from 50 different District schools. Therefore, providing a single-site offer at the Requested Sites or Other Considered Sites to Charter School would endanger a significant number of children currently attending their nearby school. Moreover, the forcible displacements would not just be limited to the children attending school at the Requested Sites or Other Considered Sites. Instead, those students would need to be absorbed into other District schools which may have insufficient space, programs and/or resources to house the influx of students, and would thereby cause the additional forcible displacement of children from these absorbing schools. This would create a ripple effect of forcible displacements necessitating hundreds of children to relocate for the benefit of a far lesser number of Charter School's children. Such a decision would pose disproportionate harm to a significant number of students attending school at the Requested Sites, Other Considered Sites, and those District students displaced by the influx of these students, and thus produce inequity in the sharing of facilities.

45. Not only does distance play a factor in children safely walking to school due to traffic dangers, but several Los Angeles neighborhoods are plagued by gang violence. In order to create safe passages to and from school in neighborhoods suffering from gang-related violence, meaningful programs and efforts to mitigate these risks have been launched, such as Kid Watch LA which instituted the Walking School Bus for District students. The Walking School Bus enlists parent and community volunteers to accompany groups of small children as they walk to and from their school.

46. According to the Los Angeles Police Department, the District is located within the territory known as the "gang capital" of the nation, with more than 450 competing gangs. Gang

violence is unfortunately prevalent on some campuses and within the neighborhoods of several District schools. As shown by the map depicting former gang injunctions in Los Angeles below, Los Angeles gangs claim particular territories:



47. On March 15, 2018, the City of Los Angeles was enjoined from enforcing these gang injunctions. (See, *Youth Justice Coalition, et al., v. City of Los Angeles, et al., CV 16-07932 VAP.*) The inability to enforce these injunctions may result in an increase in gang-related activity and crime.

48. Involuntarily displacing students who themselves or whose parents are tied to a particular gang and placing them in a different school located in the territory of another gang would potentially breed gang warfare and violence affecting all children, teachers, staff, and parents at a particular school.

49. Pulling children out of their District schools and placing charter students at those school sites prevents the displaced children from taking advantage of safety measures such as the Walking School Bus and other relevant considerations their families have made, and therefore unfairly endangers the safety of those displaced children. These harms disproportionately affect students attending District schools. As parents of charter school students have elected to send their child to a school outside of his or her local attendance area, the parents have secured a means of transporting their child to this school. However, parents of children who attend District schools may not have the means to find alternate transportation and need to rely on children walking to their school. With the aforementioned reduction of several school bus routes and potential further elimination of transportation funding, many forcibly displaced children will be forced to walk long, unsafe distances or take unsafe public transit routes.

50. Displacing children attending school at the Requested Sites or Other Considered Sites for the purpose of making a single-site offer to Charter School would have additional instructional and social ramifications. California has an accountability system reported through the California School Dashboard. The state's accountability system includes a three-level identification and support system for local educational agencies, and categorizes district performance levels using a system of five status levels (ranging from Very High, High, Medium, Low and Very Low). The 2022 Dashboard showed the District was assigned a Medium Status level for two of the six state indicators based on the performance of all student groups: English Learner Progress and Graduate

Rate indicators. A Low status level was assigned to English Language Arts (“ELA”) and Mathematics, and a Very Low status level for Suspension Rate. The District received one Very High-status level for Chronic Absenteeism. Of the thirteen student groups reported, four were in the Very Low status level, five in Low, three in High, and one in Very High. For the 2023 Dashboard, District performance levels were categorized using a system of five colors, stated in order from lowest to highest performing (Red, Orange, Yellow, Green, and Blue), except in the College/Career Indicator. The 2023 Dashboard results indicate that the District received an Orange performance level for English Learner Progress, Graduation Rate, and English Language Arts (Academic Indicator). The District also received a Yellow performance level for Chronic Absenteeism and Mathematics (Academic Indicator). Though the District received a Yellow indicator for Chronic Absenteeism, it is important to note that the District decreased its chronic absenteeism by 8.8-percentage points to 31% from 39.8% in 2022. In addition, the District received a Blue performance level for its Suspension Rate, and a Medium status level for the College/Career Indicator. In examining the performance of the thirteen student groups, the Dashboard indicates that no student received a Red performance level for Chronic Absenteeism. Among the other indicators, only three of thirteen student groups received at least one Red performance Level. In contrast, twelve student groups received at least one Blue performance level.

51. The District is continuing its efforts to improve performance in all state indicators. Displacing District children attending their District school at the Requested Sites or Other Considered Sites would thwart these efforts, and have instructional and social ramifications. Studies have empirically established that disrupting a child’s trajectory to his or her district high school effectively increases drop-out rates. A review of 25 years of research conducted by the California Dropout Research Project identified strong predictors of dropping out of high school. The compilation study identified non-promotional school changes (student mobility) during middle school and high school as a key predictor of a child dropping out of school. (Rumberger & Lim,

Why Students Drop Out: A Review of 25 Years of Research, California Dropout Research Project (October 2008).)

52. In 1998, a seminal study on the educational consequences of student mobility found a high causal connection between student mobility and an increased risk of high school drop-out. The staggering results of this study indicate that controlling for other predictors, students who made even one non-promotional school change between the eighth and twelfth grades were *twice* as likely to not complete high school as students who did not change schools. (Rumberger & Larson, *Student Mobility and the Increased Risk of High School Dropout*, American Journal of Education 107 (November 1998).)

53. The safety and welfare of all students is the District's paramount concern and principal charge. The data is indisputable that children who drop out of school are at far greater risk of a vast array of physical, social, and economic harm than those who stay in school and complete their secondary education. This paramount concern of the District remains a material consideration when weighing whether to forcibly displace children from their existing school (such as the Requested Sites or Other Considered Sites) in order to make way for students who would attend school at that site (such as Charter School) from distant neighborhoods, especially when other solutions for sharing space fairly are feasible.

54. An additional impact of such displacement would be the difficulty of sustaining the same level of parental involvement in the absorbing schools. California State Board of Education Policy #89-01 acknowledges that a critical dimension of effective schooling is parental involvement. This policy initiative states that research studies demonstrate parental involvement at school propels a child's educational career. Forcibly displacing students attending school at the Requested Sites or Other Considered Sites would make it more challenging for those children to reap the benefits of parental involvement in their new schools.

55. An alternative to displacing students attending school at the Requested Sites or Other Considered Sites would be to overcrowd the site by adding Charter School's entire in-district

classroom ADA. However, this would cause severe safety and operational ramifications due to the design capacity of the Requested Sites and Other Considered Sites, making this course of action infeasible. Adding Charter School's students to the Requested Sites, Other Considered Sites, or any other District campus with insufficient space to feasibly accommodate Charter School's total in-district classroom ADA would raise schools' classroom loading ratios, thereby disadvantaging these schools' children. Likewise, having children over a school site's capacity sharing space would pose a great risk to student safety and well-being.

56. In making decisions regarding allocations of space, District staff placed the safety of students attending Charter School, the Requested Sites, Other Considered Sites, and other charter and District schools at the forefront of the decision-making process. District staff made substantial efforts to locate charter schools, including Charter School, at or near their desired geographic location and further made material efforts to minimize the number of sites on which each charter school was located. As Charter School's parents/guardians have made a decision to place their child in a school outside of their District school, they have had the opportunity to weigh the safety implications of this decision for their child. On the contrary, the families of forcibly displaced students would have no place in such a decision-making process. Thus, forcibly displacing children from any of the Requested Sites, Other Considered Sites, and/or other impacted District schools would not afford their parents/guardians the same opportunity. In addition, the decision to forcibly displace students to make way for Charter School students necessarily will have safety impacts upon the displaced children, whereas, given the fact that many Charter School students already voluntarily travel to attend Charter School, these children may not face any increased safety risk by being required to, for example, travel five miles east instead of five miles south.

57. Based on the foregoing, the District determined that it was simply not feasible to provide Charter School with a single-site offer at any of the Requested Sites or Other Considered Sites for the Next Fiscal Year.

58. While it is always the District's goal to accommodate a charter school's entire program on a single District school site, sometimes charter schools must be offered space on more than one site, particularly if, as in the case of Charter School, the charter school has a large projected in-district classroom ADA. Therefore, the following spaces have been identified for allocation to Charter School at the Requested Sites in the Next Fiscal Year: 7 classrooms (4 instructional spaces, 2 special education spaces, and one administrative office space) at Sunny Brae Avenue Elementary; 8 classrooms (5 instructional spaces, 2 special education spaces, and one administrative office space) at Shirley Avenue Elementary; and 7 classrooms (4 instructional spaces, 2 special education spaces, and one administrative office space) at Lorne Street Elementary.

59. Although it would be preferable to accommodate Charter School's entire program at one of the Requested Sites or Other Considered Sites for the Next Fiscal Year, for the reasons set forth herein it is not possible to provide Charter School with 16 classrooms at any of the Requested Sites or Other Considered Sites without presenting significant, safety, educational, scheduling, facilities, and operational challenges. The Sunny Brae Avenue Elementary, Shirley Avenue Elementary, and Lorne Street Elementary sites are all within Region North and were identified by Charter School as sites within its area of geographic interest. The Sunny Brae Avenue Elementary and Lorne Street Elementary sites are within Board District 3 and the Shirley Avenue Elementary site is within Board District 4, and all three sites are less than 5 miles from one another. Considering that the District spans over 710 square miles and serves over 27 cities, and based on the plain language of California Code of Regulations, title 5, section 11969.2, subdivision (d), the Shirley Avenue Elementary, Lorne Street Elementary, and Sunny Brae Avenue Elementary sites are "contiguous."

60. Based on all of the foregoing considerations, District staff recommends providing Charter School with a multi-site offer of contiguous facilities at the Recommended Co-Locations.

ATTACHMENT 11(b): MAGNOLIA SCIENCE ACADEMY 7**Board of Education Finding that Magnolia Science Academy 7 Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))**

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, The Board hereby incorporates by reference the entire Staff Report on the Deliberative Process for Determining Why Charter School Cannot be Accommodated at a Single Site for the Next Fiscal Year;

Whereas, District staff engaged in an effort to create a single-site offer to accommodate Charter School’s total in-district classroom ADA;

Whereas, The District cannot accommodate Charter School’s request for a single site at any of the District school site(s) and/or in the geographic area in which Charter School wishes to locate;

Whereas, 13 different charter schools (including Charter School) requested space in Region North for the Next Fiscal Year;

Whereas, District staff determined that the Requested Sites (the District school sites or general geographic area in which Charter School wishes to be located) will not have sufficient classroom space to accommodate Charter School’s entire projected in-district classroom ADA in the Next Fiscal Year;

Whereas, District staff then expanded its search to Other Considered Sites near to the Requested Sites, but determined that it is not possible to accommodate Charter School’s entire student population on a single site in the Next Fiscal Year;

Whereas, The District cannot accommodate Charter School's entire in-district classroom ADA at a single school site;

Whereas, To accommodate Charter School's entire in-district classroom ADA at the one of the Requested Sites or Other Considered Sites would present substantial, disproportionate safety concerns for both Charter School's students and students attending their District school;

Whereas, To accommodate all of Charter School's students at the one of the Requested Sites or Other Considered Sites would require the displacement of a significant number of children attending school at the Requested Sites or Other Considered Sites, and potentially additional District schools;

Whereas, Involuntarily displacing children out of their existing District schools has far-reaching safety, instructional, and social implications including: prohibiting children from safely walking to school; subjecting children to possible gang violence; increasing high-school drop-out rates; and impairing parental involvement in their children's schools;

Whereas, Based on these safety and instructional considerations, District staff recommends keeping the student populations at the Requested Sites, Other Considered Sites, and the other District schools intact;

Whereas, Alternatively, over-crowding a school's campus in order to provide a single-site offer to Charter School would have equally severe safety and operational ramifications, making this course of action infeasible;

Whereas, The District can provide Charter School with a multi-site contiguous offer of reasonably equivalent facilities at the Recommended Co-Locations;

Whereas, Providing Charter School space at the Recommended Co-Locations minimizes the number of sites assigned to Charter School;

Whereas, Because of the short distance between the Recommended Co-Locations in a school district spanning 710 square miles and serving over 27 cities, they are contiguous facilities;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School's entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

ATTACHMENT 12(a): SYNERGY CHARTER ACADEMY**Staff Report on Deliberative Process for Determining Why Synergy Charter Academy Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, Synergy Charter Academy ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 318.25 in grades TK-5 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 21 different District schools that its charter school students would otherwise attend. Charter School's Facilities Request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Quincy Jones Elementary. Charter School is currently operating at Quincy Jones Elementary.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 317.80.

3. Education Code section 47614, subdivision (b) requires the District to provide charter schools with facilities sufficient for the charter school to accommodate all of its in-district students in conditions "reasonably equivalent" to those in which the students would be accommodated if they were attending other public schools of the district.

4. To determine whether the conditions of facilities provided to a charter school are "reasonably equivalent" to the school district facilities that charter school students would otherwise attend, the District adheres to the Proposition 39 implementing regulations (California Code of Regulations, title 5, section 11969.1, et seq.) which direct school districts to measure those facilities against the facilities used by district students at a "comparison group" of schools. As the District is divided into high school attendance areas, in selecting comparison group schools, the

District must follow California Code of Regulations, title 5, section 11969.3, subdivision (a)(2), which states, “[t]he comparison group shall be the district-operated schools with similar grade levels that serve students living in the high school attendance area... in which the largest number of students of the charter school reside.” District staff reviewed Charter School’s projected in-district classroom ADA broken down by grade level and its identification of the 21 different District schools its projected charter school students would otherwise attend. Based on the information provided by Charter School, District staff determined that the attendance area where the largest number of Charter School’s projected students reside is the Jefferson Zone of Choice attendance area. Consequently, based on the grade levels that Charter School projects it will serve, District staff identified the following as the District-operated schools with similar grade levels that serve students within the Jefferson Zone of Choice attendance area; i.e., Charter School’s comparison group schools: 20th Street Elementary, 28th Street Elementary, 49th Street Elementary, Ascot Avenue Elementary, Aurora Elementary, Estrella Elementary, Harmony Elementary, Hooper Avenue Elementary, Hooper Avenue Primary Center, Huerta Elementary, Quincy Jones Elementary, Ricardo Lizarraga Elementary, Main Street Elementary, Maple Primary Center, Nevin Avenue Elementary, Sally Ride Elementary: A Smart Academy, San Pedro St Elementary, Trinity Street Elementary, Wadsworth Avenue Elementary, and West Vernon Avenue Elementary.

5. The District also follows California Code of Regulations, title 5, section 11969.3, subdivision (b)(1), which requires that the facilities made available by a school district to a charter school shall be provided in the same ratio of teaching stations (classrooms) to ADA as those provided to students in the district attending comparison group schools. To implement a fair sharing of space, the District determines the ratio of ADA-to-classrooms provided for each of the charter school’s comparison group schools and uses an average of those figures to determine the number of classrooms to provide to the charter school. It also results in the District allocating classroom space sufficient to allow a charter school to maintain the same minimum number of

seats in a classroom as maintained in the District's comparison group schools, that is, to maintain conditions reasonably equivalent to the comparison group schools as required by Proposition 39. In other words, it results in accommodating charter school students on District school sites as they would be accommodated if they otherwise attended those District schools. Consequently, this calculation is used to ensure the number of classrooms provided to charter schools is equivalent to the number of classrooms provided at their comparison group schools.

6. Relying upon an in-district classroom ADA projection of 317.80 for the Next Fiscal Year, and an average ADA-to-classrooms provided ratio at the comparison group schools of 18.01, the District determined that Charter School is entitled to 18 teaching stations (classrooms) and one classroom space to be used as its administrative office. The District also determined that Charter School is entitled to 3 special education classroom(s).

7. Charter School's facilities request states: "Synergy Charter Academy has unique facility needs, which are currently met at the Quincy Jones Elementary school site. Therefore, Synergy Charter Academy would like to remain at Quincy Jones Elementary."

8. Based on the foregoing, if the in-district classroom ADA of Charter School cannot be accommodated entirely at Quincy Jones Elementary in the Next Fiscal Year, District staff recommends allocating Charter School facilities at Quincy Jones Elementary and additional school site(s).

9. Education Code section 47614, subdivision (b), provides that facilities provided to a charter school by a school district must be, among other things, "contiguous." The definition of "contiguous" expressed in California Code of Regulations, title 5, section 11969.2, subdivision (d), states that facilities are "contiguous" if they are contained on the school site or immediately adjacent to the school site, and that if the in-district classroom ADA of a charter school cannot be accommodated on any single school district school site, contiguous facilities also includes facilities located at more than one site, provided that the school district shall minimize the number of sites assigned and shall consider student safety. As explained below, pursuant to Proposition 39, District

staff first engaged in an effort to create a single-site offer to accommodate Charter School's projected total in-district classroom ADA in the Next Fiscal Year at Quincy Jones Elementary. District staff evaluated space at Quincy Jones Elementary (the District school site at which Charter School wishes to locate) and determined that Quincy Jones Elementary will not have sufficient classroom space to accommodate Charter School's total in-district classroom ADA in the Next Fiscal Year. Rather than attempt to locate Charter School on a single site different from the requested site, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School's request and provide a multi-site allocation of contiguous facilities.

10. Therefore, District staff recommends providing space at the following locations to Charter School to accommodate its total in-district classroom ADA for the Next Fiscal Year: Quincy Jones Elementary and 28th Street Elementary (collectively, the "Recommended Co-Locations"). By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate and to minimize the number of sites assigned to Charter School.

Process District Staff Followed to Locate Space for Charter School Pursuant to Proposition 39

11. The District's Charter Schools Division ("CSD") determined that in the 2023-24 school year, more than 148,194 students enrolled in charter schools authorized by the District. This figure reflects a 1,865 student decrease compared to the number of students enrolled during the previous school year. In the 2023-24 school year, the District had the most charter students attending schools authorized by a District of any school district in the nation. The District ensured that every eligible in-district charter student was offered a seat.

12. For the 2024-25 Proposition 39 cycle, the District is applying a comprehensive process to ensure that every eligible in-district charter school student is offered a seat at a District campus. The District is following a critical schedule of steps, from receiving the initial request for facilities by a charter school to making facilities ready for occupancy, in order to timely meet the

Proposition 39 timeline. The general process District staff is following in administrating Charter School's Facilities Request is the same that it used to process each of the other facilities requests the District received from charter schools for the Next Fiscal Year. That process is as follows:

13. Beginning in September 2023, School Management Services and Master Planning & Demographics ("SMS-MPD") staff, which includes District personnel in the District's Facilities Services Division experienced in public school facilities utilization that assess all of the educational space within the District, conducted a comprehensive analysis of the use of District classrooms school facilities, called E-CAR. E-CAR was implemented at the beginning of the Proposition 39 process to assess capacity at school sites throughout the District, and commenced with a preparation period during which SMS-MPD staff examined materials submitted by all District schools in the previous year for accuracy, as well as for consistency with previous assessments' classroom usage and availability determinations. The SMS-MPD staff applied standard formulae for the usage of classrooms in order to generate an objective and uniform assessment of the amount of total classroom space at District school sites. The purpose of this calculus is to assess the number of classrooms required to accommodate instructional program enrollment, based on grade level and specific course subject matters at secondary schools.

14. Next, the E-CAR process involves District school principals at more than 700 District school sites logging into an online application to validate their school's enrollment and to review and confirm details regarding the school site's classrooms and their respective utilization. Specifically, the principals identified and validated classroom space utilized as teaching stations and "set-asides" (classrooms used for purposes other than general education), along with classroom numbers, locations, and sizes. Additionally, the principals identified classrooms occupied by special education programs, charter schools, preschools, alternative education programs, option programs, and other third-party users, as well as swing space needed for construction projects, and classrooms that are out of service or mandated for removal due to legal and/or safety/physical condition requirements. The purpose of E-CAR is to accurately assess the

current capacity of each District school site in several respects: the number and size of classrooms, the manner in which those classrooms are currently used, and the school's operating capacity. E-CAR entails a detailed review of the present use of District school sites and an analysis of the projected future uses of those facilities. The analysis includes reporting of data by individual schools, which is reviewed by SMS-MPD staff to confirm its accuracy and to ensure that space is used efficiently and uniformly throughout the District.

15. To ensure that District school administrators are provided the resources necessary for a complete and accurate assessment of their school's capacity, they were instructed to reference the following resource materials for their school site: A current school map; the school's former or most recent Norm Day classification report (which details the number of students enrolled at that school on September 15, 2023); the Norm Day classification report for any magnet centers and/or dual language programs located on the school site; the Classroom Inventory and Allocation Worksheet pages from the prior school year's Capacity Assessment Review report, which contains information for classroom counts and allocations into precisely-defined categories; and the number of teaching positions in all categories, including general education, special day, magnet, dual-language, physical education, and off-norm-funded positions.

16. Categorizing classrooms in this way is important because a school's capacity involves more than its raw seats and room numbers. The District must determine whether a school site has facilities available to sufficiently serve the particular requirements of a school, such as grade levels, special education programs, magnet centers, Small Learning Communities, Personalized Learning Environments, legal mandates, and other student needs.

17. District staff reviewed the foregoing data regarding specific capacity information at District school sites for the Next Fiscal Year. Utilizing this data, SMS-MPD provided CSD with the number of estimated available classrooms, at each District school site given specific operating capacities per programmatic and mandated qualifiers. When planning for maximal use of available school facilities, and in interpreting data generated during the course of facilities planning, it is

absolutely critical to understand the difference between “unallocated classrooms” and “available seats.” To illustrate, a hypothetical District school may not have any unallocated classrooms but may have individual available seats in classrooms currently occupied. As a result, the school may be able to absorb 100 students into its existing classrooms by identifying two free seats spread out among 50 of its classrooms that are used for instruction appropriate to the grade level and subject matter requirements for the students being absorbed. Thus, it is an entirely different proposition to provide and integrate 100 seats across a campus than to provide four or five unallocated classrooms with the same total number of contiguous available seats. In many instances, there may be many available seats in a school, but no unallocated classrooms. This is especially the case for District middle and high schools where the students do not sit in one classroom all day, like an elementary school, but instead attend four or more different classes per day, each in different classrooms and with different teachers and groups of students, in order to receive the mandated curriculum.

18. SMS-MPD generated each instructional program’s operating capacity using a complex mathematical formula which took into account all aspects of the schools’ operations. The operating capacity also accounted for classrooms designated as “set asides.” Public school districts are required to provide special education space, and a parent center at each school which is classified as a set-aside. Also, pre-kindergarten and adult education students are served in classrooms at school sites across the District.

19. District staff analyzed each District school’s estimated available seats and classrooms for the Next Fiscal Year based on the data.

20. As a public institution, the District is required to provide an education to every student who chooses to enroll. The District previously planned its programming and staffing based on estimated enrollment projections, but in the event projections were short, the District was still obligated to provide an education to students who were not originally anticipated. As a safeguard against the overcrowding of classrooms in such situations, the District historically prepared to

reserve 75 seats at every secondary school and 50 seats at every elementary school for additional unanticipated enrollment. Importantly, however, beginning in 2013 and continuing this year, District staff examined the actual historical enrollment data over the last several years at each school site to determine if a trend could be empirically established demonstrating unanticipated growth. Based upon this analysis, the District determined that no seats at any District school sites offered to a charter school should be reserved for unanticipated growth.

21. The District uses the definition contained in California Code of Regulations, title 5, section 11969.3, subdivision (a)(2) to determine comparison group schools. No two schools are identical; however, on a grade-alike basis, a significant majority of the District's schools share reasonably equivalent conditions, especially when taking into account age, quality of materials and state of maintenance, school site size, conditions of surfaces as well as mechanical, plumbing, electrical and fire-life systems, including conformity to applicable codes, availability and condition of technology infrastructure, the condition of the facility as a safe learning environment, including, but not limited to, the suitability of lighting, noise mitigation, and size for intended use, the conditions of the facility's furnishings and equipment, and the condition of athletic fields and play area space. As part of this process, District staff determined whether the conditions of school facilities offered to a charter school were reasonably equivalent to those of the comparison group schools.

Matching Guidelines Utilized by the District for Charter School

22. In accordance with applicable law, the District is guided by the following matching guidelines in order to make contiguous offers of space to charter schools in facilities with reasonably equivalent conditions to those which would accommodate the charter students if they otherwise attended District schools:

- Consider student safety and welfare
- Identify reasonably equivalent facilities
- Minimize the number of sites assigned
- Make reasonable efforts to provide facilities near to where the charter school wishes to locate
- Avoid moving a charter school unnecessarily

- Minimize disruption to District and charter programs
- Fairly balance the needs of District and charter programs
- Avoid displacing any District students from their school of attendance
- Maximize use of unallocated classroom space (i.e., those with no designated use and would be vacant/unassigned in a particular fiscal year, as identified in the District's annual comprehensive analysis of space on District school sites. Classrooms used to provide additional programming or services are not considered unallocated classroom space, and are categorized according to their specific designation).

23. District staff makes every reasonable effort to locate space on a single site, or on multiple sites only if necessary or specifically requested by the charter school, in the charter school applicant's geographic area of interest. Consequently, District staff first attempts to accommodate charter schools at a single school site and looks for available facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA within its desired area of geographic interest. Only when no single school site can be feasibly identified based upon school site design and occupancy limitations, as well as after taking into account the paramount considerations of both District and charter school student safety and welfare, does the District make offers that contemplate the use of multiple school sites.

24. District staff first identifies the classroom inventory by grade level configuration in each geographic region. Grade-alike matches typically provide reasonably equivalent space to charter schools; therefore, wherever possible, District staff allocates space to charter applicants on grade-alike school facilities.

25. District staff next identifies which charter school applicants are currently located in District facilities that they have identified in their geographic area of interest for the following Proposition 39 cycle and, when feasible, matches those charter schools to those school sites. District staff then examines and identifies the geographic areas of interest of other charter school applicants. As described above, multiple charter schools often request space in the exact same location so District staff must assess conflicting geographic as well as particular site interests. In doing so, District staff examines whether the potential match would utilize all available classrooms

and whether the match represents a full, single-site offer. Priority is given to those charters where these two goals can be achieved.

26. Based on an examination of these criteria, District staff makes a preliminary match of available classrooms at a particular site to the projected in-district classroom ADA of each charter school. District staff attempts to find the most geographically relevant grade-alike matches. District staff seeks to minimize disruption to and fairly balance the needs of District and charter programs. For multi-site scenarios, District staff eliminates set-asides whenever reasonably possible to reduce the number of sites assigned to a charter school, which often results in being able to transform multi-site offers to single-site offers. While endeavoring to preserve programmatic spaces essential to enriching instruction and student health and human services, District staff may need to engage in the materially disruptive measure of eliminating or otherwise impacting set-asides used to provide services at District schools in order to share space fairly among charter and non-charter students in the District. Set-asides are divided into two categories: District set-asides and School set-asides.

27. School set-asides allocate space for instructional, safety, and health programs that are specific to a particular school. For example, Title I funding coordinator offices are considered School set-asides. Title I funding provides financial assistance to schools with high numbers or high percentages of low-income children to help ensure that all children meet challenging state academic standards. The District uses Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet state standards in core academic subjects. Such funds support extra instruction in reading and mathematics, as well as special preschool, after-school, and summer programs to extend and reinforce the regular school curriculum. Additionally, School set-asides are used to allocate space for small learning community (“SLC”) offices. An SLC, also referred to as a School-Within-A-School, is a form of school structure in secondary schools to subdivide large school populations into smaller, autonomous groups of students and teachers. SLCs include structures such as

freshman academies, multi-grade academies organized around career interests or other themes, “houses” in which small groups of students remain together throughout high school, and autonomous schools-within-a-school, as well as personalization strategies, such as student advisories, family advocate systems, and mentoring programs. Research continues to show that small schools and SLCs have the necessary elements to counteract the inherent negative effects of poverty and poor academic achievement for low-income students and/or students of color. (Cotton, *New Small Learning Communities: Findings from Recent Literature*, Portland, Ore: Northwest Regional Educational Laboratory (2001); Jimerson, *The Hobbit Effect: Why Small Works in Public Schools*, The Rural School and Community Trust (August 2006).)

28. At the middle school level, School set-asides are used, for example, for Personal Learning Environment (“PLE”) offices, the middle school equivalent to an SLC. Likewise, School set-asides may be used for the District’s Response to Instruction and Intervention (“RTI²”) program. RTI² integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavior problems. With RTI², schools identify students at risk for poor learning outcomes, monitor student progress, provide evidence-based interventions and adjust the intensity and nature of those interventions depending on a student’s responsiveness, and identify students with learning disabilities or other disabilities. In order to provide space to charter schools requesting Proposition 39 facilities, District staff has eliminated or reduced the number of School set-asides on certain campuses. This instructional disruption unfortunately disproportionately affects low-income, low-performing, or disabled District neighborhood children, those who need assistance the most. However, District staff has taken these disruptive measures in order to share facilities fairly with charter schools.

29. District set-asides use school space to implement key District-wide instructional, health, and safety programs. For example, these set-asides include space for District police, regional special educational testing centers, health center clinics, food service, and Beyond the Bell programs, among others. Eliminating these set-asides would deny or interfere with students’

ability to receive the special education and related services to which they are entitled, or force students to travel as much as 50 miles to the next closest center. In the 2023-24 fiscal year, the District's school-based health clinics are projected to provide approximately 156,000 visits to children who would otherwise have been challenged to access health care. The demand for health services remains as high as it did in the previous school year, and to eliminate these clinics would deprive the neediest children of vital services. Additionally, Beyond the Bell programs ensure that all children and youth in the District have access to high-quality, safe, and supervised academic, enrichment, and recreation programs that inspire learning and achievement beyond the regular school day (before and after school and Saturdays). The three components of Beyond the Bell include academic tutorial, recreational, and enrichment programs vital to the safety and wellbeing of school children. Improved school attendance and test scores have been attributed to student participation in Beyond the Bell's after-school programs. By providing supervision and engagement during after school hours when many parents may be working outside the home, Beyond the Bell's programs help reduce the risk that children might engage in drug or alcohol use, sexual activity, and/or crime. To eliminate Beyond the Bell programs would expose the thousands of children who utilize these programs on a daily basis to danger, harming their academic performance and their overall wellbeing.

30. Although District and School set-asides provide space for programs that are vital to the curriculum of a particular school or to District-wide goals, in order to share space fairly, District staff has cut into these set-asides where doing so would minimize the number of sites offered to a charter school in order to make a complete offer of space.

31. For the Next Fiscal Year, District staff had to grapple with the conflicting needs of 46 different charter school applicants and cycled through its comprehensive space matching process as conscientiously as possible, shifting space and potential matches to fulfill the District's obligation to share space fairly among all students – charter school students and those students

attending District schools alike. In doing so, District staff kept in the forefront considerations of student safety and welfare.

32. Often, many charter schools request to be located at the same school site, requiring District staff to assess conflicting geographic as well as particular site interests. In fact, 9 different charter schools (including Charter School) requested space in Region East for the Next Fiscal Year. District staff had to contend with the conflicting needs of these 9 charter schools, as well as all 46 eligible charter school applicants, shifting space and potential matches to fulfill the District's obligation to share space fairly among all in-district students. The process is extraordinarily dynamic with a complex set of ever-changing pieces, decisions regarding any one of which can result in very real ripple effects for students and programs across multiple school sites.

33. The District's space matching guidelines are just that – guidelines. They cannot be applied in a vacuum and without rationale. In allocating space to charter schools, the District must consider the impact on other public school students, both those attending District schools and those attending other charter schools requesting space. District staff applied the District's matching guidelines in conjunction with thoughtful considerations of the real world impacts on all public students in providing co-location offers to charter schools for the Next Fiscal Year.

34. The District began its space analysis for Charter School by examining data from E-CAR for Quincy Jones Elementary related to the 2024-25 school year. As explained above, the E-CAR enrollment for Quincy Jones Elementary is reflected in classroom usage as of September 15, 2023, which is known as "Norm Day." The E-CAR data is a "snapshot in time" that reflects classroom availability and usage at a particular school site at the time it is prepared. It is the baseline for the District's comprehensive space analysis of the current and projected utilization and availability of space for a charter school. It does not contemplate any prospective future revisions or factor in projected classroom usage for any subsequent school year, or changes in space utilization needs that occur after the E-CAR data is prepared, such as, for example, increases or decreases in the District school site's enrollment projections for the upcoming school year,

planned programmatic expansions, adjustments to ADA-to-classrooms ratios and/or assigned teachers, changes to grade levels served, construction projects, removal of portable classrooms, charter schools' potentially forthcoming Proposition 39 facilities requests, the planned occupancy by other charter schools or District programs, or any other factor that would result in an adjustment of the number of available classrooms for the Next Fiscal Year. E-CAR data indicated 0 unassigned/unallocated standard size classrooms at Quincy Jones Elementary at Norm Day. Charter School occupies 17 rooms at the school site in the current school year.

35. In the second week of November 2023, Region Offices were provided information regarding charter schools that had requested Proposition 39 space, and potential space availability at District school sites. Region East was advised of the District school site(s) and/or general geographic area in which Charter School wishes to locate, and that it was entitled to exclusively use a total of 22 spaces (18 instructional spaces, 3 special education spaces, and one administrative office space) for the Next Fiscal Year. Region East was also advised that there were 9 charter schools that had requested facilities within that same Region.

36. Meetings were also conducted between CSD, SMS-MPD, and others, so that additional District stakeholders such as Region Office leadership and school-site staff could provide further valuable input regarding important information, such as impacts of a potential co-location at a particular school site or unique site conditions that might make it unsuitable. Various provisional matches within each Region were identified and deliberated, and participants thoughtfully discussed potential recommendations as part of the District's comprehensive compliance effort. Per established protocols, the District also invited labor partners, including United Teachers Los Angeles, to Advisory meetings to offer feedback.

37. During the course of the meetings and numerous additional discussions, CSD, Region East, District administrators, SMS-MPD, and others discussed that Quincy Jones Elementary will not have adequate availability of space in the Next Fiscal Year to accommodate Charter School's entire projected in-district classroom ADA due to the planned programmatic needs as accounted

for in the E-CAR. Also evaluated were the needs, as operationally feasible and permitted by law, to support the District's 100 Priority Schools, Black Student Achievement Program (BSAP) schools, and Community Schools, and avoid outcomes that would compromise District schools' capacity to serve neighborhood children and/or result in grade span arrangements that negatively impact student safety and actively deter students from attending District schools. Due to these circumstances, Quincy Jones Elementary will be unable to accommodate Charter School's entire projected in-district classroom ADA in the Next Fiscal Year.

38. In summary, the District has no realistic ability to allocate 22 exclusive use classroom spaces to Charter School at the Quincy Jones Elementary site for the Next Fiscal Year. Allocating such space to Charter School would present significant safety, educational, scheduling, facilities, and operational challenges, and result in significantly harmful negative impacts, displacements, and disruptions to Quincy Jones Elementary students. Allocating such space to Charter School would result in an unfair sharing of space between Charter School and Quincy Jones Elementary on this school site.

39. If Charter School was provided 22 classroom spaces at Quincy Jones Elementary, it would so severely diminish the Quincy Jones Elementary program's usable instructional space that it could require some of its teachers to hold classes outside of classroom settings. Alternatively, Quincy Jones Elementary could either overcrowd its existing classrooms by reducing its teaching staff and increasing the number of student desks in classrooms or require two teachers to teach class simultaneously in one classroom. Both options would not only overburden the teachers forced to teach those classes, but would also unfairly crowd students and block safe access to doors. None of these possibilities are realistically feasible.

40. District staff has determined that the quality of the education for both Quincy Jones Elementary students and Charter School students would suffer significantly if Charter School were provided 22 classroom spaces at Quincy Jones Elementary. Quincy Jones Elementary's existing space constraints have already substantially impacted Quincy Jones Elementary students, teachers,

staff, and administrators. Provision of facilities sufficient to accommodate the entirety of charter school's projected in-district classroom ADA in the Next Fiscal Year would further exacerbate the negative harmful impacts to such a point that it would be impossible for all of the students to share space fairly and receive a proper education. It would also result in increased emotional hardship and further loss of morale in students, teachers, staff, and administrators alike.

41. To accommodate Charter School's entire in-district classroom ADA at Quincy Jones Elementary would also present substantial safety concerns for both charter and non-charter District students. By way of example, District staff estimated that to accommodate all of Charter School's students at Quincy Jones Elementary would require the forcible displacement of a significant number of students attending Quincy Jones Elementary. Displacing students out of Quincy Jones Elementary would have far-reaching safety, instructional, and social implications.

42. For instance, many Quincy Jones Elementary students walk to and from their school. Recent District budgetary cutbacks and the harsh economic climate have made the ability to walk to school a necessity for many families with in-district children. The District school bus program has realized service cuts and route eliminations which have affected many students. As a result of past budget deficits, transportation funding was reduced as part of stabilization efforts. The latest impact came in July 2012, when the District was forced to implement a change to the eligible busing distance for secondary schools from three miles to five miles. These cuts disproportionately affect poorer students and make the ability to walk to school even more crucial.

43. Not only is the ability to walk to school at Quincy Jones Elementary a necessity for some students, but walking to school also provides key health benefits. According to the California Department of Public Health ("DPH"), close to one-third of California's children are overweight or obese. The DPH's California Active Communities ("CAC"), in collaboration with CA4Health (a project of the Public Health Institute, with funding from the Centers for Disease Control and Prevention) has determined that a child's overall health is affected by levels of physical inactivity which can be directly linked to time spent in automobiles versus in active transportation such as

walking. Walking or biking to school provides an opportunity for purposeful physical activity toward the accumulation of the recommended 60 minutes or more of daily physical activity for children and youth. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) Active transportation – such as walking and biking – to school can help increase physical activity levels of students and their families. (ChangeLabSolutions, *Incorporating Safe Routes to School into Local School Wellness Policies* (July 2015).) Physical activity reduces the risk of obesity and related chronic diseases, and improves mental health, attendance, and academic performance. (*Ibid.*) Active transportation can also have broad community benefits, including reducing traffic congestion and air pollution, creating safer streets, encouraging cost savings, and building a stronger sense of community. (*Ibid.*) Increasing physical activity through walking and biking to school can help address high obesity rates. (*Ibid.*)

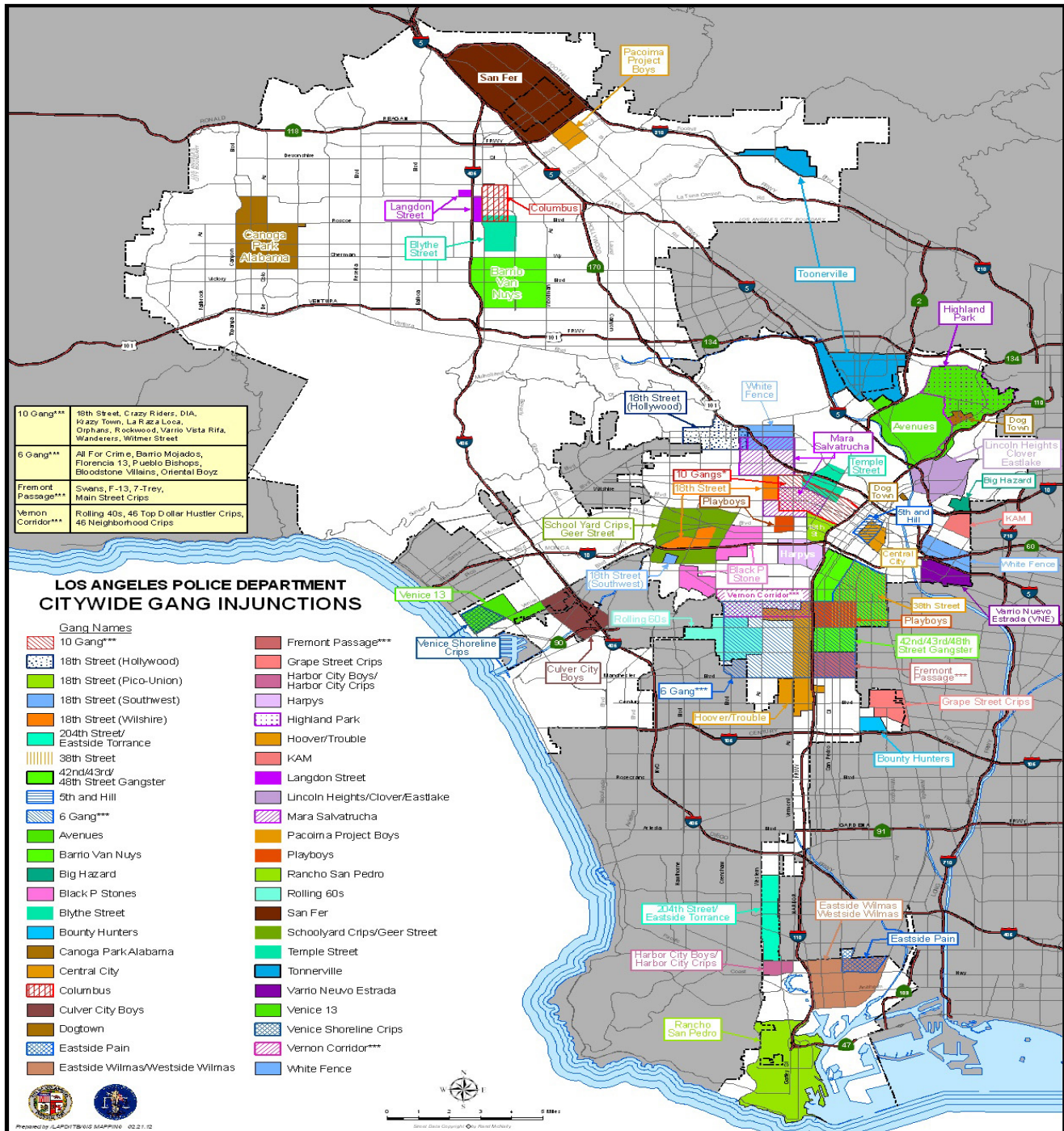
44. Empirical studies have determined that distance is a key impediment to children walking to school safely. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) A study published in the Journal of Public Health Policy examines the multi-level correlates of walking to and from school. Of the physical environmental factors examined, the strongest negative correlates to walking to school were distance and safety concerns. (Zhu & Lee, *Correlates of Walking to School and Implications for Public Policies*, Journal of Public Health Policy (2009).) Recognizing distance as a barrier to the ability for a child to walk to school, CA4Health, the CAC, and the DPH support school siting as well as joint use policies and practices that encourage kids to walk or bike to school.

45. Displacing a significant number of students from Quincy Jones Elementary to make additional room for Charter School would prevent a significant number of Quincy Jones Elementary children who currently have the ability to safely walk to school from being able to do so. Conversely, Charter School draws its attendance from 21 different District schools. Therefore,

providing a single-site offer at Quincy Jones Elementary to Charter School would endanger a significant number of children currently attending their nearby school. Moreover, the forcible displacements would not just be limited to the children attending Quincy Jones Elementary. Instead, those students would need to be absorbed into other District schools which may have insufficient space, programs and/or resources to house the influx of students, and would thereby cause the additional forcible displacement of children from these absorbing schools. This would create a ripple effect of forcible displacements necessitating hundreds of children to relocate for the benefit of a far lesser number of Charter School's children. Such a decision would pose disproportionate harm to a significant number of Quincy Jones Elementary students and to those District students displaced by the influx of these students, and thus produce inequity in the sharing of facilities.

46. Not only does distance play a factor in children safely walking to school due to traffic dangers, but several Los Angeles neighborhoods are plagued by gang violence. In order to create safe passages to and from school in neighborhoods suffering from gang-related violence, meaningful programs and efforts to mitigate these risks have been launched, such as Kid Watch LA which instituted the Walking School Bus for District students. The Walking School Bus enlists parent and community volunteers to accompany groups of small children as they walk to and from their school.

47. According to the Los Angeles Police Department, the District is located within the territory known as the "gang capital" of the nation, with more than 450 competing gangs. Gang violence is unfortunately prevalent on some campuses and within the neighborhoods of several District schools. As shown by the map depicting former gang injunctions in Los Angeles below, Los Angeles gangs claim particular territories:



48. On March 15, 2018, the City of Los Angeles was enjoined from enforcing these gang injunctions. (See, *Youth Justice Coalition, et al., v. City of Los Angeles, et al.*, CV 16-07932 VAP.) The inability to enforce these injunctions may result in an increase in gang-related activity and crime.

49. Involuntarily displacing students who themselves or whose parents are tied to a particular gang and placing them in a different school located in the territory of another gang would potentially breed gang warfare and violence affecting all children, teachers, staff, and parents at a particular school.

50. Pulling children out of their District schools and placing charter students at those school sites prevents the displaced children from taking advantage of safety measures such as the Walking School Bus and other relevant considerations their families have made, and therefore unfairly endangers the safety of those displaced children. These harms disproportionately affect students attending District schools. As parents of charter school students have elected to send their child to a school outside of his or her local attendance area, the parents have secured a means of transporting their child to this school. However, parents of children who attend District schools may not have the means to find alternate transportation and need to rely on children walking to their school. With the aforementioned reduction of several school bus routes and potential further elimination of transportation funding, many forcibly displaced children will be forced to walk long, unsafe distances or take unsafe public transit routes.

51. Displacing children attending Quincy Jones Elementary for the purpose of making a single-site offer to Charter School would have additional instructional and social ramifications. California has an accountability system reported through the California School Dashboard. The state's accountability system includes a three-level identification and support system for local educational agencies, and categorizes district performance levels using a system of five status levels (ranging from Very High, High, Medium, Low and Very Low). The 2022 Dashboard showed the District was assigned a Medium Status level for two of the six state indicators based on the performance of all student groups: English Learner Progress and Graduate Rate indicators. A Low status level was assigned to English Language Arts ("ELA") and Mathematics, and a Very Low status level for Suspension Rate. The District received one Very High-status level for Chronic Absenteeism. Of the thirteen student groups reported, four were in the Very Low status level, five

in Low, three in High, and one in Very High. For the 2023 Dashboard, District performance levels were categorized using a system of five colors, stated in order from lowest to highest performing (Red, Orange, Yellow, Green, and Blue), except in the College/Career Indicator. The 2023 Dashboard results indicate that the District received an Orange performance level for English Learner Progress, Graduation Rate, and English Language Arts (Academic Indicator). The District also received a Yellow performance level for Chronic Absenteeism and Mathematics (Academic Indicator). Though the District received a Yellow indicator for Chronic Absenteeism, it is important to note that the District decreased its chronic absenteeism by 8.8-percentage points to 31% from 39.8% in 2022. In addition, the District received a Blue performance level for its Suspension Rate, and a Medium status level for the College/Career Indicator. In examining the performance of the thirteen student groups, the Dashboard indicates that no student received a Red performance level for Chronic Absenteeism. Among the other indicators, only three of thirteen student groups received at least one Red performance Level. In contrast, twelve student groups received at least one Blue performance level.

52. The District is continuing its efforts to improve performance in all state indicators. Displacing District children attending their District school at Quincy Jones Elementary would thwart these efforts, and have instructional and social ramifications. Studies have empirically established that disrupting a child's trajectory to his or her district high school effectively increases drop-out rates. A review of 25 years of research conducted by the California Dropout Research Project identified strong predictors of dropping out of high school. The compilation study identified non-promotional school changes (student mobility) during middle school and high school as a key predictor of a child dropping out of school. (Rumberger & Lim, *Why Students Drop Out: A Review of 25 Years of Research*, California Dropout Research Project (October 2008).)

53. In 1998, a seminal study on the educational consequences of student mobility found a high causal connection between student mobility and an increased risk of high school drop-out.

The staggering results of this study indicate that controlling for other predictors, students who made even one non-promotional school change between the eighth and twelfth grades were *twice* as likely to not complete high school as students who did not change schools. (Rumberger & Larson, *Student Mobility and the Increased Risk of High School Dropout*, American Journal of Education 107 (November 1998).)

54. The safety and welfare of all students is the District's paramount concern and principal charge. The data is indisputable that children who drop out of school are at far greater risk of a vast array of physical, social, and economic harm than those who stay in school and complete their secondary education. This paramount concern of the District remains a material consideration when weighing whether to forcibly displace children from their existing school (such as Quincy Jones Elementary) in order to make way for students who would attend school at that site (such as Charter School) from distant neighborhoods, especially when other solutions for sharing space fairly are feasible.

55. An additional impact of such displacement would be the difficulty of sustaining the same level of parental involvement in the absorbing schools. California State Board of Education Policy #89-01 acknowledges that a critical dimension of effective schooling is parental involvement. This policy initiative states that research studies demonstrate parental involvement at school propels a child's educational career. Forcibly displacing students attending Quincy Jones Elementary would make it more challenging for those children to reap the benefits of parental involvement in their new schools.

56. An alternative to displacing students attending Quincy Jones Elementary would be to overcrowd the site by adding more of Charter School's students. However, this would cause severe safety and operational ramifications due to the design capacity of the Quincy Jones Elementary site, making this course of action infeasible. Adding Charter School's students to the Quincy Jones Elementary site or any other District campus with insufficient space to feasibly accommodate Charter School's total in-district classroom ADA would raise both schools'

classroom loading ratios, thereby disadvantaging both of these schools' children. Likewise, having children over a school site's capacity sharing space would pose a great risk to student safety and well-being.

57. In making decisions regarding allocations of space, District staff placed the safety of students attending Charter School, Quincy Jones Elementary, and other charter and District schools at the forefront of the decision-making process. District staff made substantial efforts to locate charter schools, including Charter School, at or near their desired geographic location and further made material efforts to minimize the number of sites on which each charter school was located. As Charter School's parents/guardians have made a decision to place their child in a school outside of their District school, they have had the opportunity to weigh the safety implications of this decision for their child. On the contrary, the families of forcibly displaced students would have no place in such a decision-making process. Thus, forcibly displacing children from Quincy Jones Elementary and/or other impacted District schools would not afford their parents/guardians the same opportunity. In addition, the decision to forcibly displace students to make way for Charter School students necessarily will have safety impacts upon the displaced children, whereas, given the fact that many Charter School students already voluntarily travel to attend Charter School, these children may not face any increased safety risk by being required to, for example, travel five miles east instead of five miles south.

58. Based on the foregoing, the District determined that it was simply not feasible to provide Charter School with a single-site offer at Quincy Jones Elementary, and because only a total of 12 spaces (9 teaching stations, 2 special education spaces, and one administrative office space) could be provided to Charter School at Quincy Jones Elementary for the Next Fiscal Year, a portion of Charter School's in-district classroom ADA would need to be accommodated at one or more additional site(s). Therefore, in order to ensure a sufficient allocation of special education and administrative office spaces are provided to Charter School at each District school site, the District has identified 12 classrooms (9 instructional spaces, 2 special education spaces, and one

administrative office space) at one or more additional District school site(s). While it is always the District's goal to accommodate a charter school's entire program on a single District school site, sometimes charter schools must be offered space on more than one site, particularly if, as in the case of Charter School, the charter school has a large projected in-district classroom ADA and has indicated in its facilities request a preference not to be moved from its current site.

59. Based on the geographic area of interest identified in Charter School's Facilities Request, the District reviewed and considered the space availability at various alternative nearby District sites with reasonably equivalent facilities in order to accommodate the remainder of Charter School's ADA that could not be accommodated at Quincy Jones Elementary.

60. Although it would be preferable to accommodate Charter School's entire program at the Quincy Jones Elementary site for the Next Fiscal Year, for the reasons set forth herein it is not possible to provide Charter School with 22 classrooms at the Quincy Jones Elementary site without presenting significant, safety, educational, scheduling, facilities, and operational challenges. The 28th Street Elementary site, which is within Region East and Board District 5, and is located 0.5 miles from the Quincy Jones Elementary site according to Google Maps, is the closest reasonably equivalent school site that could also accommodate Charter School. Considering that the District spans over 710 square miles and serves over 27 cities, and based on the plain language of California Code of Regulations, title 5, section 11969.2, subdivision (d), the 28th Street Elementary site is "contiguous" with the Quincy Jones Elementary site.

61. Based on all of the foregoing considerations, District staff recommends providing Charter School with a multi-site offer of contiguous facilities at the Recommended Co-Locations.

ATTACHMENT 12(b): SYNERGY CHARTER ACADEMY**Board of Education Finding that Synergy Charter Academy Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d)), and Determination of Necessity to Move**

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, The Board hereby incorporates by reference the entire Staff Report on the Deliberative Process for Determining Why Charter School Cannot be Accommodated at a Single Site for the Next Fiscal Year;

Whereas, District staff engaged in an effort to create a single-site offer to accommodate Charter School’s total in-district classroom ADA;

Whereas, The District cannot accommodate Charter School’s request for a single site at Quincy Jones Elementary;

Whereas, 9 different charter schools (including Charter School) requested space in Region East for the Next Fiscal Year;

Whereas, District staff determined that Quincy Jones Elementary (the only District school site or general geographic area in which Charter School wishes to be located) will not have sufficient classroom space to accommodate Charter School’s entire projected in-district classroom ADA in the Next Fiscal Year;

Whereas, The District cannot accommodate Charter School’s entire in-district classroom ADA at Quincy Jones Elementary;

Whereas, To accommodate Charter School's entire in-district classroom ADA at Quincy Jones Elementary would present substantial, disproportionate safety concerns for both Charter School's students and students attending their District school;

Whereas, To accommodate all of Charter School's students at Quincy Jones Elementary would require the displacement of a significant number of children attending Quincy Jones Elementary, and potentially additional District schools;

Whereas, Involuntarily displacing children out of their existing District schools has far-reaching safety, instructional, and social implications including: prohibiting children from safely walking to school; subjecting children to possible gang violence; increasing high-school drop-out rates; and impairing parental involvement in their children's schools;

Whereas, Based on these safety and instructional considerations, District staff recommends keeping the student populations of Quincy Jones Elementary and other District schools intact;

Whereas, Alternatively, over-crowding a school's campus in order to provide a single-site offer to Charter School would have equally severe safety and operational ramifications, making this course of action infeasible;

Whereas, The District can provide Charter School with a multi-site contiguous offer of reasonably equivalent facilities at the "Recommended Co-Locations";

Whereas, Providing Charter School space at the Recommended Co-Locations minimizes the number of sites assigned to Charter School;

Whereas, Because of the short distance between the Recommended Co-Locations in a school district spanning 710 square miles and serving over 27 cities, the Recommended Co-Locations are contiguous facilities;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School's entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site;

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District

authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites; and therefore be it finally

Resolved, That pursuant to Education Code section 47614, subdivision (b), for the reasons set forth herein and as further expressed by District staff, if to the extent that part of Charter School's operations which existed at the Quincy Jones Elementary site for the 2023-24 school year must be accommodated at the 28th Street Elementary site for the Next Fiscal Year constitutes a "move" of Charter School, the Governing Board of the Los Angeles Unified School District determines that such a move is necessary.

ATTACHMENT 13(a): WISH COMMUNITY SCHOOL**Staff Report on Deliberative Process for Determining Why WISH Community School Cannot be Accommodated at a Single Site****Charter School's Facilities Request**

1. On or before November 1, 2023, WISH Community School ("Charter School") submitted a Proposition 39 Online Facilities Request Form ("Facilities Request") to the District, requesting use of District facilities for a projected in-district classroom average daily attendance ("ADA") of 719.42 in grades TK-8 for the 2024-25 school year ("Next Fiscal Year"). Charter School identified 77 different District schools that its charter school students would otherwise attend. Charter School's Facilities Request was one of 46 that the District received for the Next Fiscal Year. Charter School requested facilities at Wright Middle School or Westchester Enriched Sciences Magnets ("Requested Sites"). Charter School is currently operating at Wright Middle School and Westchester Enriched Sciences Magnets.

2. District staff reviewed information provided in support of Charter School's ADA projections and determined that a reasonable in-district classroom ADA projection for Charter School is 719.42.

3. Education Code section 47614, subdivision (b) requires the District to provide charter schools with facilities sufficient for the charter school to accommodate all of its in-district students in conditions "reasonably equivalent" to those in which the students would be accommodated if they were attending other public schools of the district.

4. To determine whether the conditions of facilities provided to a charter school are "reasonably equivalent" to the school district facilities that charter school students would otherwise attend, the District adheres to the Proposition 39 implementing regulations (California Code of Regulations, title 5, section 11969.1, et seq.) which direct school districts to measure those facilities against the facilities used by district students at a "comparison group" of schools. As the

District is divided into high school attendance areas, in selecting comparison group schools, the District must follow California Code of Regulations, title 5, section 11969.3, subdivision (a)(2), which states, “[t]he comparison group shall be the district-operated schools with similar grade levels that serve students living in the high school attendance area... in which the largest number of students of the charter school reside.” District staff reviewed Charter School’s projected in-district classroom ADA broken down by grade level and its identification of the 77 different District schools its projected charter school students would otherwise attend. Based on the information provided by Charter School, District staff determined that the attendance area where the largest number of Charter School’s projected students reside is the Westchester Enriched Sciences Magnets - Health/Sports Med attendance area. Consequently, based on the grade levels that Charter School projects it will serve, District staff identified the following as the District-operated schools with similar grade levels that serve students within the Westchester Enriched Sciences Magnets - Health/Sports Med attendance area; i.e., Charter School’s comparison group schools: Cowan Avenue Elementary, Katherine Johnson STEM Academy, Kentwood Elementary, Loyola Village Elementary Fine/Performing Arts Magnet, Paseo del Rey Elementary, Playa Vista Elementary, Westport Heights Elementary, Windsor Hills Elementary Math/Science Aerospace Magnet, and Orville Wright Engineering and Design Magnet.

5. The District also follows California Code of Regulations, title 5, section 11969.3, subdivision (b)(1), which requires that the facilities made available by a school district to a charter school shall be provided in the same ratio of teaching stations (classrooms) to ADA as those provided to students in the district attending comparison group schools. To implement a fair sharing of space, the District determines the ratio of ADA-to-classrooms provided for each of the charter school’s comparison group schools and uses an average of those figures to determine the number of classrooms to provide to the charter school. It also results in the District allocating classroom space sufficient to allow a charter school to maintain the same minimum number of seats in a classroom as maintained in the District’s comparison group schools, that is, to maintain

conditions reasonably equivalent to the comparison group schools as required by Proposition 39. In other words, it results in accommodating charter school students on District school sites as they would be accommodated if they otherwise attended those District schools. Consequently, this calculation is used to ensure the number of classrooms provided to charter schools is equivalent to the number of classrooms provided at their comparison group schools.

6. Relying upon an in-district classroom ADA projection of 719.42 for the Next Fiscal Year, and an average ADA to classrooms provided ratio at the comparison group schools of 18.32, the District determined that Charter School is entitled to 39 teaching stations (classrooms) and one space to be used as its administrative office. The District also determined that Charter School is entitled to 5 special education space(s).

7. Charter School's facilities request states: "WISH Community would like to be all together on the Wright Middle School Campus or the Westchester Enriched Sciences Magnet Campus. If that is not possible, it would like to stay in its current locations both on the Wright Middle School Campus and Westchester Enriched Sciences Magnet Campus.... If a contiguous space cannot be provided for WISH Community grades TK-Grade 8 at Wright MS or Westchester SH then WISH would like to continue to co-locate on both campuses. Due to its close connection with LMU and its status as a professional development school. WISH must remain within close proximity to the university. Other sites within the target geographic area are Westchester SH, Emerson Adult School, Playa Vista Elementary, Paseo Del Rey, Loyola Village, Playa Del Rey, and any other elementary or middle schools within a 1-mile radius of Loyola Marymount University and within the 90045 zip code."

8. Based on the foregoing, if the in-district classroom ADA of Charter School cannot be accommodated entirely at either of the Requested Sites in the Next Fiscal Year, District staff recommends allocating Charter School facilities at both Westchester Enriched Sciences Magnets and Wright Middle School and additional school site(s).

9. Education Code section 47614, subdivision (b), provides that facilities provided to a charter school by a school district must be, among other things, “contiguous.” The definition of “contiguous” expressed in California Code of Regulations, title 5, section 11969.2, subdivision (d), states that facilities are “contiguous” if they are contained on the school site or immediately adjacent to the school site, and that if the in-district classroom ADA of a charter school cannot be accommodated on any single school district school site, contiguous facilities also includes facilities located at more than one site, provided that the school district shall minimize the number of sites assigned and shall consider student safety. As explained below, pursuant to Proposition 39, District staff first engaged in an effort to create a single-site offer to accommodate Charter School’s projected total in-district classroom ADA in the Next Fiscal Year. District staff evaluated space at each of the Requested Sites (the District school sites at which Charter School wishes to locate) and determined that the Requested Sites will not have sufficient classroom space to accommodate Charter School’s total in-district classroom ADA in the Next Fiscal Year. Rather than attempt to locate Charter School on a single site different from the Requested Sites, pursuant to Education Code section 47614, District staff engaged in an effort to satisfy Charter School’s request and provide a multi-site allocation of contiguous facilities.

10. Therefore, District staff recommends providing space at the following locations to Charter School to accommodate its total in-district classroom ADA for the Next Fiscal Year: Wright Middle School and Westchester Enriched Sciences Magnets (collectively, the “Recommended Co-Locations”). By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate and to minimize the number of sites assigned to Charter School.

**Process District Staff Followed to Locate Space for Charter School Pursuant to
Proposition 39**

11. The District’s Charter Schools Division (“CSD”) determined that in the 2023-24

school year, more than 148,194 students enrolled in charter schools authorized by the District. This figure reflects a 1,865 student decrease compared to the number of students enrolled during the previous school year. In the 2023-24 school year, the District had the most charter students attending schools authorized by a District of any school district in the nation. The District ensured that every eligible in-district charter student was offered a seat.

12. For the 2024-25 Proposition 39 cycle, the District is applying a comprehensive process to ensure that every eligible in-district charter school student is offered a seat at a District campus. The District is following a critical schedule of steps, from receiving the initial request for facilities by a charter school to making facilities ready for occupancy, in order to timely meet the Proposition 39 timeline. The general process District staff is following in administrating Charter School's Facilities Request is the same that it used to process each of the other facilities requests the District received from charter schools for the Next Fiscal Year. That process is as follows:

13. Beginning in September 2023, School Management Services and Master Planning & Demographics ("SMS-MPD") staff, which includes District personnel in the District's Facilities Services Division experienced in public school facilities utilization that assess all of the educational space within the District, conducted a comprehensive analysis of the use of District classrooms school facilities, called E-CAR. E-CAR was implemented at the beginning of the Proposition 39 process to assess capacity at school sites throughout the District, and commenced with a preparation period during which SMS-MPD staff examined materials submitted by all District schools in the previous year for accuracy, as well as for consistency with previous assessments' classroom usage and availability determinations. The SMS-MPD staff applied standard formulae for the usage of classrooms in order to generate an objective and uniform assessment of the amount of total classroom space at District school sites. The purpose of this calculus is to assess the number of classrooms required to accommodate instructional program enrollment, based on grade level and specific course subject matters at secondary schools.

14. Next, the E-CAR process involves District school principals at more than 700 District school sites logging into an online application to validate their school's enrollment and to

review and confirm details regarding the school site's classrooms and their respective utilization. Specifically, the principals identified and validated classroom space utilized as teaching stations and "set-asides" (classrooms used for purposes other than general education), along with classroom numbers, locations, and sizes. Additionally, the principals identified classrooms occupied by special education programs, charter schools, preschools, alternative education programs, option programs, and other third-party users, as well as swing space needed for construction projects, and classrooms that are out of service or mandated for removal due to legal and/or safety/physical condition requirements. The purpose of E-CAR is to accurately assess the current capacity of each District school site in several respects: the number and size of classrooms, the manner in which those classrooms are currently used, and the school's operating capacity. E-CAR entails a detailed review of the present use of District school sites and an analysis of the projected future uses of those facilities. The analysis includes reporting of data by individual schools, which is reviewed by SMS-MPD staff to confirm its accuracy and to ensure that space is used efficiently and uniformly throughout the District.

15. To ensure that District school administrators are provided the resources necessary for a complete and accurate assessment of their school's capacity, they were instructed to reference the following resource materials for their school site: A current school map; the school's former or most recent Norm Day classification report (which details the number of students enrolled at that school on September 15, 2023); the Norm Day classification report for any magnet centers and/or dual language programs located on the school site; the Classroom Inventory and Allocation Worksheet pages from the prior school year's Capacity Assessment Review report, which contains information for classroom counts and allocations into precisely-defined categories; and the number of teaching positions in all categories, including general education, special day, magnet, dual-language, physical education, and off-norm-funded positions.

16. Categorizing classrooms in this way is important because a school's capacity involves more than its raw seats and room numbers. The District must determine whether a school site has facilities available to sufficiently serve the particular requirements of a school, such as

grade levels, special education programs, magnet centers, Small Learning Communities, Personalized Learning Environments, legal mandates, and other student needs.

17. District staff reviewed the foregoing data regarding specific capacity information at District school sites for the Next Fiscal Year. Utilizing this data, SMS-MPD provided CSD with the number of estimated available classrooms, at each District school site given specific operating capacities per programmatic and mandated qualifiers. When planning for maximal use of available school facilities, and in interpreting data generated during the course of facilities planning, it is absolutely critical to understand the difference between “unallocated classrooms” and “available seats.” To illustrate, a hypothetical District school may not have any unallocated classrooms but may have individual available seats in classrooms currently occupied. As a result, the school may be able to absorb 100 students into its existing classrooms by identifying two free seats spread out among 50 of its classrooms that are used for instruction appropriate to the grade level and subject matter requirements for the students being absorbed. Thus, it is an entirely different proposition to provide and integrate 100 seats across a campus than to provide four or five unallocated classrooms with the same total number of contiguous available seats. In many instances, there may be many available seats in a school, but no unallocated classrooms. This is especially the case for District middle and high schools where the students do not sit in one classroom all day, like an elementary school, but instead attend four or more different classes per day, each in different classrooms and with different teachers and groups of students, in order to receive the mandated curriculum.

18. SMS-MPD generated each instructional program’s operating capacity using a complex mathematical formula which took into account all aspects of the schools’ operations. The operating capacity also accounted for classrooms designated as “set asides.” Public school districts are required to provide special education space, and a parent center at each school which is classified as a set-aside. Also, pre-kindergarten and adult education students are served in classrooms at school sites across the District.

19. District staff analyzed each District school’s estimated available seats and classrooms for the Next Fiscal Year based on the data.

20. As a public institution, the District is required to provide an education to every student who chooses to enroll. The District previously planned its programming and staffing based on estimated enrollment projections, but in the event projections were short, the District was still obligated to provide an education to students who were not originally anticipated. As a safeguard against the overcrowding of classrooms in such situations, the District historically prepared to reserve 75 seats at every secondary school and 50 seats at every elementary school for additional unanticipated enrollment. Importantly, however, beginning in 2013 and continuing this year, District staff examined the actual historical enrollment data over the last several years at each school site to determine if a trend could be empirically established demonstrating unanticipated growth. Based upon this analysis, the District determined that no seats at any District school sites offered to a charter school should be reserved for unanticipated growth.

21. The District uses the definition contained in California Code of Regulations, title 5, section 11969.3, subdivision (a)(2) to determine comparison group schools. No two schools are identical; however, on a grade-alike basis, a significant majority of the District's schools share reasonably equivalent conditions, especially when taking into account age, quality of materials and state of maintenance, school site size, conditions of surfaces as well as mechanical, plumbing, electrical and fire-life systems, including conformity to applicable codes, availability and condition of technology infrastructure, the condition of the facility as a safe learning environment, including, but not limited to, the suitability of lighting, noise mitigation, and size for intended use, the conditions of the facility's furnishings and equipment, and the condition of athletic fields and play area space. As part of this process, District staff determined whether the conditions of school facilities offered to a charter school were reasonably equivalent to those of the comparison group schools.

Matching Guidelines Utilized by the District for Charter School

22. In accordance with applicable law, the District is guided by the following matching guidelines in order to make contiguous offers of space to charter schools in facilities with

reasonably equivalent conditions to those which would accommodate the charter students if they otherwise attended District schools:

- Consider student safety and welfare
- Identify reasonably equivalent facilities
- Minimize the number of sites assigned
- Make reasonable efforts to provide facilities near to where the charter school wishes to locate
- Avoid moving a charter school unnecessarily
- Minimize disruption to District and charter programs
- Fairly balance the needs of District and charter programs
- Avoid displacing any District students from their school of attendance
- Maximize use of unallocated classroom space (i.e., those with no designated use and would be vacant/unassigned in a particular fiscal year, as identified in the District's annual comprehensive analysis of space on District school sites. Classrooms used to provide additional programming or services are not considered unallocated classroom space, and are categorized according to their specific designation).

23. District staff makes every reasonable effort to locate space on a single site, or on multiple sites only if necessary or specifically requested by the charter school, in the charter school applicant's geographic area of interest. Consequently, District staff first attempts to accommodate charter schools at a single school site and looks for available facilities sufficient to accommodate the entirety of a charter school's projected in-district classroom ADA within its desired area of geographic interest. Only when no single school site can be feasibly identified based upon school site design and occupancy limitations, as well as after taking into account the paramount considerations of both District and charter school student safety and welfare, does the District make offers that contemplate the use of multiple school sites.

24. District staff first identifies the classroom inventory by grade level configuration in each geographic region. Grade-alike matches typically provide reasonably equivalent space to charter schools; therefore, wherever possible, District staff allocates space to charter applicants on grade-alike school facilities.

25. District staff next identifies which charter school applicants are currently located in District facilities that they have identified in their geographic area of interest for the following Proposition 39 cycle and, when feasible, matches those charter schools to those school sites.

District staff then examines and identifies the geographic areas of interest of other charter school applicants. As described above, multiple charter schools often request space in the exact same location so District staff must assess conflicting geographic as well as particular site interests. In doing so, District staff examines whether the potential match would utilize all available classrooms and whether the match represents a full, single-site offer. Priority is given to those charters where these two goals can be achieved.

26. Based on an examination of these criteria, District staff makes a preliminary match of available classrooms at a particular site to the projected in-district classroom ADA of each charter school. District staff attempts to find the most geographically relevant grade-alike matches. District staff seeks to minimize disruption to and fairly balance the needs of District and charter programs. For multi-site scenarios, District staff eliminates set-asides whenever reasonably possible to reduce the number of sites assigned to a charter school, which often results in being able to transform multi-site offers to single-site offers. While endeavoring to preserve programmatic spaces essential to enriching instruction and student health and human services, District staff may need to engage in the materially disruptive measure of eliminating or otherwise impacting set-asides used to provide services at District schools in order to share space fairly among charter and non-charter students in the District. Set-asides are divided into two categories: District set-asides and School set-asides.

27. School set-asides allocate space for instructional, safety, and health programs that are specific to a particular school. For example, Title I funding coordinator offices are considered School set-asides. Title I funding provides financial assistance to schools with high numbers or high percentages of low-income children to help ensure that all children meet challenging state academic standards. The District uses Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet state standards in core academic subjects. Such funds support extra instruction in reading and mathematics, as well as special preschool, after-school, and summer programs to extend and

reinforce the regular school curriculum. Additionally, School set-asides are used to allocate space for small learning community (“SLC”) offices. An SLC, also referred to as a School-Within-A-School, is a form of school structure in secondary schools to subdivide large school populations into smaller, autonomous groups of students and teachers. SLCs include structures such as freshman academies, multi-grade academies organized around career interests or other themes, “houses” in which small groups of students remain together throughout high school, and autonomous schools-within-a-school, as well as personalization strategies, such as student advisories, family advocate systems, and mentoring programs. Research continues to show that small schools and SLCs have the necessary elements to counteract the inherent negative effects of poverty and poor academic achievement for low-income students and/or students of color. (Cotton, *New Small Learning Communities: Findings from Recent Literature*, Portland, Ore: Northwest Regional Educational Laboratory (2001); Jimerson, *The Hobbit Effect: Why Small Works in Public Schools*, The Rural School and Community Trust (August 2006).)

28. At the middle school level, School set-asides are used, for example, for Personal Learning Environment (“PLE”) offices, the middle school equivalent to an SLC. Likewise, School set-asides may be used for the District’s Response to Instruction and Intervention (“RTI²”) program. RTI² integrates assessment and intervention within a multi-level prevention system to maximize student achievement and to reduce behavior problems. With RTI², schools identify students at risk for poor learning outcomes, monitor student progress, provide evidence-based interventions and adjust the intensity and nature of those interventions depending on a student’s responsiveness, and identify students with learning disabilities or other disabilities. In order to provide space to charter schools requesting Proposition 39 facilities, District staff has eliminated or reduced the number of School set-asides on certain campuses. This instructional disruption unfortunately disproportionately affects low-income, low-performing, or disabled District neighborhood children, those who need assistance the most. However, District staff has taken these disruptive measures in order to share facilities fairly with charter schools.

29. District set-asides use school space to implement key District-wide instructional, health, and safety programs. For example, these set-asides include space for District police, regional special educational testing centers, health center clinics, food service, and Beyond the Bell programs, among others. Eliminating these set-asides would deny or interfere with students' ability to receive the special education and related services to which they are entitled, or force students to travel as much as 50 miles to the next closest center. In the 2023-24 fiscal year, the District's school-based health clinics are projected to provide approximately 156,000 visits to children who would otherwise have been challenged to access health care. The demand for health services remains as high as it did in the previous school year, and to eliminate these clinics would deprive the neediest children of vital services. Additionally, Beyond the Bell programs ensure that all children and youth in the District have access to high-quality, safe, and supervised academic, enrichment, and recreation programs that inspire learning and achievement beyond the regular school day (before and after school and Saturdays). The three components of Beyond the Bell include academic tutorial, recreational, and enrichment programs vital to the safety and wellbeing of school children. Improved school attendance and test scores have been attributed to student participation in Beyond the Bell's after-school programs. By providing supervision and engagement during after school hours when many parents may be working outside the home, Beyond the Bell's programs help reduce the risk that children might engage in drug or alcohol use, sexual activity, and/or crime. To eliminate Beyond the Bell programs would expose the thousands of children who utilize these programs on a daily basis to danger, harming their academic performance and their overall wellbeing.

30. Although District and School set-asides provide space for programs that are vital to the curriculum of a particular school or to District-wide goals, in order to share space fairly, District staff has cut into these set-asides where doing so would minimize the number of sites offered to a charter school in order to make a complete offer of space.

31. For the Next Fiscal Year, District staff had to grapple with the conflicting needs of 46 different charter school applicants and cycled through its comprehensive space matching process as conscientiously as possible, shifting space and potential matches to fulfill the District's obligation to share space fairly among all students – charter school students and those students attending District schools alike. In doing so, District staff kept in the forefront considerations of student safety and welfare.

32. Often, many charter schools request to be located at the same school site, requiring District staff to assess conflicting geographic as well as particular site interests. In fact, 12 different charter schools (including Charter School) requested space in Region West for the Next Fiscal Year. District staff had to contend with the conflicting needs of these 12 charter schools, as well as all 46 eligible charter school applicants, shifting space and potential matches to fulfill the District's obligation to share space fairly among all in-district students. The process is extraordinarily dynamic with a complex set of ever-changing pieces, decisions regarding any one of which can result in very real ripple effects for students and programs across multiple school sites.

33. The District's space matching guidelines are just that – guidelines. They cannot be applied in a vacuum and without rationale. In allocating space to charter schools, the District must consider the impact on other public school students, both those attending District schools and those attending other charter schools requesting space. District staff applied the District's matching guidelines in conjunction with thoughtful considerations of the real world impacts on all public students in providing co-location offers to charter schools for the Next Fiscal Year.

34. The District began its space analysis for Charter School by examining data from E-CAR for the Requested Sites related to the 2024-25 school year. As explained above, the E-CAR enrollment for the Requested Sites is reflected in classroom usage as of September 15, 2023, which is known as "Norm Day." The E-CAR data is a "snapshot in time" that reflects classroom availability and usage at a particular school site at the time it is prepared. It is the baseline for the

District's comprehensive space analysis of the current and projected utilization and availability of space for a charter school. It does not contemplate any prospective future revisions or factor in projected classroom usage for any subsequent school year, or changes in space utilization needs that occur after the E-CAR data is prepared, such as, for example, increases or decreases in the District school site's enrollment projections for the upcoming school year, planned programmatic expansions, adjustments to ADA-to-classrooms ratios and/or assigned teachers, changes to grade levels served, construction projects, removal of portable classrooms, charter schools' potentially forthcoming Proposition 39 facilities requests, the planned occupancy by other charter schools or District programs, or any other factor that would result in an adjustment of the number of available classrooms for the Next Fiscal Year. E-CAR data indicated 0 unassigned/unallocated standard size classrooms at Wright Middle School and 0 unassigned/unallocated standard size classrooms at Westchester Enriched Sciences Magnets at Norm Day. Charter School occupies 25 exclusive use spaces at Wright Middle School and 19 exclusive use spaces at Westchester Enriched Sciences Magnets in the current school year.

35. In the second week of November 2023, Region Offices were provided information regarding charter schools that had requested Proposition 39 space, and potential space availability at District school sites. Region West was advised of the District school site(s) and/or general geographic area in which Charter School wishes to locate, and that it was entitled to exclusively use a total of 45 spaces (39 instructional spaces, 5 special education spaces, and one administrative office space) for the Next Fiscal Year. Region West was also advised that there were 12 charter schools that had requested facilities within that same Region.

36. Meetings were also conducted between CSD, SMS-MPD, and others, so that additional District stakeholders such as Region Office leadership and school-site staff could provide further valuable input regarding important information, such as impacts of a potential co-location at a particular school site or unique site conditions that might make it unsuitable. Various provisional matches within each Region were identified and deliberated, and participants

thoughtfully discussed potential recommendations as part of the District's comprehensive compliance effort. Per established protocols, the District also invited labor partners, including United Teachers Los Angeles, to Advisory meetings to offer feedback.

37. During the course of the meetings and numerous additional discussions, CSD, Region West, District administrators, SMS-MPD, and others discussed that neither of the Requested Sites will have adequate availability of space in the Next Fiscal Year to accommodate Charter School's entire projected in-district classroom ADA due to the planned programmatic needs as accounted for in the E-CAR. Also evaluated were the needs, as operationally feasible and permitted by law, to support the District's 100 Priority Schools, Black Student Achievement Program (BSAP) schools, and Community Schools, and avoid outcomes that would compromise District schools' capacity to serve neighborhood children and/or result in grade span arrangements that negatively impact student safety and actively deter students from attending District schools. Due to these circumstances, neither of the Requested Sites will be able to accommodate Charter School's entire projected in-district classroom ADA in the Next Fiscal Year.

38. In summary, the District has no realistic ability to allocate 45 exclusive use classroom spaces to Charter School at either of the Requested Sites for the Next Fiscal Year. Allocating such space to Charter School would present significant safety, educational, scheduling, facilities, and operational challenges, and result in significantly harmful negative impacts, displacements, and disruptions to students at the Requested Sites. Allocating such space to Charter School would result in an unfair sharing of space between Charter School and the Requested Sites.

39. If Charter School was provided 45 classroom spaces at either of the Requested Sites it would so severely diminish the site's program's usable instructional space that it could require some teachers to hold classes outside of classroom settings. Alternatively, the Requested Sites could either overcrowd its existing classrooms by reducing its teaching staff and increasing the number of student desks in classrooms or require two teachers to teach class simultaneously in one classroom. Both options would not only overburden the teachers forced to teach those classes, but

would also unfairly crowd students and block safe access to doors. None of these possibilities are realistically feasible.

40. District staff has determined that the quality of the education for students attending school at the Requested Sites and Charter School would suffer significantly if Charter School were provided 45 classroom spaces at either of the Requested Sites. Existing space constraints at the Requested Sites have already substantially impacted the Requested Sites' students, teachers, staff, and administrators. Provision of any additional classroom space to Charter School in the Next Fiscal Year would further exacerbate the negative harmful impacts to such a point that it would be impossible for all of the students to share space fairly and receive a proper education. It would also result in increased emotional hardship and further loss of morale in students, teachers, staff, and administrators alike.

41. To accommodate Charter School's entire in-district classroom ADA at either of the Requested Sites would also present substantial safety concerns for both charter and non-charter District students. By way of example, District staff estimated that to accommodate all of Charter School's students at either of the Requested Sites would require the forcible displacement of a significant number of students attending the site. Displacing students out of the Requested Sites would have far-reaching safety, instructional, and social implications.

42. For instance, many of the Requested Sites' students walk to and from their school. Recent District budgetary cutbacks and the harsh economic climate have made the ability to walk to school a necessity for many families with in-district children. The District school bus program has realized service cuts and route eliminations which have affected many students. As a result of past budget deficits, transportation funding was reduced as part of stabilization efforts. The latest impact came in July 2012, when the District was forced to implement a change to the eligible busing distance for secondary schools from three miles to five miles. These cuts disproportionately affect poorer students and make the ability to walk to school even more crucial.

43. Not only is the ability to walk to school at the Requested Sites a necessity for some

students, but walking to school also provides key health benefits. According to the California Department of Public Health (“DPH”), close to one-third of California’s children are overweight or obese. The DPH’s California Active Communities (“CAC”), in collaboration with CA4Health (a project of the Public Health Institute, with funding from the Centers for Disease Control and Prevention) has determined that a child’s overall health is affected by levels of physical inactivity which can be directly linked to time spent in automobiles versus in active transportation such as walking. Walking or biking to school provides an opportunity for purposeful physical activity toward the accumulation of the recommended 60 minutes or more of daily physical activity for children and youth. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) Active transportation – such as walking and biking – to school can help increase physical activity levels of students and their families. (ChangeLabSolutions, *Incorporating Safe Routes to School into Local School Wellness Policies* (July 2015).) Physical activity reduces the risk of obesity and related chronic diseases, and improves mental health, attendance, and academic performance. (*Ibid.*) Active transportation can also have broad community benefits, including reducing traffic congestion and air pollution, creating safer streets, encouraging cost savings, and building a stronger sense of community. (*Ibid.*) Increasing physical activity through walking and biking to school can help address high obesity rates. (*Ibid.*)

44. Empirical studies have determined that distance is a key impediment to children walking to school safely. (Martin, Moeti and Pullen-Seufert, *Implementing Safe Routes to School: Application for the Socioecological Model and Issues to Consider* (2008).) A study published in the Journal of Public Health Policy examines the multi-level correlates of walking to and from school. Of the physical environmental factors examined, the strongest negative correlates to walking to school were distance and safety concerns. (Zhu & Lee, *Correlates of Walking to School and Implications for Public Policies*, Journal of Public Health Policy (2009).) Recognizing distance as a barrier to the ability for a child to walk to school, CA4Health, the CAC, and the DPH

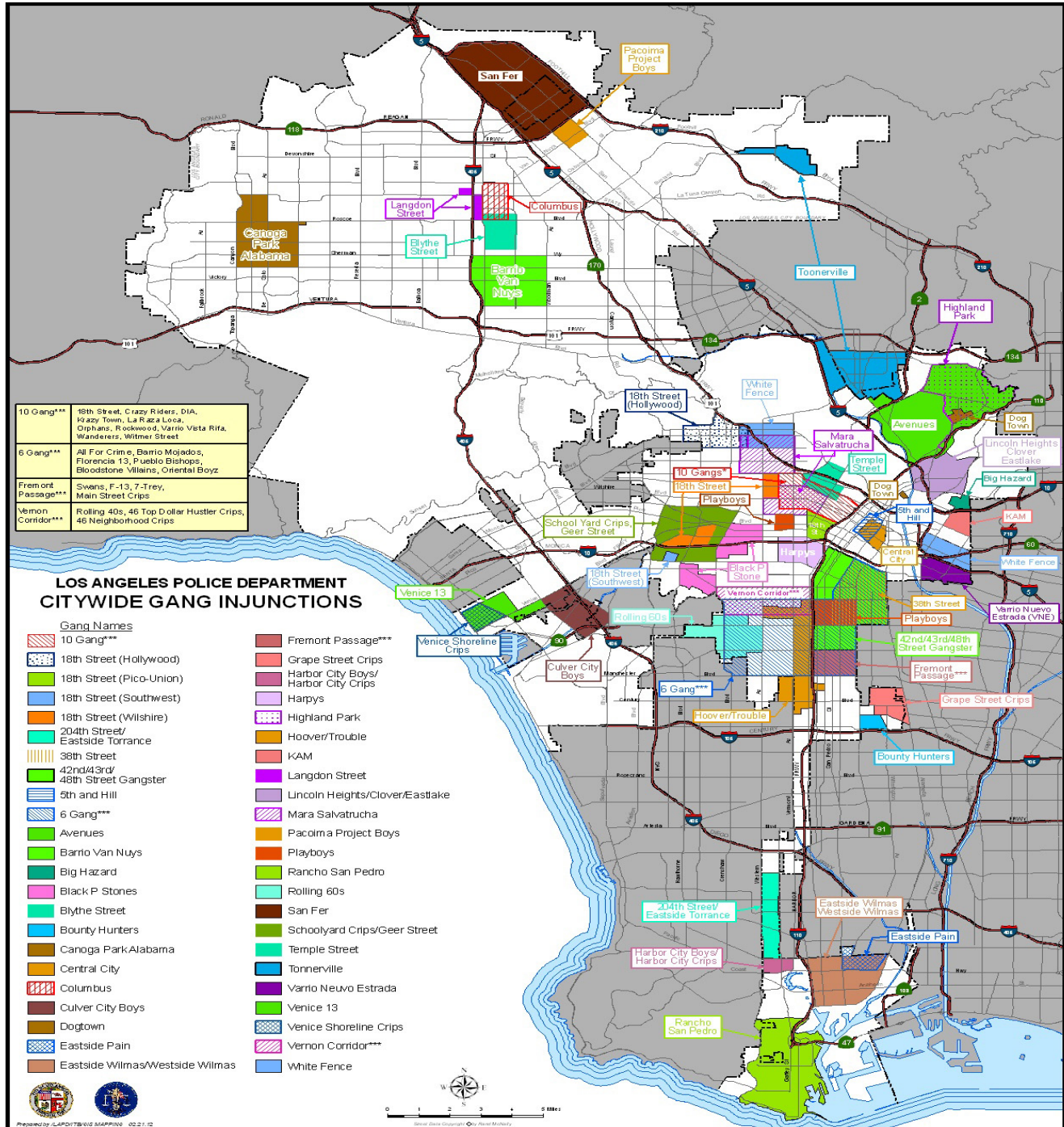
support school siting as well as joint use policies and practices that encourage kids to walk or bike to school.

45. Displacing a significant number of students from the Requested Sites to make additional room for Charter School would prevent a significant number of the children who currently have the ability to safely walk to school from being able to do so. Conversely, Charter School draws its attendance from 77 different District schools. Therefore, providing a single-site offer at either of the Requested Sites to Charter School would endanger a significant number of children currently attending their nearby school. Moreover, the forcible displacements would not just be limited to the children attending the Requested Sites. Instead, those students would need to be absorbed into other District schools which may have insufficient space, programs and/or resources to house the influx of students, and would thereby cause the additional forcible displacement of children from these absorbing schools. This would create a ripple effect of forcible displacements necessitating hundreds of children to relocate for the benefit of a far lesser number of Charter School's children. Such a decision would pose disproportionate harm to a significant number of students attending school at the Requested Sites, and to those District students displaced by the influx of these students, and thus produce inequity in the sharing of facilities.

46. Not only does distance play a factor in children safely walking to school due to traffic dangers, but several Los Angeles neighborhoods are plagued by gang violence. In order to create safe passages to and from school in neighborhoods suffering from gang-related violence, meaningful programs and efforts to mitigate these risks have been launched, such as Kid Watch LA which instituted the Walking School Bus for District students. The Walking School Bus enlists parent and community volunteers to accompany groups of small children as they walk to and from their school.

47. According to the Los Angeles Police Department, the District is located within the territory known as the "gang capital" of the nation, with more than 450 competing gangs. Gang

violence is unfortunately prevalent on some campuses and within the neighborhoods of several District schools. As shown by the map depicting former gang injunctions in Los Angeles below, Los Angeles gangs claim particular territories:



48. On March 15, 2018, the City of Los Angeles was enjoined from enforcing these gang injunctions. (See, *Youth Justice Coalition, et al., v. City of Los Angeles, et al., CV 16-07932 VAP.*) The inability to enforce these injunctions may result in an increase in gang-related activity and crime.

49. Involuntarily displacing students who themselves or whose parents are tied to a particular gang and placing them in a different school located in the territory of another gang would potentially breed gang warfare and violence affecting all children, teachers, staff, and parents at a particular school.

50. Pulling children out of their District schools and placing charter students at those school sites prevents the displaced children from taking advantage of safety measures such as the Walking School Bus and other relevant considerations their families have made, and therefore unfairly endangers the safety of those displaced children. These harms disproportionately affect students attending District schools. As parents of charter school students have elected to send their child to a school outside of his or her local attendance area, the parents have secured a means of transporting their child to this school. However, parents of children who attend District schools may not have the means to find alternate transportation and need to rely on children walking to their school. With the aforementioned reduction of several school bus routes and potential further elimination of transportation funding, many forcibly displaced children will be forced to walk long, unsafe distances or take unsafe public transit routes.

51. Displacing children attending the Requested Sites for the purpose of making a single-site offer to Charter School would have additional instructional and social ramifications. California has an accountability system reported through the California School Dashboard. The state's accountability system includes a three-level identification and support system for local educational agencies, and categorizes district performance levels using a system of five status levels (ranging from Very High, High, Medium, Low and Very Low). The 2022 Dashboard showed the District was assigned a Medium Status level for two of the six state indicators based on the performance

of all student groups: English Learner Progress and Graduate Rate indicators. A Low status level was assigned to English Language Arts (“ELA”) and Mathematics, and a Very Low status level for Suspension Rate. The District received one Very High-status level for Chronic Absenteeism. Of the thirteen student groups reported, four were in the Very Low status level, five in Low, three in High, and one in Very High. For the 2023 Dashboard, District performance levels were categorized using a system of five colors, stated in order from lowest to highest performing (Red, Orange, Yellow, Green, and Blue), except in the College/Career Indicator. The 2023 Dashboard results indicate that the District received an Orange performance level for English Learner Progress, Graduation Rate, and English Language Arts (Academic Indicator). The District also received a Yellow performance level for Chronic Absenteeism and Mathematics (Academic Indicator). Though the District received a Yellow indicator for Chronic Absenteeism, it is important to note that the District decreased its chronic absenteeism by 8.8-percentage points to 31% from 39.8% in 2022. In addition, the District received a Blue performance level for its Suspension Rate, and a Medium status level for the College/Career Indicator. In examining the performance of the thirteen student groups, the Dashboard indicates that no student received a Red performance level for Chronic Absenteeism. Among the other indicators, only three of thirteen student groups received at least one Red performance Level. In contrast, twelve student groups received at least one Blue performance level.

52. The District is continuing its efforts to improve performance in all state indicators. Displacing District children attending their District school at the Requested Sites would thwart these efforts, and have instructional and social ramifications. Studies have empirically established that disrupting a child’s trajectory to his or her district high school effectively increases drop-out rates. A review of 25 years of research conducted by the California Dropout Research Project identified strong predictors of dropping out of high school. The compilation study identified non-promotional school changes (student mobility) during middle school and high school as a key

predictor of a child dropping out of school. (Rumberger & Lim, *Why Students Drop Out: A Review of 25 Years of Research*, California Dropout Research Project (October 2008).)

53. In 1998, a seminal study on the educational consequences of student mobility found a high causal connection between student mobility and an increased risk of high school drop-out. The staggering results of this study indicate that controlling for other predictors, students who made even one non-promotional school change between the eighth and twelfth grades were *twice* as likely to not complete high school as students who did not change schools. (Rumberger & Larson, *Student Mobility and the Increased Risk of High School Dropout*, American Journal of Education 107 (November 1998).)

54. The safety and welfare of all students is the District's paramount concern and principal charge. The data is indisputable that children who drop out of school are at far greater risk of a vast array of physical, social, and economic harm than those who stay in school and complete their secondary education. This paramount concern of the District remains a material consideration when weighing whether to forcibly displace children from their existing school (such as the Requested Sites) in order to make way for students who would attend school at that site (such as Charter School) from distant neighborhoods, especially when other solutions for sharing space fairly are feasible.

55. An additional impact of such displacement would be the difficulty of sustaining the same level of parental involvement in the absorbing schools. California State Board of Education Policy #89-01 acknowledges that a critical dimension of effective schooling is parental involvement. This policy initiative states that research studies demonstrate parental involvement at school propels a child's educational career. Forcibly displacing students attending the Requested Sites would make it more challenging for those children to reap the benefits of parental involvement in their new schools.

56. An alternative to displacing students attending either of the Requested Sites would be to overcrowd the sites by adding more of Charter School's students. However, this would cause

severe safety and operational ramifications due to the design capacity of the Requested Sites, making this course of action infeasible. Adding Charter School's students to either of the Requested Sites, or any other District campus with insufficient space to feasibly accommodate Charter School's total in-district classroom ADA would raise both schools' classroom loading ratios, thereby disadvantaging both of these schools' children. Likewise, having children over a school site's capacity sharing space would pose a great risk to student safety and well-being.

57. In making decisions regarding allocations of space, District staff placed the safety of students attending Charter School, the Requested Sites, and other charter and District schools at the forefront of the decision-making process. District staff made substantial efforts to locate charter schools, including Charter School, at or near their desired geographic location and further made material efforts to minimize the number of sites on which each charter school was located. As Charter School's parents/guardians have made a decision to place their child in a school outside of their District school, they have had the opportunity to weigh the safety implications of this decision for their child. On the contrary, the families of forcibly displaced students would have no place in such a decision-making process. Thus, forcibly displacing children from either of the Requested Sites and/or other impacted District schools would not afford their parents/guardians the same opportunity. In addition, the decision to forcibly displace students to make way for Charter School students necessarily will have safety impacts upon the displaced children, whereas, given the fact that many Charter School students already voluntarily travel to attend Charter School, these children may not face any increased safety risk by being required to, for example, travel five miles east instead of five miles south.

58. Based on the foregoing, the District determined that it was simply not feasible to provide Charter School with a single-site offer at either of the Requested Sites for the Next Fiscal Year.

59. While it is always the District's goal to accommodate a charter school's entire program on a single District school site, sometimes charter schools must be offered space on more

than one site, particularly if, as in the case of Charter School, the charter school has a large projected in-district classroom ADA and has indicated in its facilities request a preference not to be moved from its current sites if a single site co-location at the Requested Sites is not possible. Therefore, the following spaces have been identified for allocation to Charter School at the Requested Sites in the Next Fiscal Year: 27 spaces (23 teaching stations, 3 special education spaces, and one administrative office space) at Wright Middle School; and 19 spaces (16 teaching stations, 2 special education spaces, and one administrative office space) at Westchester Enriched Sciences Magnets.

60. Although it would be preferable to accommodate Charter School's entire program at either of the Requested Sites for the Next Fiscal Year, for the reasons set forth herein it is not possible to provide Charter School with 45 classrooms at one of the Requested Sites without presenting significant, safety, educational, scheduling, facilities, and operational challenges. The Requested Sites, which are located 2.1 miles from each other according to Google Maps and are both within Region West and Board District 4, were expressly requested by Charter School. Charter School is also currently occupying space at both the Westchester Enriched Sciences Magnets and Wright Middle School sites. Considering that the District spans over 710 square miles and serves over 27 cities, and based on the plain language of California Code of Regulations, title 5, section 11969.2, subdivision (d), the Westchester Enriched Sciences Magnets site is "contiguous" with the Wright Middle School site.

61. Based on all of the foregoing considerations, District staff recommends providing Charter School with a multi-site offer of contiguous facilities at the Recommended Co-Locations.

ATTACHMENT 13(b): WISH COMMUNITY SCHOOL**Board of Education Finding that WISH Community School Cannot Be Accommodated at a Single Site and Written Statement of Reasons Explaining the Finding (Cal. Code Regs., tit. 5, § 11969.2, subd. (d))**

Whereas, Under Proposition 39, the Los Angeles Unified School District (“District”) is required to fairly share space between public school pupils, charter and non-charter students alike;

Whereas, In making an allocation of space, the District attempts to place a charter school applicant on one school site or, when that is not feasible, alternatively attempts to minimize the number of school sites on which the charter school applicant is placed;

Whereas, In making an allocation of space, the District materially considers the safety implications to charter and District school students of making a multi-site offer, and balances the safety, instructional, and social consequences of displacing children from their District schools, as well as the burdens associated with such an action on their parents and the community;

Whereas, For the Next Fiscal Year, 46 charter schools requested facilities under the Proposition 39 process, asking for approximately 13,110 seats from the District;

Whereas, Charter School submitted an application for Proposition 39 facilities for the Next Fiscal Year;

Whereas, The Board hereby incorporates by reference the entire Staff Report on the Deliberative Process for Determining Why Charter School Cannot be Accommodated at a Single Site for the Next Fiscal Year;

Whereas, District staff engaged in an effort to create a single-site offer to accommodate Charter School’s total in-district classroom ADA;

Whereas, The District cannot accommodate Charter School’s request for a single site at any of the District school site(s) and/or in the geographic area in which Charter School wishes to locate;

Whereas, 12 different charter schools (including Charter School) requested space in Region West for the Next Fiscal Year;

Whereas, District staff determined that the Requested Sites (the only District school sites or general geographic area in which Charter School wishes to be located) will not have sufficient classroom space to accommodate Charter School’s entire projected in-district classroom ADA in the Next Fiscal Year;

Whereas, The District cannot accommodate Charter School’s entire in-district classroom ADA at a single school site;

Whereas, To accommodate Charter School's entire in-district classroom ADA at the Requested Sites would present substantial, disproportionate safety concerns for both Charter School's students and students attending their District school;

Whereas, To accommodate all of Charter School's students at the Requested Sites would require the displacement of a significant number of children attending the Requested Sites, and potentially additional District schools;

Whereas, Involuntarily displacing children out of their existing District schools has far-reaching safety, instructional, and social implications including: prohibiting children from safely walking to school; subjecting children to possible gang violence; increasing high-school drop-out rates; and impairing parental involvement in their children's schools;

Whereas, Based on these safety and instructional considerations, District staff recommends keeping the student populations of the Requested Sites and other District schools intact;

Whereas, Alternatively, over-crowding a school's campus in order to provide a single-site offer to Charter School would have equally severe safety and operational ramifications, making this course of action infeasible;

Whereas, The District can provide Charter School with a multi-site contiguous offer of reasonably equivalent facilities at the "Recommended Co-Locations";

Whereas, Providing Charter School space at the Recommended Co-Locations minimizes the number of sites assigned to Charter School;

Whereas, Because of the short distance between the Recommended Co-Locations in a school district spanning 710 square miles and serving over 27 cities, the Recommended Co-Locations, they are contiguous facilities;

Whereas, By providing space to Charter School at the Recommended Co-Locations, the District has made reasonable efforts to provide Charter School with facilities near to where Charter School wishes to locate; and

Whereas, The District can make a complete and contiguous, multi-site offer to accommodate Charter School's entire in-district classroom ADA; therefore be it

Resolved, That pursuant to California Code of Regulations, title 5, section 11969.2, subdivision (d), for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District finds that the District cannot accommodate Charter School at a single school site; and therefore be it finally

Resolved, That pursuant to Education Code sections 35160-35160.1 and 47614, and California Code of Regulations, title 5, section 11969.1, et seq., for the reasons set forth herein and as further expressed by District staff, the Governing Board of the Los Angeles Unified School District

authorizes a preliminary proposal and final offer of facilities to Charter School for the Next Fiscal Year at multiple District school sites.

TAB 16



Board of Education Report

File #: Rep-174-23/24, **Version:** 1

Authorization of a Resolution of the Board of Education Approving the Sale and Issuance of Not-to-Exceed \$3 Billion of General Obligation Refunding Bonds (“GO Refunding Bonds”) and the Forms of the Documents Necessary for the Issuance of such Bonds

January 23, 2024

Office of the Chief Business Officer

Action Proposed:

Approve the attached refunding resolution (Attachment A) in connection with the issuance of General Obligation (GO) Refunding Bonds (the “Refunding Resolution”), which will refund all or a portion of the District’s outstanding Federally Taxable Build America Bonds (“BABs”) with tax-exempt refunding bonds:

- a) Authorize the issuance of not to exceed \$3 billion of GO Refunding Bonds in one or more transactions;
- b) Make a finding that there has been and continues to be a material adverse change with respect to Sections 54AA or 6431 of the IRS Code, which has been implemented by guidance published by the IRS, that, through no act or omission by the District or the County to satisfy applicable requirements, resulted and results in a reduction of the subsidy payment under the BABs program, as initially enacted, and therefore the District will be availing itself of the Extraordinary Redemption Provisions in the outstanding BABs to redeem same;
- c) Approve the forms of documents necessary for the issuance of the GO Refunding Bonds, including an Official Statement, a Bond Purchase Agreement, and a Continuing Disclosure Certificate;
- d) Authorize the sale of the GO Refunding Bonds by the negotiated method of sale in light of current market conditions, the District’s declining enrollment and budget uncertainty, the debt structuring flexibility afforded by this method of sale, the size of the expected transaction(s) and the ability to include meaningful roles for underwriting firms of various sizes; and
- e) Approve and direct certain actions to be taken in connection with the issuance of the GO Refunding Bonds.

Background:

The purpose of the Refunding Resolution is to enable the District to take advantage of the currently favorable market conditions to reduce taxpayers’ debt service costs through one or more economic refundings of the District’s outstanding BABs. In addition, it eliminates the uncertainty related to federal government sequestration, as described below. The Refunding Resolution authorizes the Chief Business Officer, Deputy Chief Business Officer, and Controller to effect the issuance of the GO Refunding Bonds and carry out all necessary acts related to the transaction or transactions. It also authorizes the forms of documents necessary to issue the GO Refunding Bonds.

While the District typically issues its GO bonds on a tax-exempt basis, in 2009 and 2010 it issued approximately \$2.6 billion of federally taxable bonds under a then new federal government program called Build America Bonds that initially provided issuers with an attractive 35% interest rate subsidy from the federal government. However, beginning in March 2013, the Internal Revenue Service announced that based on federal deficit concerns, under the Budget Control Act of 2011, certain automatic reductions to federal budget

items would take place through a process referred to as sequestration. As a result, since that time, the District's BABs have been subject to annual sequestration with its interest rate subsidy typically determined at the beginning of each federal fiscal year (October 1). In addition, most recently, the PAYGO Act of 2010 triggered automatic sequestration cuts that could have eliminated the BABS subsidy entirely if Congress had not passed the Consolidated Appropriation Act in December 2023, which deferred sequestration cuts through fiscal year 2025. To date, the level of sequestration has varied from 5.7% to 8.5% based on the size of the federal deficit. The original 35% subsidy provided the District with \$57.2 million annually. For federal fiscal year 2023, the sequestration rate for the BABs program was set at 5.7%, resulting in the District receiving \$3.26 million less in revenues in 2023 than it would have received if there was no sequestration. The reduced subsidies are offset by additional tax levies on District taxpayers. Unless the federal government, otherwise addresses the federal deficit matter, sequestration is expected to continue to occur.

The BABs contain two redemption provisions. As is typical for bonds issued in the taxable market, the BABs contain an optional make-whole redemption provision that requires the District to pay a redemption price equal to Treasury yields plus a spread of 25 basis points (bps) for the 2009 BABs and 30 bps for the 2010 BABs.

The BABs also contain an Extraordinary Redemption Provision that allows for a lower redemption price upon the occurrence of an "Extraordinary Event," which is defined as:

a determination by the District that a material adverse change has occurred to Sections 54AA or 6431 of the Code or the publication of any procedures, rules or guidance by the Internal Revenue Service or the Treasury Department with respect to such Sections or any other determination by the Internal Revenue Service or the Treasury Department, which determination is not the result of any act or omission by the District or the County to satisfy the requirements for the District to qualify to receive a direct cash subsidy payment from the Treasury Department equal to thirty-five percent (35%) of the interest payable on the Taxable Series RY Bonds on or about each Interest Payment Date, pursuant to which such direct cash subsidy payment is reduced or eliminated.

Under the ERP, the BABs may be called at a lower price calculated at Treasury yields plus 100 bps, which lowers the redemption cost of the outstanding BABs by about \$130 million.

While the District regularly pursues and authorizes refundings, the current opportunity to refund the District's BABs for economic savings reflects the development of atypical market relationships that have not previously been available. As a result, a BABs refunding was not included in the June 2023 Board action, which authorized the issuance of up to \$1.5 billion of refunding GO bonds to be sold during this fiscal year. (That earlier authorization relates to other potential refunding opportunities which are still being considered.) This potential BABs issuance represents a new, unexpected and beneficial refunding opportunity, and authorization is being sought on an expedited basis as District staff recently became aware of this potential savings opportunity. Under currently favorable market conditions, it is possible to refund the District's outstanding BABs for economic savings to the taxpayers as well as to eliminate the uncertainty related to the federal government's annual sequestration.

Based on the District's Debt Management Policy, the Refunding Resolution authorizes the sale of the GO Refunding Bonds through the negotiated method of sale in light of current market conditions, the District's declining enrollment and budget uncertainty, the debt structuring flexibility afforded by this method of sale, the expected size of the transaction(s) and the meaningful roles available for underwriting firms of various sizes. The Chief Business Officer shall designate the underwriters and their roles as senior manager(s), co-senior manager(s), and co-managers, in accordance with the Debt Management Policy.

In compliance with Government Code section 5852.1, the Board of Education (Board) has obtained from Public Resources Advisory Group, as the District's Municipal Advisor, the required costs of issuance estimates, and such estimates are disclosed in Exhibit A of the Refunding Resolution.

The GO Refunding Bonds are general obligation bonds of the District secured by and payable from *ad valorem*¹ property taxes to be levied within the jurisdiction of the District pursuant to the California Constitution and State law.

Expected Outcomes:

This Board Report seeks Board approval of the Refunding Resolution, which is a resolution for the issuance of not-to-exceed \$3 billion of general obligation refunding bonds to refund all or a portion of the District's outstanding General Obligation Bonds Series KRY (2009) (Federally Taxable Build America Bonds) and Series RY (2010) (Federally Taxable Build America Bonds). Approval of the Refunding Resolution will enable the District to reduce the debt service costs on a portion of the District's outstanding general obligation bonds should market conditions continue to support one or more refundings of the BABs.

Board Options and Consequences:

Should the Board not approve this item, staff will not be authorized to proceed with the issuance of the GO Refunding Bonds to refund all of the BABs, which, subject to favorable market conditions, may generate taxpayer savings through a refunding.

Policy Implications:

This action is in compliance with the relevant criteria set forth in Article 1 and Sections 3.02, 4.08 and 4.12 of the Debt Management Policy.

Budget Impact:

The proceeds of the GO Refunding Bonds will be used to redeem the BABs. Debt service savings from the GO Refunding Bonds will benefit the District's taxpayers through reduced *ad valorem* property tax levies. Subject to certain circumstances previously described to the Board, there will be no impact on the District's General Fund.

Student Impact:

The issuance of GO Refunding Bonds will reduce the taxes needed to repay the debt service on the District's outstanding general obligation bonds and create more capacity to issue general obligation bonds in the future for new projects.

Equity Impact:

Component	Score	Score Rationale
Recognition	3	Debt service savings from the GO Refunding Bonds will benefit the District's taxpayers through reduced <i>ad valorem</i> property tax levies. Communities that have experienced historical inequities should benefit from reduced property taxes.

¹*Ad valorem* refers to taxes levied on the assessed value of property by local government units including counties, municipalities, and school districts.

Component	Score	Score Rationale
Resource Prioritization	4	Savings achieved through the refunding of outstanding bonds benefit the District and its taxpayers through reduced debt service and property tax levies, respectively. This relief allows taxpayers to use resources that would otherwise be used to service debt and property taxes, to be used for student needs.
Results	2	The refunding of bonds is done to achieve debt service savings and reduce <i>ad valorem</i> property taxes. It may result in closing achievement gaps by increasing disposable income in households located within communities that have experienced historical inequities, giving them the ability to allocate resources towards the education of their children (students).
TOTAL	9	

Issues and Analysis:

This Board Report seeks Board approval of a refunding resolution for general obligation refunding bonds in an amount not-to-exceed \$3 billion through to refund all or a portion of the District's outstanding Build America Bonds.

Attachments:

Attachment A - Refunding Resolution for General Obligation Refunding Bonds

Attachment B - Bond Purchase Agreement

Attachment C - Escrow Agreement

Attachment D - Preliminary Official Statement

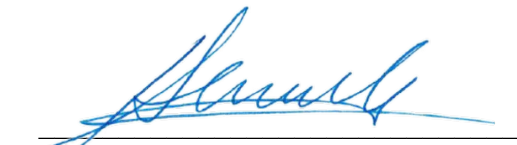
Informatives:

Not applicable

Submitted:

01/09/24


RESPECTFULLY SUBMITTED,


ALBERTO M. CARVALHO
Superintendent

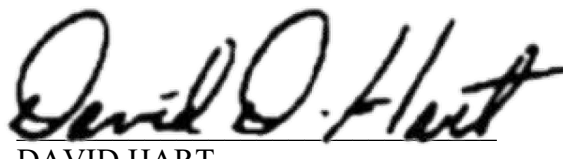
APPROVED & PRESENTED BY:


PEDRO SALCIDO
Deputy Superintendent,
Business Services & Operations

REVIEWED BY:


DEVORA NAVERA REED
General Counsel

APPROVED & PRESENTED BY:


DAVID HART
Chief Business Officer☒ Approved as to form.

REVIEWED BY:


NORBERTO DELGADILLO
Deputy Chief Business Officer, Finance☒ Approved as to budget impact statement.

ATTACHMENT A

A RESOLUTION OF THE BOARD OF EDUCATION OF THE LOS ANGELES UNIFIED SCHOOL DISTRICT AUTHORIZING THE SALE AND ISSUANCE OF NOT TO EXCEED \$3,000,000,000 AGGREGATE PRINCIPAL AMOUNT OF LOS ANGELES UNIFIED SCHOOL DISTRICT GENERAL OBLIGATION REFUNDING BONDS, IN ONE OR MORE SERIES, BY NEGOTIATED SALE IN THE FORM OF TAX-EXEMPT OR FEDERALLY TAXABLE BONDS, APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE ESCROW AGREEMENTS, BOND PURCHASE AGREEMENTS AND CONTINUING DISCLOSURE CERTIFICATES, APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF ONE OR MORE OFFICIAL STATEMENTS FOR THE BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, a duly called election was held in the Los Angeles Unified School District, County of Los Angeles, State of California (the “District”), on November 5, 2002 and thereafter canvassed pursuant to law; and

WHEREAS, at such election there was submitted to and approved by the requisite approval of at least 55% of the qualified electors of the District voting in the election on a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$3,350,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the “Measure K Authorization”); and

WHEREAS, a duly called election was held in the District on March 2, 2004 and thereafter canvassed pursuant to law; and

WHEREAS, at such election there was submitted to and approved by the requisite approval of at least 55% of the qualified electors of the District voting in the election on a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$3,870,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the “Measure R Authorization”); and

WHEREAS, a duly called election was held in the District on November 8, 2005 and thereafter canvassed pursuant to law; and

WHEREAS, at such election there was submitted to and approved by the requisite approval of at least 55% of the qualified electors of the District voting in the election a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum principal amount of \$3,985,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District (the “Measure Y Authorization”); and

WHEREAS, \$1,369,800,000 principal amount of bonds under the Measure K Authorization, the Measure R Authorization, and the Measure Y Authorization, designated as “Los Angeles Unified School District (County of Los Angeles, California) General Obligation Bonds, Series KRY (2009) (Federally Taxable Build America Bonds),” were heretofore issued and sold (the “2009 Bonds”); and

WHEREAS, \$1,250,585,000 principal amount of bonds under the Measure R Authorization and the Measure Y Authorization, designated as “Los Angeles Unified School District (County of Los Angeles, California) General Obligation Bonds, Series RY (2010) (Federally Taxable Build America Bonds),” were heretofore issued and sold (the “2010 Bonds” and, together with the 2009 Bonds, the “Prior Bonds” and each Series of Prior Bonds, individually, a “Series of Prior Bonds”); and

WHEREAS, each Series of Prior Bonds is subject to redemption prior to their maturity, at the option of the District, as a whole or in part, upon the occurrence of an “Extraordinary Event,” which means a determination by the District that a material adverse change has occurred to Sections 54AA or 6431 of the Internal Revenue Code of 1986, as amended (the “Code”), or the publication of any procedures, rules or guidance by the Internal Revenue Service (the “IRS”) or the Treasury Department with respect to such sections or any other determination by the IRS or the Treasury Department, which determination is not the result of any act or omission by the District or the County of Los Angeles (the “County”) to satisfy the requirements for the District to qualify to receive a direct cash subsidy payment from the Treasury Department equal to thirty-five percent of the interest payable on the Prior Bonds on or about each interest payment date, pursuant to which each direct cash subsidy payment is reduced or eliminated; and

WHEREAS, this Board of Education of the District (the “Board of Education”) hereby determines that the IRS has published guidance with respect to Sections 54AA and 6431 of the Code, which implements provisions of the Deficit Control Act of 2011 and resulted and continues to result in a failure to receive a direct cash subsidy payment from the Treasury Department equal to thirty-five percent of the interest payable on the Prior Bonds on each interest payment date of the Prior Bonds, pursuant to which such direct cash subsidy payment is reduced; and

WHEREAS, this Board of Education further determines that such reduction is not the result of any act or omission by the District or the County to qualify for such cash subsidy payment, and this Board of Education determines that an Extraordinary Event has occurred and is continuing; and

WHEREAS, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law (the “Act”), the District is authorized to issue refunding bonds to refund all or a portion of one or more Series of Prior Bonds on a negotiated sale basis; and

WHEREAS, it is desirable that all or a portion of one or more Series of Prior Bonds be refunded (such refunded Prior Bonds being referred to herein as the “Refunded Bonds”); and

WHEREAS, in order to refund all or a portion of one or more Series of Prior Bonds, it is desirable that the District issue one or more series of refunding bonds to be designated the “Los

Angeles Unified School District (County of Los Angeles, California) 20__ General Obligation Refunding Bonds, Series __,” with completed and/or such additional or other series designations as may be approved as herein provided (collectively, the “Refunding Bonds” and each series of Refunding Bonds, individually, a “Series of Refunding Bonds”), according to the terms and in the manner herein provided; and

WHEREAS, the District may desire to secure the timely payment of all or a portion of the principal of and interest on each Series of Refunding Bonds by obtaining a bond insurance policy with respect thereto, if such a policy is available and determined to be economically advantageous; and

WHEREAS, the moneys to redeem each Series of Prior Bonds to be refunded after the date the Refunding Bonds are issued will be applied to such purpose, including pursuant to one or more Escrow Agreements by and between the District and the paying agent for such Series of Prior Bonds, as paying agent and as escrow bank (each such Escrow Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as an “Escrow Agreement”) if so determined by an Authorized Officer (as herein defined); and

WHEREAS, this Board of Education deems it necessary and desirable to authorize the sale of each Series of Refunding Bonds by a negotiated sale pursuant to one or more Bond Purchase Agreements (each such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as a “Bond Purchase Agreement”) to be entered into with one or more of the underwriters from the District’s underwriter bench (each, an “Underwriter” and, collectively, the “Underwriters”) as selected as herein provided; and

WHEREAS, in accordance with Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (as amended, “Rule 15c2-12”), the District may execute and deliver one or more Continuing Disclosure Certificates (each such Continuing Disclosure Certificate, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as a “Continuing Disclosure Certificate”); and

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with a public offering of the initial Series of Refunding Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Preliminary Official Statement”); and

WHEREAS, Section 5852.1 of the California Government Code (the “Government Code”) requires that the Board of Education obtain from an underwriter, financial advisor or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated

to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with Section 5852.1 of the Government Code, the Board of Education has obtained from Public Resources Advisory Group, as the District's municipal advisor (the "Municipal Advisor"), the information set forth in Exhibit B attached hereto; and

WHEREAS, the Los Angeles County Superintendent of Schools has jurisdiction over the District; and

WHEREAS, this Board of Education desires that the County levy and collect a tax on all taxable property within the District sufficient to provide for payment of each Series of Refunding Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County (the "Board of Supervisors"), the Auditor-Controller of the County (together with any authorized deputy thereof, the "County Auditor-Controller"), the Treasurer and Tax Collector of the County (together with any authorized deputy thereof, the "County Treasurer") and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such a tax and payment of each Series of Refunding Bonds and such portion of each Series of Prior Bonds as shall remain outstanding following the issuance of the related Series of Refunding Bonds; and

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (a) the Escrow Agreement;
- (b) the Bond Purchase Agreement;
- (c) the Continuing Disclosure Certificate; and
- (d) the Preliminary Official Statement; and

WHEREAS, the District desires to proceed to issue and sell, at one or more times, one or more Series of Refunding Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of each such Series of Refunding Bonds; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California (the "State") to exist, to have happened and to have been performed precedent to and in connection with the consummation of the actions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the District is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such actions for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED by this Board of Education of the Los Angeles Unified School District, County of Los Angeles, California, as follows:

Section 1. Recitals. All of the above recitals are true and correct and the Board of Education so finds and determines.

Section 2. Determination. This Board of Education hereby determines that prudent management of the fiscal affairs of the District requires that, subject to the provisions of Section 4 hereof, it authorize the District to issue one or more Series of Refunding Bonds under the provisions of the Act to refund all or a portion of one or more Series of Prior Bonds.

Section 3. Authorization and Designation of Refunding Bonds. Subject to the provisions of Section 4 hereof, the issuance from time to time of one or more Series of Refunding Bonds in the aggregate principal amount of not to exceed \$3,000,000,000 on the terms and conditions set forth, and subject to the limitations specified, herein, is hereby authorized and approved. Each Series of Refunding Bonds shall be dated, shall accrue interest at the rates, shall mature on the dates, and shall be as otherwise provided in the related Bond Purchase Agreement as the same shall be completed as provided in this Resolution.

Each Series of Refunding Bonds may be issued such that the interest on such Series of Refunding Bonds is Tax-Exempt or such that the interest on such Series of Refunding Bonds is not Tax-Exempt. The term "Tax-Exempt" means, with respect to interest on any obligations of a state or local government, that such interest is excluded from the gross income of the holders thereof for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating other tax liabilities, including any alternative minimum tax or environmental tax under the Code. The term "Taxable Bonds" means those Refunding Bonds the interest on which is not Tax-Exempt. The Board of Education hereby finds and determines that, pursuant to Section 5903 of the California Government Code, the interest payable on each Series of Refunding Bonds issued as Taxable Bonds will be subject to federal income taxation under the Code in existence on the date of issuance of such Series of Refunding Bonds.

Section 4. Sale of Bonds. (a) This Board of Education, considering, among other factors, current volatile market conditions, debt structuring flexibility, the District's declining enrollment and budget uncertainty, the ability to include a retail order period to garner additional investor interest, and the ability to provide meaningful roles for underwriting firms of various sizes and consistent with the District's Debt Management Policy (the "Debt Management Policy"), deems it necessary and desirable to authorize, and hereby authorizes, the sale of each Series of Refunding Bonds by a negotiated sale pursuant to one or more Bond Purchase Agreements to be entered into with one or more Underwriters selected as herein provided; provided that Refunding Bonds may only be issued if the issuance of such Refunding Bonds conforms to the District's Debt Management Policy; and, provided further that (1) no Series of Refunding Bonds shall be authorized in a principal amount which, when combined with the principal amount of all Series of Refunding Bonds previously authorized and issued pursuant hereto, is in excess of \$3,000,000,000, (2) no Series of Refunding Bonds shall have a final maturity date later than the latest maturity date of the corresponding Refunded Bonds, (3) the interest rate on any Refunding Bond shall not be in excess of 8.00% per annum, (4) the true interest cost for each applicable Series of Refunding Bonds

shall not be in excess of 6.50%, (5) the total net interest cost to maturity of each applicable Series of Refunding Bonds, plus the principal amount of such Series of Refunding Bonds, shall not be in excess of the total net interest cost to maturity of the applicable Refunded Bonds, plus the principal amount of such Refunded Bonds, and (6) the underwriters' compensation, as applicable, shall not exceed 1.0% of the principal amount of the corresponding Series of Refunding Bonds.

(b) In accordance with Section 5852.1 of the Government Code, good faith estimates of the following have been obtained from the Municipal Advisor and are set forth on Exhibit B attached hereto: (1) the true interest cost of the Refunding Bonds, (2) the sum of all fees and charges paid to third parties with respect to the Refunding Bonds, (3) the amount of proceeds of the Refunding Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, and (4) the sum total of all debt service payments on the Refunding Bonds calculated to the final maturity of the Refunding Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Refunding Bonds.

Section 5. Designated Costs of Issuing Refunding Bonds. The refunding of all or a portion of each Series of Prior Bonds is hereby approved. Each such refunding shall be accomplished by paying the principal of and interest on the applicable Refunded Bonds through and including the date the Refunding Bonds are issued if the Refunded Bonds are paid on such date, or if later, the redemption date set forth in the applicable Escrow Agreement and redeeming or purchasing the applicable Refunded Bonds on the date the Refunding Bonds are issued, or if later, the date set forth in the Escrow Agreement therefor and paying the purchase price or redemption price therefor, plus accrued interest thereon to the date of redemption. In accordance with Section 53553 of the Act, with respect to each Series of Refunding Bonds, this Board of Education hereby designates the following costs and expenses as the "designated costs of issuing the refunding bonds":

(i) all expenses incident to the calling, retiring, or paying of the applicable Refunded Bonds and incident to the issuance of such Series of Refunding Bonds, including the charges of any escrow agent or trustee in connection with the issuance of such Series of Refunding Bonds or in connection with the redemption or retirement of such Refunded Bonds;

(ii) the interest upon such Refunded Bonds from the date of sale of such Series of Refunding Bonds to the date of payment of the Refunded Bonds or to the date upon which such Refunded Bonds will be paid pursuant to call; and

(iii) any premium necessary in the calling or retiring of such Refunded Bonds.

Section 6. Escrow Agreement; Tender Agreement. The form of the Escrow Agreement, submitted to and on file with the Executive Officer of this Board of Education, is hereby approved. The President of this Board of Education, and such other member of this Board of Education as the President may designate, the Chief Business Officer, the Deputy Chief Business Officer (the "Deputy Chief Business Officer") and the Controller of the District (the "Controller"), and such other officer or employee of the District as the Chief Business Officer, the Deputy Chief Business Officer or the Controller may designate (the "Authorized Officers") are, and each of them is,

hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, if such Authorized Officer deems it to be in the best interests of the District, to execute and deliver one or more Escrow Agreements in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the applicable Escrow Agreement by such Authorized Officer. In addition, any one of the Authorized Officers is hereby authorized from time to time to execute and deliver in the name of the District one or more tender agreements (each, a "Tender Agreement") with one or more owners of Refunded Bonds providing for the tender and purchase or exchange of Refunded Bonds, and to execute and deliver such other documents or certificates and to take such further actions as necessary to consummate such tender of Refunded Bonds, including the engagement of one or more broker-dealers, all as the Authorized Officers shall determine to be in the best interest of the District.

Section 7. Bond Purchase Agreement. The form of Bond Purchase Agreement, submitted to and on file with the Executive Officer of this Board of Education, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Bond Purchase Agreements in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the applicable Bond Purchase Agreement by such Authorized Officer; provided that the terms of the applicable Series of Refunding Bonds and the sale thereof shall conform in all respects with the limitations contained in this Resolution. The Underwriters shall be selected in accordance with the Debt Management Policy. In connection with each negotiated sale of Refunding Bonds, the Chief Business Officer is hereby further authorized to designate which Underwriters shall act as senior manager(s), co-senior manager(s) and co-manager(s) in accordance with the Debt Management Policy.

Section 8. Form of Bonds; Execution. (a) *Form of Refunding Bonds.* Each Series of Refunding Bonds shall be issued in fully registered form without coupons. The Refunding Bonds, and the certificate of authentication and registration and the forms of assignment to appear on each of them, shall be in substantially the form attached hereto as Exhibit A, with necessary or appropriate variations, omissions and insertions as permitted or required by this Resolution.

(b) *Execution of Refunding Bonds.* The Refunding Bonds shall be signed by the manual or facsimile signature of the President of the Board of Education and countersigned by the manual or facsimile signature of the Executive Officer of the Board of Education (or the designee of either such respective officers if the President or the Executive Officer of the Board of Education are unavailable). The Refunding Bonds shall be authenticated by a manual signature of a duly authorized signatory of the Paying Agent (as defined herein).

(c) *Valid Authentication.* Only such of the Refunding Bonds as shall bear thereon a certificate of authentication and registration as described in subsection (a) of this Section, executed by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such certificate of authentication and registration shall be conclusive evidence that

the Refunding Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Resolution.

(d) *Identifying Number.* The Paying Agent shall assign each Refunding Bond authenticated and registered by it a distinctive letter, or number, or letter and number, and shall maintain a record thereof at its principal office, which record shall be available to the District and the County for inspection.

Section 9. Terms of Bonds. (a) *Date of Refunding Bonds.* Each Series of Refunding Bonds shall be dated the date of their delivery, or such other date as shall be set forth in the related Bond Purchase Agreement.

(b) *Denominations.* Each Series of Refunding Bonds shall be issued in denominations of \$5,000 principal amount and integral multiple thereof (or such other denominations as shall be designated in the related Bond Purchase Agreement).

(c) *Maturity.* Each Series of Refunding Bonds shall mature on the date or dates, in each of the years, in the principal amounts and in the aggregate principal amount as shall be set forth in the related Bond Purchase Agreement. No Refunding Bond shall mature later than the latest maturity date of the corresponding Refunded Bonds.

(d) *Interest.* Each Series of Refunding Bonds shall bear interest at an interest rate or rates not to exceed 8.00% per annum, payable on January 1 and July 1 of each year, commencing on the date set forth in the related Bond Purchase Agreement, or such other dates as may be set forth in the related Bond Purchase Agreement (each, an "Interest Payment Date"), computed on the basis of a 360-day year of twelve 30-day months. Each Refunding Bond shall bear interest from the Interest Payment Date for such Refunding Bond next preceding the date of authentication thereof, unless it is authenticated as of a date during the period from the 15th day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a business day, or such other date or dates as may be set forth in the related Bond Purchase Agreement (each, a "Record Date") to such Interest Payment Date, inclusive, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date for such Refunding Bond, in which event it shall bear interest from its dated date; provided, however, that if, at the time of authentication of any Refunding Bond, interest is in default on any outstanding Refunding Bonds of such Series, such Refunding Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on the outstanding Refunding Bonds of such Series. If provided in the Bond Purchase Agreement, Refunding Bonds may have different interest rates for separately defined periods of the term thereof as set forth in such Bond Purchase Agreement.

Section 10. Payment of Bonds. (a) *Request for Tax Levy; Pledge of Revenues from Property Taxes and Amounts on Deposit in the Interest and Sinking Fund.* The money for the payment of principal of and interest on each Series of Refunding Bonds shall be raised by taxation upon all taxable property in the District and provision shall be made for the levy and collection of such taxes in the manner provided by law and for such payment out of the related interest and sinking fund of the District. The Board of Supervisors and officers of the County are obligated by statute to provide for the levy and collection of property taxes in each year sufficient to pay all

principal of and interest coming due on each Series of Refunding Bonds in such year, and to pay from such taxes all amounts due on such Refunding Bonds. The Board of Supervisors, the County Auditor-Controller, the County Treasurer and other officials of the County are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of and interest on each Series of Refunding Bonds as the same shall become due and payable, and to apply moneys in the District's related interest and sinking fund as necessary to the payment of such Series of Refunding Bonds, as provided herein, and to provide for the payment of any portion of any Series of Prior Bonds which are to remain outstanding pursuant to the authorizing resolution or paying agent agreement, as applicable, under which such bonds were issued. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed to transmit a certified copy of this Resolution and the debt service schedule for each Series of Refunding Bonds to the Board of Supervisors, the County Auditor-Controller and the County Treasurer in sufficient time to permit the County to establish tax rates and necessary funds or accounts for each Series of Refunding Bonds, and the Board of Education hereby requests that the Board of Supervisors adopt a resolution to levy the appropriate taxes as herein provided.

The District hereby pledges, and grants a lien on and security interest in, all revenues from the property taxes collected from the levy by the Board of Supervisors with respect to each voter-approved bond measure of the District for payment of bonds issued under such measure of the District, and all amounts on deposit in any interest and sinking fund of the District related to such bond measure with respect to bonds of such measure for the payment of the principal or redemption price of and interest on such bonds. This pledge and grant applies to the Refunding Bonds and all previously issued and outstanding general obligation bonds and general obligation refunding bonds of the District. This pledge and grant shall be valid and binding from the date hereof for the benefit of the owners of such bonds and successors thereto. The property taxes and amounts held in each interest and sinking fund of the District shall be immediately subject to this pledge and grant, and this pledge and grant shall constitute a lien and security interest which shall immediately attach to the property taxes and amounts held in such interest and sinking fund of the District to secure the payment of such bonds and shall be effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge or grant, and without the need of any physical delivery, recordation, filing, or further act.

This pledge and grant is an agreement between the District and the owners of each series of Refunding Bonds and of each issue of outstanding general obligation bonds and general obligation refunding bonds to provide security for each series of Refunding Bonds and all such other general obligation bonds and general obligation refunding bonds of the District in addition to any statutory lien that may exist, and each such issue of general obligation bonds and general obligation refunding bonds of the District are or were issued to finance or refinance, as applicable, one or more of the projects specified in the applicable voter-approved measure and not to finance the general purposes of the District. For the avoidance of doubt, in accordance with Section 15251 of the Education Code, such bonds are also automatically secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax for the applicable Measure.

(b) *Principal.* The principal of each Series of Refunding Bonds shall be payable in lawful money of the United States of America to the person whose name appears on the books for

the registration and transfer of the Refunding Bonds maintained by the Paying Agent in accordance with Section 12(d) hereof (the "Registration Books") as the registered Owner thereof (the "Owner"), upon the surrender thereof at the principal corporate trust office of the Paying Agent.

(c) *Interest; Record Date.* The interest on each Series of Refunding Bonds shall be payable on each Interest Payment Date in lawful money of the United States of America to the Owner thereof as of the Record Date preceding such Interest Payment Date, such interest to be paid by check or draft mailed on such Interest Payment Date (if a business day, or on the next business day if the Interest Payment Date does not fall on a business day) to such Owner at such Owner's address as it appears on the Registration Books or at such address as the Owner may have filed with the Paying Agent for that purpose except that the payment shall be made by wire transfer of immediately available funds to any Owner of at least \$1,000,000 of outstanding Refunding Bonds of a Series who shall have requested in writing such method of payment of interest prior to the close of business on the Record Date immediately preceding any Interest Payment Date.

(d) *Interest and Sinking Fund.* The principal of and interest due on each Series of Refunding Bonds shall be paid from the related interest and sinking fund of the District as provided in Section 15146 of the California Education Code.

(e) *Obligation of the District.* No part of any fund or account of the County is pledged or obligated to the payment of the Refunding Bonds. The obligation for repayment of the Refunding Bonds is the sole obligation of the District.

(f) *Insurance.* The payment of principal of and interest on all or a portion of any Series of Refunding Bonds may be secured by a municipal bond insurance policy as shall be described in the related Bond Purchase Agreement. The related Bond Purchase Agreement may provide that no municipal bond insurance policy shall be obtained. The Authorized Officers are each hereby authorized to apply for, or cause to be applied for, municipal bond insurance for each Series of Refunding Bonds and to execute and deliver a contract or contracts in order to obtain such insurance if doing so puts such Series of Refunding Bonds (or portion thereof) and the marketing thereof on an economically advantageous basis and is deemed to be in the best interests of the District, such determination to be conclusively evidenced by such Authorized Officer's execution and delivery of such contract.

Section 11. Redemption and Defeasance Provisions. (a) *Redemption.* Each Series of Refunding Bonds shall be subject to redemption at the option of the District on the dates and terms as shall be designated in the related Bond Purchase Agreement. The related Bond Purchase Agreement may provide that a Series of Refunding Bonds shall not be subject to optional redemption.

(b) *Selection.* If less than all of the Refunding Bonds of a series or subseries, if any, are subject to such redemption and are called for redemption, such Refunding Bonds shall be redeemed as directed by the District (or as otherwise set forth in the related Bond Purchase Agreement), and if less than all of the Refunding Bonds of any given maturity of a series or subseries are called for redemption, the portions of such Refunding Bonds of a given maturity to be redeemed shall be determined by lot in any manner deemed fair by the Paying Agent (or as otherwise set forth in the related Bond Purchase Agreement).

(c) *Mandatory Sinking Fund Redemption.* The Refunding Bonds of a series or subseries, if any, which are designated in the related Bond Purchase Agreement as term bonds shall also be subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot or as otherwise directed by the District (or as otherwise set forth in the related Bond Purchase Agreement), from mandatory sinking fund payments in the amounts and in accordance with the terms to be specified in such Bond Purchase Agreement. Unless otherwise provided in the related Bond Purchase Agreement, the principal amount of each mandatory sinking fund payment of any maturity of a series or subseries shall be reduced proportionately or as otherwise directed by the District by the amount of any Refunding Bonds of that maturity and series or subseries redeemed in accordance with subsection (a) of this Section prior to the mandatory sinking fund payment date (or as otherwise set forth in the related Bond Purchase Agreement). The related Bond Purchase Agreement may provide that the Refunding Bonds of a series or subseries shall not be subject to mandatory sinking fund redemption.

(d) *Notice of Redemption.* Notice of any redemption of the Refunding Bonds of a series or subseries shall be mailed by the Paying Agent, postage prepaid, not less than 20 nor more than 60 days prior to the redemption date (i) by first class mail to the respective Owners thereof at the addresses appearing on the Registration Books, and (ii) as may be further required in accordance with the applicable Continuing Disclosure Certificate.

Each notice of redemption shall state (i) the date of such notice; (ii) the name of the series or subseries of Refunding Bonds and the date of issue of such series or subseries of Refunding Bonds; (iii) the redemption date; (iv) the redemption price; (v) the dates of maturity or maturities of Refunding Bonds to be redeemed; (vi) if less than all of the Refunding Bonds of any maturity of a series or subseries are to be redeemed, the distinctive numbers of the Refunding Bonds of each maturity of such series or subseries to be redeemed; (vii) in the case of Refunding Bonds of a series or subseries redeemed in part only, the respective portions of the principal amount of the Refunding Bonds of each maturity of such series or subseries to be redeemed; (viii) the CUSIP number, if any, of each maturity of Refunding Bonds to be redeemed; (ix) a statement that such Refunding Bonds must be surrendered by the Owners at the principal corporate trust office of the Paying Agent, or at such other place or places designated by the Paying Agent; (x) notice that further interest on such Refunding Bonds will not accrue after the designated redemption date; and (xi) in the case of a conditional notice, that such notice is conditioned upon certain circumstances and the manner of rescinding such conditional notice.

(e) *Effect of Notice.* A certificate of the Paying Agent that notice of redemption has been given to Owners as herein provided shall be conclusive as against all parties. Neither the failure to receive the notice of redemption as provided in this Section, nor any defect in such notice shall affect the sufficiency of the proceedings for the redemption of the Refunding Bonds called for redemption or the cessation of interest on the date fixed for redemption.

When notice of redemption has been given substantially as provided for herein, and when the redemption price of the Refunding Bonds called for redemption is set aside for the purpose as described in subsection (g) of this Section, the Refunding Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds shall be redeemed and paid at

the redemption price thereof out of the money provided therefor. The Owners of such Refunding Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the related interest and sinking fund or the trust fund established for such purpose. All Refunding Bonds redeemed shall be cancelled forthwith by the Paying Agent and shall not be reissued.

(f) *Right to Rescind Notice.* The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Refunding Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the related interest and sinking fund or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of and premium, if any, and interest due on the Refunding Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Refunding Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

(g) *Funds for Redemption.* Prior to or on the redemption date of any Refunding Bonds there shall be available in the related interest and sinking fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as in this Resolution provided, the Refunding Bonds designated in the notice of redemption. Such monies shall be applied on or after the redemption date solely for payment of principal of and premium, if any, and interest due on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds, provided that all monies in the related interest and sinking fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the related interest and sinking fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the related interest and sinking fund of the District or otherwise held in trust for the payment of redemption price of the Refunding Bonds, the monies shall be held in or returned or transferred to any interest and sinking fund of the District for payment of any outstanding bonds of the District payable from such fund; provided, however, that if the monies are part of the proceeds of bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

(h) *Defeasance of Refunding Bonds.* If at any time the District shall pay or cause to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds of a Series all or any part of the principal of and premium, if any, and interest on such Refunding Bonds at the times and in the manner provided herein and in such Refunding Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners of such Refunding Bonds shall cease to be entitled to the obligation of the District as provided in Section 10 hereof, and such obligation and all agreements and covenants of the District and of the County to such Owners hereunder and under such Refunding Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for

payment of all principal of and premium, if any, and interest on such Refunding Bonds, but only out of monies on deposit in the related interest and sinking fund of the District or otherwise held in trust for such payment; and provided further, however, that the provisions of subsection (i) of this Section shall apply in all events.

For purposes of this Section, the District may pay and discharge any or all of the Refunding Bonds of a Series by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money and/or Defeasance Securities, in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the related interest and sinking fund of the District, be fully sufficient to pay and discharge the indebtedness on such Refunding Bonds (including all principal and interest) at or before their respective maturity dates.

The term “Defeasance Securities” means (a) non-callable direct and general obligations of the United States of America (including state and local government series), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including (in the case of direct and general obligations of the United States of America) evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations; provided that investments in such proportionate interests must be limited to circumstances wherein (i) a bank or trust company acts as custodian and holds the underlying United States obligations; (ii) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (iii) the underlying United States obligations are held in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; (b) non-callable obligations of government sponsored agencies that are rated in one of the two highest rating categories assigned by S&P (defined herein) or Moody’s (defined herein) but are not guaranteed by a pledge of the full faith and credit of the United States of America; and (c) Advance Refunded Municipal Securities.

The term “Advance Refunded Municipal Securities” means any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local government unit of any such state (a) which are not callable prior to maturity or as to which irrevocable instructions have been given to the trustee, fiscal agent or other fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds or other obligations for redemption on the date or dates specified in such instructions, (b) which are secured as to principal, premium, if any, and interest by a fund consisting only of cash, direct U.S. or U.S. guaranteed obligations, or any combination thereof, which fund may be applied only to the payment of such principal, premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the redemption date or dates specified in the irrevocable instructions referred to in clause (a) above, as appropriate, and (c) as to which the principal of and premium, if any, and interest on the bonds and obligations of the character described in clause (a) above which have been deposited in such fund, along with any cash on deposit in such fund, have been verified by an independent certified public accountant as being sufficient to pay principal of and premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (a) above, as applicable.

The term “Moody’s” means Moody’s Investors Service, Inc., a corporation duly organized and existing under the laws of the State of Delaware, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

The term “S&P” means Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business duly organized and existing under the laws of the State of New York, and its successors and assigns, except that if such entity shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, then the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

(i) *Unclaimed Monies.* Any money held in any fund created pursuant to this Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of and premium, if any, and interest on a Series of Refunding Bonds and remaining unclaimed for two years after the principal of all of such Series of Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to the interest and sinking fund of the District for payment of any outstanding bonds of the District payable from the fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Section 12. Paying Agent. (a) *Appointment; Payment of Fees and Expenses.* This Board of Education does hereby consent to and confirm the appointment of the County Treasurer to act as the initial paying agent for each Series of Refunding Bonds. The County Treasurer is hereby authorized to contract with any third party to perform the services of Paying Agent under this Resolution. All fees and expenses of the Paying Agent shall be the sole responsibility of the District, and to the extent not paid from the proceeds of sale of the applicable Series of Refunding Bonds, or from the related interest and sinking fund of the District, insofar as permitted by law, including specifically by Section 15232 of the California Education Code, such fees and expenses shall be paid by the District.

(b) *Resignation, Removal and Replacement of Paying Agent.* The Paying Agent initially appointed or any successor Paying Agent may resign from service as Paying Agent and may be removed at any time by the County Treasurer. If at any time the Paying Agent shall resign or be removed, the County Treasurer shall appoint a successor Paying Agent, which shall be any bank, trust company, national banking association or other financial institution doing business in and having a corporate trust office in California, with at least \$100,000,000 in net assets.

(c) *Principal Corporate Trust Office.* Unless otherwise specifically noted, any reference herein to the Paying Agent shall initially mean the County Treasurer and the designated agents thereof or the successors or assigns thereof, acting in the capacity of paying agent, registrar, authenticating agent and transfer agent (the “Paying Agent”), and any reference herein to the “principal corporate trust office” of the Paying Agent for purposes of transfer, registration, exchange, payment, and surrender of the Refunding Bonds shall initially mean the office of the County Treasurer or the principal corporate trust office of his designated agent bank or other office of his designated agent bank designated thereby for a particular purpose; provided, however, that in the event that “Paying Agent” shall refer to any successor paying agent, bond registrar,

authenticating agent or transfer agent for the Refunding Bonds, “principal corporate trust office” shall include the principal corporate trust office or other office of such successor Paying Agent designated thereby for a particular purpose.

(d) *Registration Books.* The Paying Agent shall keep or cause to be kept at its principal corporate trust office sufficient books for the registration and transfer of the Refunding Bonds, which shall at all times be open to inspection by the District and the County, and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred on the Registration Books, Refunding Bonds as provided in Sections 13 and 14 hereof. The Paying Agent shall keep accurate records of all funds administered by it and of all Refunding Bonds paid and discharged by it. Such records shall be provided, upon reasonable request, to the District or the County in a format mutually agreeable to the Paying Agent and the District and/or the County.

Section 13. Transfer Under Book-Entry System; Discontinuation of Book-Entry System. (a) Unless otherwise specified in the related Bond Purchase Agreement, The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors as securities depository for a Series of Refunding Bonds, including any such successor thereto appointed pursuant to this Section (“DTC”), is hereby appointed depository for each Series of Refunding Bonds and each Series of Refunding Bonds shall be issued in book-entry form only, and shall be initially registered in the name of “Cede & Co.,” as nominee of DTC (“Cede & Co.”). One bond certificate shall be issued for each maturity of each Series of Refunding Bonds; provided, however, that if different CUSIP numbers are assigned to Refunding Bonds of a Series maturing in a single year or, if Refunding Bonds of a Series maturing in a single year are issued with different interest rates, additional bond certificates shall be prepared for each such maturity. Registered ownership of such Refunding Bonds of each such maturity, or any portion thereof, may not thereafter be transferred except as provided in this Section or Section 14 hereof:

(i) To any successor of DTC, or its nominee, or to any substitute depository designated pursuant to clause (ii) of this Section (a “substitute depository”); provided, however that any successor of DTC, as nominee of DTC or substitute depository, shall be qualified under any applicable laws to provide the services proposed to be provided by it;

(ii) To any substitute depository not objected to by the District, upon (1) the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository, or (2) a determination by the District to substitute another depository for DTC (or its successor) because DTC or its successor (or any substitute depository or its successor) is no longer able to carry out its functions as depository; provided, that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or

(iii) To any person as provided below, upon (1) the resignation of DTC or its successor (or substitute depository or its successor) from its functions as depository; provided that no substitute depository which is not objected to by the District can be obtained, or (2) a determination by the District that it is in the best interests of the District to remove DTC or its successor (or any substitute depository or its successor) from its functions as depository.

(b) In the case of any transfer pursuant to clause (i) or clause (ii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent, together with a written request of the District to the Paying Agent, a new Refunding Bond for each maturity of each Series shall be executed and delivered (in the aggregate principal amount of such Refunding Bonds then outstanding), registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the District. In the case of any transfer pursuant to clause (iii) of subsection (a) of this Section, upon receipt of the outstanding Refunding Bonds by the Paying Agent together with a written request of the District to the Paying Agent, new Refunding Bonds shall be executed and delivered in such denominations, numbered in the manner determined by the Paying Agent, and registered in the names of such persons, as are requested in such written request of the District, subject to the limitations of Section 9 hereof and the receipt of such a written request of the District, and thereafter, the Refunding Bonds shall be transferred pursuant to the provisions set forth in Section 14 hereof; provided, however, that the Paying Agent shall not be required to deliver such new Refunding Bonds within a period of less than 60 days after the receipt of any such written request of the District.

(c) The District and the Paying Agent shall be entitled to treat the person in whose name any Refunding Bond is registered as the owner thereof, notwithstanding any notice to the contrary received by the District or the Paying Agent; and the District and the Paying Agent shall have no responsibility for transmitting payments to, communicating with, notifying, or otherwise dealing with any beneficial owners of the Refunding Bonds, and neither the District nor the Paying Agent shall have any responsibility or obligation, legal or otherwise, to the beneficial owners or to any other party, including DTC or its successor (or substitute depository or its successor), except for the Owner of any Refunding Bonds.

(d) So long as the outstanding Refunding Bonds are registered in the name of Cede & Co. or its registered assigns, the District and the Paying Agent shall cooperate with Cede & Co., as sole registered Owner, or its registered assigns in effecting payment of the principal of and interest on the Refunding Bonds by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due.

Section 14. Transfer and Exchange. (a) *Transfer.* Following the termination or removal of DTC or successor depository pursuant to Section 13 hereof, or upon the initial delivery of a Series of Refunding Bonds not registered in the name of Cede & Co., as nominee of DTC, any Refunding Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for transfer, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 8 hereof, a new Refunding Bond or Refunding Bonds, of the same series, maturity, interest payment dates and interest rate or rates (for a like aggregate principal amount). The Paying Agent may require the payment by any Owner of Refunding Bonds requesting any such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

No transfer of any Refunding Bond shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the applicable series or subseries of Refunding Bonds for redemption, and (ii) after any Refunding Bond has been selected for redemption.

(b) *Exchange.* The Refunding Bonds of a Series may be exchanged for Refunding Bonds of other authorized denominations of the same series, maturity, interest payment dates and interest rate or rates, by the Owner thereof, in person or by the duly authorized attorney of such Owner, upon surrender of such Refunding Bond to the Paying Agent for cancellation, accompanied by delivery of a duly executed request for exchange in a form approved by the Paying Agent.

Whenever any Refunding Bond or Refunding Bonds shall be surrendered for exchange, the designated District officials shall execute and the Paying Agent shall authenticate and deliver, as provided in Section 8 hereof, a new Refunding Bond or Refunding Bonds of the same series, maturity, interest payment dates and interest rate or rates (for a like aggregate principal amount). The Paying Agent may require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchange of any Refunding Bonds shall be required to be made by the Paying Agent (i) during the period established by the Paying Agent for selection of the Refunding Bonds for redemption, and (ii) after any Refunding Bond has been selected for redemption.

Section 15. Continuing Disclosure Certificate. The form of Continuing Disclosure Certificate, submitted to and on file with the Executive Officer of this Board of Education, is hereby approved. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the District, to execute and deliver one or more Continuing Disclosure Certificates in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution of the applicable Continuing Disclosure Certificate by such Authorized Officer.

Section 16. Preliminary Official Statement. The form of Preliminary Official Statement relating to the initial issue of Refunding Bonds to be publicly offered submitted to and on file with the Executive Officer of this Board of Education, with such changes therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of such Refunding Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized, and any one of the Authorized Officers is hereby directed, to certify on behalf of the District that the information contained in such Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12). If it is necessary to make substantial changes to the Preliminary Official Statement hereby approved, this Board of Education shall review a revised draft of such Preliminary Official Statement with accompanying directions and instructions to members of this Board of Education to review such revised Preliminary Official Statement. For subsequent Series of Refunding Bonds, the preparation of a Preliminary Official Statement with respect to each such subsequent Series of Refunding Bonds, similar in form and content to the Preliminary Official Statement relating to the first Series of Refunding Bonds with such changes as shall be deemed necessary, is hereby

authorized and approved, and the certification of its finality within the meaning of Rule 15c2-12 by an Authorized Officer and its use in connection with the offering and sale of each such subsequent Series of Refunding Bonds, are also hereby authorized, following the distribution to this Board of Education of a substantially complete draft of a Preliminary Official Statement relating to such Series of Refunding Bonds with accompanying directions and instructions to members of this Board of Education to review such Preliminary Official Statement.

Section 17. Official Statement. The preparation and delivery of a final Official Statement with respect to a Series of Refunding Bonds to be publicly offered (each, an “Official Statement”) and its use in connection with the offering and sale of such Series of Refunding Bonds are hereby authorized and approved. Each Official Statement shall be in substantially the form of the related Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are, and each of them is, hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of and on behalf of the District, to execute each final Official Statement, and any amendment or supplement thereto, for and in the name of the District.

Section 18. Tax Covenants. (a) The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on a Tax-Exempt Series of Refunding Bonds under Section 103 of the Code. Without limiting the generality of the foregoing, the District hereby covenants that it will comply with the requirements of the Tax Certificate (each, a “Tax Certificate”) to be executed by the District on the date of issuance of each Tax-Exempt Series of Refunding Bonds. The provisions of this subsection (a) shall survive payment in full or defeasance of the Refunding Bonds.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any monies held by the County Treasurer on behalf of the District, in accordance with this Resolution or pursuant to law, the District shall so request of the County Treasurer in writing, and the District shall make its best efforts to ensure that the County Treasurer shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provision of this Section, if the District shall provide to the County Treasurer an opinion of counsel of nationally recognized standing in the field of law relating to municipal bonds (“Opinion of Bond Counsel”) that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest on the Tax-Exempt Series of Refunding Bonds under Section 103 of the Code, the County Treasurer may conclusively rely on such Opinion of Bond Counsel in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 19. Cost of Issuance. The Authorized Officers are each hereby authorized to cause to be deposited in a costs of issuance account, which may be held by a bank, national banking association or trust company meeting the qualifications necessary to be a paying agent set forth in Section 12, as cost of issuance administrator, proceeds of the sale of each Series of Refunding

Bonds, in an amount as shall be set forth in the related Bond Purchase Agreement or as set forth in a certificate of an Authorized Officer for the purposes of paying the costs associated with the issuance of such Series of Refunding Bonds.

Section 20. Professional Services. In connection with the issuance of the Refunding Bonds, Public Resources Advisory Group is hereby appointed to serve as the Municipal Advisor to the District, Hawkins Delafield & Wood LLP is hereby appointed to serve as Bond Counsel and Orrick, Herrington & Sutcliffe LLP is hereby appointed to serve as Disclosure Counsel to the District.

Section 21. Delegation of Authority. The officers and employees of the District are, and each of them hereby is, authorized and directed to execute and deliver, for and on behalf of the District, any and all documents and instruments and to do and cause to be done any and all acts and things necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, and each Bond Purchase Agreement, Escrow Agreement, Tender Agreement and Continuing Disclosure Certificate. Without limiting the generality of the foregoing, the President of this Board of Education, the Executive Officer of this Board of Education and any Authorized Officer are hereby authorized and directed to execute and deliver any and all agreements, certificates and representations, including but not limited to (i) signature certificates, no litigation certificates, and certificates concerning the contents of the Preliminary Official Statement and the Official Statement, (ii) representation letters to The Depository Trust Company, (iii) each Tax Certificate, (iv) any other certificates proposed to be delivered in connection with the sale or issuance of the Bonds, and (v) any other agreements, letters, certificates or representations, which any of them deem necessary and desirable to accomplish the transactions authorized herein.

Section 22. Approval of Actions. All actions heretofore taken by the officers and employees of the District with respect to the issuance and sale of the Refunding Bonds, or in connection with or related to any of the agreements or documents referred to herein, are hereby approved, confirmed and ratified.

Section 23. Interpretation. The terms of this Resolution shall be interpreted broadly to effect the purpose of providing broad and clear authority for the officers and employees of the District to provide for the issuance of, and issue, from time to time, one or more Series of Refunding Bonds in accordance with the provisions of the documents described herein, the Debt Management Policy and the Act on the terms set forth in this Resolution.

Section 24. Contract with Bondholders. The provisions of this Resolution shall be a contract with each and every owner of Refunding Bonds and the duties of the District and of the Board of Education and the officers of the District shall be enforceable by any owner of Refunding Bonds by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction.

Section 25. Amendments. This Resolution may be modified or amended without the consent of the Owners in order to cure ambiguities or provide clarification, provided that such modification or amendment does not materially adversely affect the rights of Owners of Refunding Bonds. For any other purpose, this Resolution may be modified or amended only with the consent

of the Owners of a majority of the aggregate principal amount of all Refunding Bonds then outstanding. No such modification or amendment shall extend the maturity of, reduce the interest rate or principal amount of Refunding Bonds or reduce the percentage of consent required for amendment hereof without the express consent of all the Owners so affected.

Section 26. Effective Date. This Resolution shall take effect from and after its date of adoption.

Adopted and signed this ____ day of _____, 2024, by the Board of Education of the Los Angeles Unified School District.

Executive Officer, Board of Education

EXHIBIT A**FORM OF REFUNDING BOND****Number:****UNITED STATES OF AMERICA****R-__****STATE OF CALIFORNIA****COUNTY OF LOS ANGELES****LOS ANGELES UNIFIED SCHOOL DISTRICT****(COUNTY OF LOS ANGELES, CALIFORNIA)****20__ GENERAL OBLIGATION REFUNDING BONDS, SERIES __****(DEDICATED UNLIMITED *AD VALOREM* PROPERTY TAX BONDS) [(FEDERALLY TAXABLE)]****Maturity Date**

__

Interest Rate

__%

Dated

__

CUSIP No.

__

Registered Owner: CEDE & CO.

Principal Amount: \$__

The Los Angeles Unified School District (the "District"), County of Los Angeles, State of California, acknowledges itself obligated to and promises to pay to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date set forth above, the Principal Amount specified above in lawful money of the United States of America, and to pay interest thereon in like lawful money from the interest payment date next preceding the date of authentication of this Bond (unless this bond is authenticated as of a date during the period from the Record Date (as defined herein) next preceding any interest payment date to such interest payment date, inclusive, in which event it shall bear interest from such interest payment date, or unless this Bond is authenticated on or before __ 15, 20__, in which event it shall bear interest from the date hereof) at the Interest Rate per annum stated above, payable commencing on __ 1, 20__, and thereafter on January 1 and July 1 in each year, until payment of the Principal Amount. This Bond is issued pursuant to a Resolution adopted by the Board of Education of the District on __, 20__ (the "Resolution"). Capitalized undefined terms used herein have the meanings ascribed thereto in the Resolution.

The principal hereof is payable to the Registered Owner hereof upon the surrender hereof at the principal corporate trust office of the paying agent/registrar and transfer agent of the District (the "Paying Agent"), initially the Treasurer and Tax Collector of the County of Los Angeles. The interest hereon is payable to the person whose name appears on the bond registration books of the Paying Agent as the Registered Owner hereof as of the close of business on the 15th day of the month preceding an interest payment date (the "Record Date"), whether or not such day is a business day, such interest to be paid by check or draft mailed to such Registered Owner at the owner's address as it appears on such registration books, or at such other address filed with the Paying Agent for that purpose. Upon written request, given no later than the Record Date

immediately preceding an interest payment date, of the owner of Refunding Bonds aggregating at least \$1,000,000 in principal amount, interest will be paid by wire transfer in immediately available funds to an account maintained in the United States as specified by the Registered Owner in such request. So long as Cede & Co. or its registered assigns shall be the Registered Owner of this Bond, payment shall be made in immediately available funds as provided in the Resolution hereinafter described.

This Bond is one of a duly authorized issue of bonds of like tenor (except for such variations, if any, as may be required to designate varying series, numbers, denominations, interest rates and maturities provisions), in the aggregate principal amount of \$_____, and designated as “Los Angeles Unified School District (County of Los Angeles, California) 20__ General Obligation Refunding Bonds, Series __ (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) [(Federally Taxable)]” (the “Bonds”). The Bonds were authorized by the Resolution and are issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, and other applicable law. The Bonds are issued and sold by the Board of Education of the District pursuant to and in strict conformity with the provisions of the Constitution and laws of the State, and of the Resolution.

The Bonds are issuable as fully registered bonds without coupons in the denomination of \$5,000 principal amount or any integral multiple thereof, provided that no Bond shall have principal maturing on more than one principal maturity date. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Resolution, Bonds may be exchanged for a like aggregate principal amount of Bonds of the same tenor and maturity of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by attorney duly authorized in writing, at the principal corporate trust office of the Paying Agent, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Bond. Upon such transfer, a new Bond or Bonds of authorized denomination or denominations of the same tenor, interest payments, and same aggregate principal amount will be issued to the transferee in exchange herefor.

The District and the Paying Agent may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the District and the Paying Agent shall not be affected by any notice to the contrary.

The Bonds are subject to redemption on the terms and subject to the conditions specified in the Resolution. If this Bond is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

The Board of Education of the District hereby certifies and declares that the total amount of indebtedness of the District, including the amount of this Bond, is within the limit provided by law; that all acts, conditions and things required by law to be done or performed precedent to and in the issuance of this Bond have been done and performed in strict conformity with the laws authorizing the issuance of this Bond; and that this Bond is in substantially the form prescribed by order of the Board of Education duly made and entered on its minutes. The Bonds represent an obligation payable out of the related interest and sinking fund of the District, and the money for

the payment of principal hereof and premium, if any, and interest hereon, shall be raised by taxation upon the taxable property of the District.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Paying Agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the Registered Owner hereof, Cede & Co., has an interest herein.

This Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the certificate of authentication and registration hereon endorsed shall have been signed by the Paying Agent.

IN WITNESS WHEREOF, the Board of Education of the Los Angeles Unified School District, county of Los Angeles, State of California, has caused this bond to be signed by its President and countersigned by the Executive Officer of said Board, as of the date set forth above.

President of the Board of Education of the
Los Angeles Unified School District

Countersigned:

Executive Officer of the Board of
Education of the Los Angeles Unified
School District

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This is one of the Bonds described in the within-mentioned Resolution and authenticated and registered on _____.

Treasurer and Tax Collector of the County of
Los Angeles, California,
as Paying Agent/Registrar and Transfer Agent

By: U.S. Bank Trust Company, National
Association,
as agent

By: _____
Authorized Officer

ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto _____ the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

I.D. Number

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Dated: _____

Signature Guarantee: _____

Note: Signature must be guaranteed by an eligible guarantor institution.

EXHIBIT B**GOVERNMENT CODE SECTION 5852.1 DISCLOSURE**

In accordance with Section 5852.1(a)(1) of the California Government Code, the following information was obtained from Public Resources Advisory Group, as the District's Municipal Advisor, with respect to the bonds approved in the attached Resolution (the "Refunding Bonds") assuming a tax-exempt current refunding of the District's outstanding callable bonds which is estimated to result in an aggregate principal amount of the Refunding Bonds being \$2,421,890,000, which is less than the authorized maximum principal amount of Refunding Bonds approved in the attached Resolution:

1. *True Interest Cost of the Refunding Bonds.* Based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the Refunding Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Refunding Bonds, is 2.28%.

2. *Finance Charge of the Refunding Bonds.* Based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Refunding Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bonds), is \$6,105,217, as follows:

a)	Rating Agency – Moody's	\$148,000
b)	Rating Agency – Fitch	148,000
c)	Rating Agency – Kroll	148,000
e)	Bond Counsel	130,000
f)	Disclosure Counsel	132,000
g)	Municipal Advisor	113,000
h)	Underwriters' Discount	5,247,145
i)	Other Expenses	39,072

3. *Amount of Proceeds to be received.* Based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the District for sale of the Refunding Bonds less the finance charge of the Refunding Bonds described in paragraph 2 above and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, is \$2,886,488,320.

4. *Total Payment Amount.* Based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the Refunding Bonds plus the finance charge of the Refunding Bonds described in paragraph 2 above not paid with the proceeds of the Refunding Bonds, calculated to the final maturity of the Refunding Bonds, is \$3,367,185,790, which is \$149,739,213 less than the net debt service on the refunded outstanding bonds if the Refunding Bonds were not to be issued. Under the attached Resolution, any Refunding

Bonds would only be issued if the issuance of such Refunding Bonds conforms to the District's Debt Management Policy.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of Refunding Bond sales, the amount of Refunding Bonds sold, the amortization of the Refunding Bonds sold and market interest rates at the time of each sale. The date or dates of sale and the amount of Refunding Bonds sold will be determined by the District based on need for project funds and other factors. The actual interest rates at which the Refunding Bonds will be sold will depend on the bond market at the time of each sale. The actual amortization of the Refunding Bonds will also depend, in part, on market interest rates at the time of each sale. Market interest rates are affected by economic and other factors beyond the District's control. The Board of Education has approved the issuance of each series of Refunding Bonds with a maximum true interest cost of 6.50%.

EXECUTIVE OFFICER'S CERTIFICATE

I, Michael McLean, Executive Officer of the Board of Education of the Los Angeles Unified School District, County of Los Angeles, California, hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of said Board of Education of said District duly and regularly held at the regular meeting place thereof on _____, 2024, at which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present; and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 333 South Beaudry Avenue, Los Angeles, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda. A copy of said agenda is attached hereto.

I have carefully compared the same with the adopted resolution on file and of record in my office. Said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this ____ day of _____, 2024.

By: _____
 Executive Officer of the Board of
 Education of Los Angeles Unified
 School District

LOS ANGELES UNIFIED SCHOOL DISTRICT
(County of Los Angeles, California)

[SPA]
202_ General Obligation Refunding Bonds, Series _
(Dedicated Unlimited Ad Valorem Property Tax Bonds)

BOND PURCHASE AGREEMENT

[Sale Date]

Los Angeles Unified School District
 c/o Office of the Chief Business Officer
 333 S. Beaudry Avenue, 26th Floor
 Los Angeles, California 90017

Ladies and Gentlemen:

The undersigned, [Representative], on its own behalf and as representative (the “Representative”) of the Underwriters identified on the signature page hereof (collectively, the “Underwriters”), hereby offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the Los Angeles Unified School District (the “District”), which, upon your acceptance hereof, will be binding upon the District and the Underwriters. This offer is made subject to the written acceptance of this Purchase Agreement by the District and delivery of such acceptance to us at or prior to 11:59 PM, California Time, on the date hereof.

1. Purchase and Sale of the Bonds.

A. Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the District’s [SPA] 202_ General Obligation Refunding Bonds, Series _ (Dedicated Unlimited Ad Valorem Property Tax Bonds) (the “Bonds”). The Bonds shall be issued in the form of current interest bonds in such principal amounts as set forth in Exhibit A hereto and shall be issued in fully registered form in the authorized denominations of \$5,000 or any integral multiple thereof. The Bonds shall bear interest payable from the date thereof and such interest shall be payable on each January 1 and July 1 to maturity, commencing on [FIPD].

B. The Underwriters shall purchase the Bonds at a price of \$_____ (the “Purchase Price”) (which represents the aggregate principal amount of the Bonds, plus original issue premium of \$_____, and less an Underwriters’ discount in the amount of \$_____). From the Purchase Price for the Bonds, the Underwriters shall withhold and hereby agree to wire on the Closing Date (as defined below) \$_____ in immediately available funds to U.S. Bank Trust Company, National

Association (the “Paying Agent”), as costs administrator, to pay the costs of issuance of the Bonds as provided in Section 13 of this Purchase Agreement.

C. Any authority, discretion, or other power conferred upon the Underwriters by this Purchase Agreement shall be exercised by the Representative alone.

2. The Bonds.

A. The Bonds shall be dated their date of delivery, shall bear interest at the rates, shall mature in the years and amounts and shall have the redemption provisions as set forth in Exhibit A hereto. The Bonds shall otherwise be as described in, and shall be issued and secured pursuant to the provisions of Articles 9 and 11, Chapter 3, Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53506 (the “Bond Law”), and a Resolution of the Board of Education of the District (the “Board of Education”) adopted on [Resolution Date] (“Resolution”) authorizing the issuance of not to exceed \$[MPA] of general obligation refunding bonds of the District. [A portion of the proceeds of the Bonds will be deposited into an escrow fund established pursuant to an Escrow Agreement, dated as of [Dated Date] (the “Escrow Agreement”), by and between the District and U.S. Bank Trust Company, National Association, as escrow bank (the “Escrow Bank”), for the bonds of the District to be refunded as described in the Official Statement, defined herein (the “Prior Bonds”), for the benefit of the owners of the Prior Bonds, to refund and defease the Prior Bonds.]

B. Upon the written acceptance of this Purchase Agreement by the District, the Representative, on behalf of the Underwriters, shall deliver, within twenty-four (24) hours of such acceptance, by federal funds wire transfer to U.S. Bank Trust Company, National Association as agent to the Treasurer and Tax Collector of the County of Los Angeles, as paying agent (the “Paying Agent”), for the account of the District, the amount of \$_____ as a good-faith deposit (“Good Faith Deposit”) for the performance by the Underwriters of their obligations to accept and pay for the Bonds at Closing (as defined herein) in accordance with the provisions of this Purchase Agreement. Upon receipt, such amount shall be held by the District pending Closing (except as provided below), although the proceeds thereof may be invested by the District pending the Closing. At the Closing, the Underwriters shall pay or cause to be paid the Purchase Price of the Bonds, less the amount of such Good Faith Deposit, without accrued interest, and thereupon the District shall apply the amount of the Good Faith Deposit, to the payment of the balance of such Purchase Price. In the event of the District’s inability to deliver the Bonds at the Closing, or if the District is unable to satisfy the conditions to the Underwriters’ obligations contained herein (unless such conditions are waived by the Underwriters), or if the Underwriters’ obligations shall be terminated for any reason permitted hereby, the District shall forthwith return the amount of the Good Faith Deposit, without accrued interest, to the Representative immediately and such return shall constitute a full release and discharge of all claims by the Underwriters against the District arising out of the transactions contemplated by this Purchase Agreement. In the event that the Underwriters fail (other than for a reason permitted hereby) to accept and pay for the Bonds at the Closing as herein provided, the proceeds of the Good Faith Deposit, shall be retained and applied by the

District in full and complete liquidated damages (and not as a penalty) for such failure and as a discharge of all damages suffered on the part of the District as a result of such failure.

C. The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Agreement, the Bond Law and the Resolution. The Bonds shall be in definitive form, shall bear CUSIP numbers and shall be in fully registered form, registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”).

3. **Use of Documents.** The District hereby authorizes the Underwriters to use, in connection with the offer and sale of the Bonds, the Resolution, this Purchase Agreement, the Escrow Agreement, a Preliminary Official Statement and an Official Statement (both as defined herein), and all information contained herein and therein and all of the documents, certificates or statements furnished by the District to the Underwriters in connection with the transactions contemplated by this Purchase Agreement.

4. **Public Offering of the Bonds; Establishment of Issue Price.**

A. The Representative, on behalf of the Underwriters, agrees to make a bona fide initial public offering of all the Bonds at prices no higher than, or yields not lower than, those set forth on Exhibit A hereto. Subsequent to such initial public offering but subject to the provisions set forth below, the Underwriters reserve the right to lower such initial offering prices as the Representative deems necessary in connection with the marketing of the Bonds; provided, however, that the Representative shall not change the interest rates set forth in Exhibit A. Subject to the provisions set forth below, the Underwriters may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth on Exhibit A hereto. Subject to the provisions set forth below, the Underwriters also reserve the right to (i) over-allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice. The Representative, on behalf of the Underwriters, agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the District and Bond Counsel (as defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the District under this section to establish the issue price of the Bonds may be taken on behalf of the District by the District’s municipal advisor, Public Resources Advisory Group (the “Municipal Advisor”) and any notice or report to be provided to the District may be provided to the District’s Municipal Advisor.

B. Except as otherwise set forth in Exhibit A attached hereto, the District will treat the first (meaning single) price at which 10% of each maturity of the Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the

10% test). At or promptly after the execution of this Purchase Agreement, the Representative shall report to the District the price or prices at which the Underwriters have sold to the public each maturity of Bonds.

C. The Representative confirms that the Underwriters have offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the Representative represents that (i) the 10% test has been satisfied and (ii) the 10% test has not been satisfied and for which the District and the Representative, on behalf of the Underwriters, agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriters will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The District acknowledges that, in making the representation set forth in this subsection, the Representatives will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

D. The Representative confirms that:

(1) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A)(i) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Representative that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (ii) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires, (B) promptly notify the Representative of any sales of the Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the sale of the Bonds to the public (each such term used as defined below), and (C) acknowledge that, unless advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the dealer or broker-dealer is a sale to the public; and

(2) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Representative or the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

E. The Underwriters acknowledge that sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) “public” means any person other than an underwriter or a related party;

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);

(3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) “sale date” means the date of execution of this Purchase Agreement by all parties.

5. **Review of Official Statement.**

A. The Underwriters hereby represent that they have received and reviewed the official statement in preliminary form with respect to the Bonds, dated [POS Date] (the “Preliminary Official Statement”). The District represents that it has deemed the Preliminary Official Statement to be final as of its date, except for either revisions to or additions of the initial public offering prices, interest rates, yields, selling compensation, aggregate principal amount, principal amount per maturity, delivery date, ratings, credit enhancement and other terms of the Bonds which depend upon the foregoing as provided in and pursuant to Rule 15c2-12 of the Securities and Exchange Commission under the Securities and Exchange Act of 1934, as amended (“Rule 15c2-12”).

B. The Underwriters agree that prior to the time the final official statement (the “Official Statement”) relating to the Bonds is available, the Underwriters will make available to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the most recent Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail (or other equally prompt means) or electronic copy posted on an accessible website not later than the next business day following the date upon which each such request is received.

C. The Underwriters agree to file the Official Statement with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system within one (1) business day after receipt thereof from the District, but in no event later than the Closing Date (as defined below).

D. References herein to the Preliminary Official Statement and the Official Statement include the cover page through all appendices, exhibits, reports and statements included therein or attached thereto, as the same may be amended or supplemented from time to time.

6. **Closing.**

A. At [9:00] a.m., California Time, on [Closing Date], or at such other time or on such other date as shall have been mutually agreed upon by the parties hereto (the “Closing,” or the “Closing Date”), the District will direct U.S. Bank Trust Company, National Association as agent to the Paying Agent and registrar of the Bonds, to deliver to the account of the Representative, through the facilities of DTC, or at such other place as the District and the Representative may mutually agree upon, the Bonds duly executed and in fully registered, book-entry form, and will cause the other documents hereinafter mentioned pertaining to the Bonds to be delivered at the offices of Hawkins Delafield & Wood LLP, Bond Counsel to the District (“Bond Counsel”) in Los Angeles, California or at such other place as shall have been mutually agreed upon by the parties hereto.

B. Upon fulfillment of all conditions to Closing herein, the Underwriters will accept such delivery and pay the Purchase Price thereof in immediately available funds (by check, wire transfer or such other manner of payment as the Representative and the Chief Business Officer of the District shall reasonably agree upon) to the order of the District and U.S. Bank Trust Company, National Association, as cost administrator, as provided by Section 1 hereof, less the Good Faith Deposit, as provided by Section 2 hereof.

7. **Representations, Warranties and Agreements of the District.** The District hereby represents, warrants and agrees with the Underwriters that:

A. The District is a unified school district validly existing under the laws of the State of California (the “State”), with the power to issue the Bonds pursuant to the Bond Law.

B. (i) At or prior to the Closing, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Bonds; (ii) the District has full legal right, power and authority to execute and deliver this Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate (as defined below), to adopt the Resolution, to issue and to deliver the Bonds, and to perform its obligations under each such document or instrument (collectively, the “District Documents”), and to carry out and effectuate the transactions contemplated by the District Documents; (iii) the execution and delivery or adoption of, and the performance by the District of its obligations contained in, the Bonds and the other District Documents have been duly authorized and such authorization shall be in full force and effect at the time of the Closing; (iv) this Purchase Agreement constitutes, and each of the Bonds, when issued, authenticated, delivered and sold to the Underwriters as provided herein, and each of the other District Documents, when duly executed and delivered, will constitute, a valid and legally binding obligation of the District, enforceable against the District in accordance with its terms; and (v) the District has duly authorized the consummation by it of all transactions contemplated by the District Documents.

C. No consent, approval, authorization, order, filing, registration, qualification, election or referendum, of or by any court or governmental agency or public body whatsoever is required in connection with the issuance, delivery or sale of the Bonds or the

consummation of the other transactions effected or contemplated herein or hereby, except for such actions as may be necessary to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions of the United States as the Underwriters may reasonably request, or which have not been taken or obtained; *provided, however*, that the District shall not be required to subject itself to service of process in any jurisdiction in which it is not so subject as of the date hereof.

D. The District is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State or the United States relating to the issuance of the Bonds or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would adversely affect the transactions contemplated hereby, a default or event of default by the District under any of the foregoing.

E. The issuance of the Bonds, the adoption, execution, delivery and performance of the District Documents, and the compliance with the provisions of the District Documents do not conflict with or result in on the part of the District a violation or breach of, or default under, any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, where such conflict, violation, breach or default, individually or in the aggregate, shall result in a material adverse change to the District that materially and adversely affects the ability of the Underwriters to market the Bonds or enforce contracts of sale on the Bonds.

F. As of the time of acceptance hereof, except as provided in the Preliminary Official Statement and the Official Statement, no action, suit, proceeding, hearing or investigation is pending (in which service of process has been completed against the District) or, to the best knowledge of the District, threatened against the District: (i) in any way affecting the existence of the District or in any way challenging the respective powers of the several offices or the titles of the officials of the District to such offices; (ii) seeking to restrain or enjoin the sale, issuance or delivery of any of the Bonds, the application of the proceeds of the sale of the Bonds, or the levy of any taxes contemplated by the Resolution, or in any way contesting or affecting the validity or enforceability of the Bonds or the other District Documents or contesting the powers of the District or its authority with respect to the Bonds or the other District Documents; (iii) contesting the completeness or accuracy of the Preliminary Official Statement; or (iv) in which a final adverse decision could (a) materially adversely affect the operations of the District or the consummation of the transactions contemplated by the District Documents, (b) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Bonds from gross income for federal income tax purposes or the exemption of the interest paid on the Bonds from State personal income taxation.

G. Between the date hereof and the Closing, without the prior written consent of the Representative, the District will not have issued in the name of the District any bonds, notes or other obligations for borrowed money except for such borrowing as may be described in or contemplated by the Preliminary Official Statement and the Official Statement.

H. The Preliminary Official Statement was as of its date and is as of the date hereof (excluding information permitted to be omitted pursuant to Rule 15c2-12), true and correct in all material respects, and the Preliminary Official Statement contains no untrue statement of any material fact and does not omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

The Official Statement is, and at all times subsequent to the date of the Official Statement (or in the case of any amendment to the Official Statement pursuant to Section 7. L. of this Purchase Agreement, at the date of the delivery of the Official Statement, as amended) up to and including the Closing will be, true and correct in all material respects, and the Official Statement contains, and up to and including the Closing will contain, no untrue statement of any material fact and does not, and up to and including the Closing will not, omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. At the time of the Closing, there shall not have been any material adverse changes in the financial condition of the District since the date of the Official Statement.

I. To assist the Underwriters in complying with Rule 15c2-12, the District will undertake, pursuant to the Resolution and the Continuing Disclosure Certificate dated the Closing Date (the “Continuing Disclosure Certificate”), to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will be set forth in the Official Statement. Except as disclosed in the Preliminary Official Statement and the Official Statement, the District has not failed to comply in all material respects with any of its prior disclosure undertakings pursuant to Rule 15c2-12 in the last five years.

J. Any certificates signed by any officer of the District and delivered to the Underwriters shall be deemed a representation and warranty by the District to the Underwriters, but not by the person signing the same in such person’s individual capacity, as to the statements made therein;

K. Preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly authorized by the District, and at the time of delivery of the Official Statement (or in the case of any amendment to the Official Statement pursuant to Section 7. L. of this Purchase Agreement, at the time of the delivery of the Official Statement, as amended) to the Underwriters and at all times subsequent thereto up to and including the Closing Date, the information contained therein (excluding the statements and information in Appendix C – “Book-Entry Only System” and any information provided by the Underwriters in writing for inclusion in the Official Statement) will be true and correct in all material respects and such information will not contain any untrue

statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

L. The District agrees that if at any time before the Closing any event occurs as a result of which the Official Statement as then in effect would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, then the District shall promptly prepare or cause to be prepared and furnish (at the expense of the District) an amendment or supplement to the Official Statement that will correct such statement or omission. The District will advise the Representative promptly of any proposal to so amend or supplement the Official Statement and will effect such amendment or supplement in a form and manner approved by the Representative.

M. The audited financial statements of the District for the fiscal year ended June 30, 202__ (which is included as Appendix B to the Official Statement) were prepared in accordance with generally accepted accounting principles consistently applied and fairly present the financial position and results of operation of the District for the period and at the date set forth therein, and there has been no material adverse change in the business, affairs, financial position, results of operations or condition, financial or otherwise, of the District since the date of such financial statements, except as otherwise disclosed in the Official Statement.

N. The Resolution has been duly adopted, has not been modified, repealed or rescinded in any respect, and is in full force and effect.

8. **Covenants of the District.** The District covenants and agrees with the Underwriters that:

A. The District will furnish such information, execute such instruments, and take such other action in cooperation with the Underwriters if and as the Underwriters may reasonably request in order to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and jurisdictions, as the Underwriters may reasonably request, provided, however, that the District shall not be required to consent to service of process in any jurisdiction in which it is not so subject as of the date hereof.

B. The District hereby agrees to deliver or cause to be delivered to the Underwriters, not later than the earlier of (i) the third (3rd) business day preceding the Closing Date or (ii) the seventh (7th) business day following the date this Purchase Agreement is signed, the Official Statement substantially in the form of the Preliminary Official Statement, with only such changes therein as shall have been accepted by the Underwriters and the District, (a) in “designated electronic format” (as defined in Rule G-32 of the Municipal Securities Rulemaking Board), and (b) in printed form in such reasonable quantities as may be requested by the Underwriters in order to permit the Underwriters to comply with paragraph (b)(4) of Rule 15c2-12 and with the rules of the Municipal Securities Rulemaking Board.

C. The District hereby agrees to promptly notify the Underwriters of any event or occurrence that may affect the accuracy or completeness of any information set forth in the Official Statement relating to the District until the date which is twenty-five (25) days following the Closing.

D. If at any time prior to the expiration of twenty-five (25) days following the “end of the underwriting period” (as defined in Rule 15c2-12), any event known to the District relating to or affecting the District or the Bonds occurs which might cause the Official Statement to contain any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, the District will promptly notify the Underwriters in writing of the circumstances and details of such event. If, as a result of such event or any other event, it is necessary, in the reasonable opinion of Orrick, Herrington & Sutcliffe LLP, Disclosure Counsel to the District (“Disclosure Counsel”), or the Representative, to amend or supplement the Official Statement so that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, and if either shall have so advised the District, the District will forthwith cooperate with the Underwriters in the prompt preparation and furnishing to the Underwriters, at the expense of the District, of a reasonable number of copies of an amendment of or a supplement to the Official Statement, in form and substance satisfactory to the Underwriters, which will so amend or supplement the Official Statement so that, as amended or supplemented, it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The District will presume that unless otherwise notified in writing by the Representative, the end of the underwriting period will occur on the date of delivery of the Bonds; and

E. To assist the Underwriters in complying with Rule 15c2-12 and for the benefit of the holders and beneficial owners of the Bonds, the District will undertake to provide annual reports and notices of certain events pursuant to a continuing disclosure certificate dated the date of Closing (the “Continuing Disclosure Certificate”).

9. **Representations, Warranties and Agreements of the Underwriters.** The Underwriters represent to and agree with the District that, as of the date hereof and as of the date of Closing:

A. The Representative is duly authorized and has been duly authorized by the Underwriters, pursuant to an agreement among the Underwriters (the “AAU”), to execute this Purchase Agreement, to act hereunder on behalf of the Underwriters and to take all actions, and waive any condition or requirement, required or permitted to be taken or waived hereunder by the Representative or the Underwriters.

B. Based on representations in the AAU, the Underwriters have, and have had, no financial advisory relationship (as such term is defined in California Government Code Section 53590) with the District with respect to the Bonds, and no investment firm

controlling, controlled by or under common control with any of the Underwriters has or has had any such financial advisory relationship (as such term is defined in California Government Code Section 53590).

C. The Underwriters shall comply with all statutes, rules and regulations of all governmental entities in connection with the offering and sale of the Bonds.

10. **Underwriters Not Acting as Agents, Advisors or Fiduciaries.** The District acknowledges and agrees that:

A. the Underwriters are not acting as municipal advisors within the meaning of Section 15B of the Securities and Exchange Act of 1934, as amended;

B. the primary role of the Underwriters, as underwriters, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the District and the Underwriters and the Underwriters have financial and other interests that differ from those of the District;

C. in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as the agents, municipal advisors, financial advisors or fiduciaries of the District, nor have the Underwriters assumed an advisory or fiduciary responsibility in favor of the District;

D. the only contractual obligations the Underwriters have to the District with respect to the transaction contemplated hereby are set forth in this Purchase Agreement; and

E. the District has consulted its own legal, financial, municipal and other advisors to the extent it has deemed appropriate.

11. **Conditions to Closing.** The Underwriters have entered into this Purchase Agreement in reliance upon the representations and warranties of the District contained herein and the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of Closing. The Underwriters' obligations under this Purchase Agreement are and shall be subject, at the option of the Underwriters, to the following further conditions at the Closing:

A. The representations and warranties of the District contained herein shall be true, complete and correct at the date hereof and at and as of the Closing, as if made at and as of the Closing, and the statements made in all certificates and other documents delivered to the Underwriters at the Closing pursuant hereto shall be true, complete and correct on the date of the Closing; and the District shall be in compliance with the agreements made by it in this Purchase Agreement.

B. At the time of the Closing, (i) the District Documents shall be in full force and effect and the Resolution and the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to in writing by the parties hereto; (ii) all actions under the Bond Law which, in the opinion of Bond Counsel, shall be

necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; (iii) the District shall have adopted, and there shall be in full force and effect such additional resolutions, agreements, opinions and certificates (including such certificates as may be required by regulations of the Internal Revenue Service in order to establish the tax exempt character of the interest on the Bonds) as shall be satisfactory in form and substance to Bond Counsel to the District and to the Underwriters, and there shall have been taken in connection therewith and in connection with the execution and delivery of the Bonds all such actions as shall, in the reasonable opinion of each, be necessary in connection with the transactions contemplated hereby; (iv) all actions under the Resolution which, in the opinion of Bond Counsel to the District, shall be necessary in connection with the transactions contemplated hereby, shall have been duly taken and shall be in full force and effect; (v) the Bonds shall have been duly authorized, executed and delivered; and (vi) the District shall perform or have performed all of its obligations required under or specified in the District Documents to be performed at or prior to the Closing.

C. No decision, ruling or finding shall have been entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed on appeal or otherwise set aside), or to the best knowledge of the District, be pending (in which service of process has been completed against the District) or threatened which has any of the effects described in Section 7(F) hereof or contests in any way the completeness or accuracy of either the Preliminary Official Statement or the Official Statement.

D. Between the date hereof and the Closing, the market for or the market price or marketability of the Bonds or the ability of the Underwriters to enforce contracts for the sale of the Bonds at the initial offering prices set forth in the Official Statement, shall not have been materially adversely affected by reason of any of the following:

(1) legislation enacted by the Congress of the United States, or by the legislature of the State, or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court of the United States or the State or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences or State tax consequences of interest on obligations of the general character of the Bonds in the hands of the holders thereof; or

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Bonds, or obligations of the general character of the Bonds, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended,

or that the Resolution is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(2) the declaration of war or engagement in major military hostilities or escalation of hostilities by the United States or the occurrence of any other national or international emergency or calamity or crisis relating to the effective operation of the government or the financial community in the United States;

(3) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue or a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, or a material disruption in commercial banking or securities settlement or clearance services shall have occurred;

(4) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Bonds, or obligations of the general character of the Bonds, or securities generally, or the material increase of any such restrictions now in force;

(5) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, as contemplated hereby or by the Official Statement, is or would be in violation of the Federal securities laws, as amended and then in effect or any proceeding shall have been commenced, against the District, in connection with Bonds or obligations of the general character of the Bonds of the District, by the Securities and Exchange Commission or other governmental agency having jurisdiction over the issue, offering or sale thereof;

(6) any rating of the Bonds has been downgraded, suspended or withdrawn by a national rating service that rated the Bonds or a negative qualification (*e.g.*, a “credit watch” or “negative outlook” designation) or other announcement has been made by a national rating service that rated the Bonds that the Bonds are under review without indication of a potentially favorable result, which, in the reasonable opinion of the Underwriter, materially adversely affects the marketability or market price of the Bonds;

(7) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriters, makes untrue in any material adverse respect any statement or information set forth in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact

or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; or

(8) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the District.

E. At or prior to the date of the Closing, the Underwriters shall have received the following documents, in each case dated as of the Closing Date unless otherwise specified herein and satisfactory in form and substance to the Underwriters:

(1) The approving opinion of Bond Counsel with respect to the Bonds, dated the Closing Date and addressed to the District, substantially in the form attached as Appendix D to the Preliminary Official Statement;

(2) A reliance letter from Bond Counsel addressed to the Representative to the effect that the Underwriters may rely upon the approving opinion of Bond Counsel described in E. (1) above;

(3) A supplemental opinion of Bond Counsel in a form acceptable to the Underwriters, dated the Closing Date and addressed to the Underwriters, to the effect that:

(i) assuming due authorization, execution and delivery by all the parties thereto, this Purchase Agreement, the Escrow Agreement and the Continuing Disclosure Certificate have each been duly authorized, executed and delivered by the respective parties thereto and constitute legal, valid and binding obligations of the District and are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other laws affecting generally the enforcement of creditors' rights and except as their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases if equitable remedies are sought (provided that no opinion need be rendered regarding the adequacy of the Continuing Disclosure Certificate for purposes of the Rule) and by limitations on the enforcement of legal remedies against public agencies in the State;

(ii) the statements contained in the Official Statement under the captions "The Bonds" (excluding any and all information relating to The Depository Trust Company and its book-entry system and the County Treasury Pool set forth in Appendix F), "Security and Sources of Payment for the Bonds – General Description" and "Tax Matters," excluding any material that may be treated as included under such captions by cross-reference, to the extent they purport to summarize certain provisions of the Bonds, the Resolution and the exclusion from gross income of interest on the Bonds for federal income tax purposes or the exemption of interest on

the Bonds for State income tax purposes, fairly and accurately summarize the matters purported to be summarized thereto; and

(iii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(4) The duly executed Escrow Agreement;

(5) The Continuing Disclosure Certificate signed by an appropriate official of the District and in form and substance reasonably satisfactory to the Underwriters;

(6) The Verification Report;

(7) A certificate signed by an appropriate official of the District to the effect that (i) such official is authorized to execute this Purchase Agreement, the Escrow Agreement, the Official Statement and the Continuing Disclosure Certificate, (ii) the representations, agreements and warranties of the District herein are true and correct as of the date of Closing, (iii) the District has complied with all the terms of the District Documents to be complied with by the District prior to or concurrently with the Closing and the District Documents are in full force and effect, (iv) no litigation is pending (with service of process having been accomplished) or, to the best of the District's knowledge, threatened (either in state or federal courts): (A) seeking to restrain or enjoin the execution, sale or delivery of any of the Bonds, (B) in any way contesting or affecting the authority for the execution, sale or delivery of the Bonds, the Official Statement, the Escrow Agreement, the Continuing Disclosure Certificate or this Purchase Agreement, or (C) in any way contesting the existence or powers of the District; (v) such official has reviewed the Official Statement and on such basis certifies that the Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading, (vi) each of the conditions listed in Section 11 of this Purchase Agreement required to be satisfied by the District has been satisfied on the date thereof and the District is not aware of any other condition of this Purchase Agreement that has not been satisfied on the date thereof, and (vii) the Bonds being delivered on the date of the Closing to the Underwriters under this Purchase Agreement substantially conform to the descriptions thereof contained in the Resolution, the Official Statement and this Purchase Agreement;

(8) A certificate of the Escrow Bank dated the date of the Closing, signed by a duly authorized officer of the Escrow Bank, and in form and substance satisfactory to the Underwriters, to the effect that:

(i) to the best of such officer's knowledge, the representations and agreements of the Escrow Bank in the Escrow Agreement to which the Escrow Bank is a party are true and correct as of the date of the Closing;

(ii) the Escrow Agreement has been duly authorized, executed and delivered and, assuming due execution by the other parties thereto, is enforceable against the Escrow Bank in accordance with its terms; and

(iii) to the best of such officer's knowledge, no litigation is pending or threatened (either in state or federal courts) in any way contesting or affecting any authority of the Escrow Bank for or in connection with its performance of the Escrow Agreement;

(9) a certificate of the Paying Agent, or its agent, as applicable, dated the date of the Closing, signed by a duly authorized officer of the Paying Agent, or its agent, as applicable, and in form and substance satisfactory to the Underwriters, to the effect that:

(i) to the best of such officer's knowledge, the representations and agreements of the Paying Agent in the Master Paying Agent Services Contract, dated as of July 1, 2019 (the "Paying Agent Agreement"), between the County and the Paying Agent, are true and correct as of the date of the Closing;

(ii) the Paying Agent Agreement has been duly authorized, executed and delivered and, assuming due execution by the other parties thereto, is enforceable against the Paying Agent in accordance with its terms; and

(iii) to the best of such officer's knowledge, no litigation is pending or threatened (either in State or federal courts) (A) seeking to restrain or enjoin the delivery by the Paying Agent of any of the Bonds, or (B) in any way contesting or affecting any authority of the Paying Agent for the delivery of the Bonds or the validity or enforceability of the Bonds or the Paying Agent Agreement

(10) A tax certificate of the District in form satisfactory to Bond Counsel with respect to the Bonds;

(11) Evidence satisfactory to the Underwriters that any ratings described in the Official Statement are in full force and effect as of the Closing Date;

(12) The opinion of General Counsel to the District, addressed to the District and the Underwriters, dated the Closing Date, to the effect that:

(i) the District is a unified school district validly existing under the Constitution and the laws of the State;

(ii) the District has the full right and lawful authority to enter into and perform its duties and obligations under the District Documents and to authorize the issuance and sale of the Bonds;

(iii) to the best knowledge of General Counsel to the District, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or public body, pending, or to such counsel's knowledge, threatened against the District contesting in any way the completeness or accuracy of the Official Statement or the due adoption of the Resolution, and there is no breach or default by the District under any other instruments which is caused by the issuance of the Bonds or the execution and delivery of this Purchase Agreement, the Escrow Agreement or the Continuing Disclosure Certificate;

(iv) General Counsel to the District is not representing the District in connection with any litigation of any nature to restrain or enjoin the execution, delivery or performance of the District Documents, the Bonds or any of the proceedings taken with respect to the issuance of the Bonds, the application of monies to the payment of the Bonds or in any manner questioning the proceedings and authority under which the Bonds were authorized or challenging the validity of the Bonds, the existence or boundaries of the District or the title of the officials of the District who have acted with respect to the proceedings for the issuance of the Bonds on behalf of the District to their respective offices; and

(v) the Official Statement has been duly approved by the District;

(13) The opinion of [UC], counsel for the Underwriters ("Underwriters' Counsel"), dated the date of Closing and addressed to the Underwriters, satisfactory in form and substance to the Underwriters;

(14) The letters of Disclosure Counsel substantially in the forms attached hereto as Exhibit B, dated the date of Closing and addressed separately to the District and the Underwriters, respectively;

(15) A certificate, together with a fully executed copy of the Resolution, of the Executive Officer of the Board of Education to the effect that:

(i) such copy is a true and correct copy of such Resolution; and

(ii) that the Resolution was duly adopted, has not been modified, amended, rescinded or revoked and is in full force and effect on the date of the Closing;

(16) A certificate of the appropriate official of the District evidencing the District's determination respecting the Preliminary Official Statement in accordance with Rule 15c2-12;

(17) A transcript of all proceedings relating to the authorization, issuance and delivery of the Bonds; and

(18) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriters may reasonably request to evidence compliance (i) by the District and the Paying Agent (and its agent, if applicable) with legal requirements, (ii) the truth and accuracy, as of the time of Closing, of the representations of the District herein contained, and (iii) the due performance or satisfaction by the District and the Paying Agent (and its agent, if applicable) at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by them.

If the District shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Agreement or if the Underwriters' obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be canceled by the Underwriters at, or at any time prior to, the time of Closing. Notice of such cancellation shall be given to the District in writing, or by telephone or electronic communication, confirmed in writing. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriters may be waived by the Representative in writing at its sole discretion.

12. **Conditions to Obligations of the District.** The performance by the District of its obligations is conditioned upon (i) the performance by the Underwriters of their obligations hereunder and (ii) receipt by the District and the Underwriters of opinions and certificates being delivered at the Closing by persons and entities other than the District.

13. **Expenses.** On the Closing Date, the Underwriters will wire \$ _____ from the proceeds of the Bonds and as a portion of the Purchase Price of the Bonds as provided in Section 1 hereof to U.S. Bank Trust Company, National Association, as costs administrator, to be used to pay costs of issuance of the Bonds, including, but not limited to the following at the direction of the District: (i) the costs of the preparation and reproduction of the Resolution; (ii) the fees and disbursements of Bond Counsel, Disclosure Counsel and the Municipal Advisor; (iii) the cost of the preparation, printing and delivery of the Bonds; (iv) the fees for Bond ratings, including all necessary expenses for travel; (v) the cost of the printing and distribution of the Preliminary Official Statement and the Official Statement, and any supplement or amendment thereto; (vi) costs, fees and expenses related to the presentation to investors; (vii) the initial fees of the Paying Agent; and (viii) all other fees and expenses incident to the issuance and sale of the Bonds or the performance of its obligations hereunder. All out-of-pocket expenses of the Underwriters, including California Debt and Investment Advisory Commission fees, CUSIP Service Bureau registration fees, Underwriters' Counsel fees, expenses for travel and other expenses of the Underwriters, shall be paid by the Underwriters out of the Underwriters' Discount.

14. **Notices.** Any notice or other communication to be given under this Purchase Agreement (other than the acceptance hereof as specified in the first paragraph hereof) may be given by delivering the same in writing if to the District, to the Chief Business Officer of the Los

Angeles Unified School District, 333 S. Beaudry Avenue, 26th Floor, Los Angeles, California 90017, or if to the Representative, to [Underwriter] at [Address].

15. **Severability.** In the event any provision of this Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

16. **Parties in Interest; Survival of Representations and Warranties.** This Purchase Agreement when accepted by the District in writing as heretofore specified shall constitute the entire agreement between the District and the Underwriters with respect to the transaction contemplated by this Purchase Agreement. This Purchase Agreement is made solely for the benefit of the District and the Underwriters (including the successors or assigns of the Underwriters). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the District in this Purchase Agreement shall survive, unless waived by the Underwriters, regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriters, (b) delivery of and payment by the Underwriters for the Bonds hereunder and (c) any termination of this Purchase Agreement.

17. **Execution in Counterparts.** This Purchase Agreement may be executed in several counterparts each of which shall be regarded as an original and all of which shall constitute but one and the same document.

18. **Applicable Law.** This Purchase Agreement shall be interpreted, governed and enforced in accordance with the law of the State applicable to contracts made and performed in such State.

Very truly yours,

[Representative], on their own behalf and as
representative of _____.

[REPRESENTATIVE]

By: _____
Representative

The foregoing is hereby agreed to
and accepted as of the date first
above written:

LOS ANGELES UNIFIED SCHOOL DISTRICT

By: _____

EXHIBIT A**MATURITY SCHEDULES AND REDEMPTION PROVISIONS****LOS ANGELES UNIFIED SCHOOL DISTRICT
(County of Los Angeles, California)****[SPA]****20__ General Obligation Refunding Bonds, Series A
(Dedicated Unlimited Ad Valorem Property Tax Bonds)**

<u>Maturity (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Test Satisfied*</u>	<u>10% Test Not Satisfied</u>	<u>Undersold Maturities</u>
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* At the time of the execution of this Purchase Agreement and assuming orders are confirmed immediately after the execution of this Purchase Agreement.

^C Priced to first call date of July 1, 20__.

REDEMPTION PROVISIONS*[To come]*

EXHIBIT B

FORMS OF LETTERS OF DISCLOSURE COUNSEL

EXHIBIT C**FORM OF CERTIFICATE OF THE REPRESENTATIVE**

[Representative] has acted as the representative of the Underwriters listed in the Bond Purchase Agreement (the “**Representative**”) entered into in connection with the sale and issuance by the Los Angeles Unified School District (the “**District**”) of the Los Angeles Unified School District (County of Los Angeles, California) 20__ General Obligation Refunding Bonds, Series A (Dedicated Unlimited Ad Valorem Property Tax Bonds) in the principal amount of [\$PA] (the “**Bonds**”), being issued on the date hereof, and the Representative hereby certifies and represents on behalf of itself the following:

1. As of [Sale Date] (the “**Sale Date**”), all of the Bonds were the subject of a bona fide offering to the Public at the respective prices or yields set forth on the inside cover page of the District’s Official Statement in respect of the Bonds dated [Sale Date] (each, an “**Initial Offering Price**”), which are the same prices or yields shown on the final pricing wire for the offering of the Bonds attached hereto as Schedule 1.

2. As of the Sale Date, [except for the Bonds maturing on _____ (the “**Unsold Maturities**”) shown on Schedule 2 attached hereto,] the first price at which 10 percent of each Maturity of the Bonds was sold by the Underwriters to the Public is set forth on Schedule 1.

3. [**HOLD THE PRICE - REPRESENTATIVE ALLOTTED UNSOLD MATURITIES**] On and following the Sale Date, with respect to the initial sales of the Unsold Maturities, the Representative: (i) has retained the unsold principal amounts of the bonds of the Unsold Maturities as shown in Schedule 2 attached hereto and not allocated any such Unsold Maturities to any other Underwriter, and (ii) has neither offered nor sold any such Unsold Maturities to any person at a price that is higher or yield lower than the Initial Offering Price during the period starting on the Sale Date and ending on the earlier of the following: (a) the close of the fifth business day after the Sale Date, or (b) the date on which at least 10 percent of the bonds of the Unsold Maturity has been sold to the Public at a price that is at or below the Initial Offering Price. OR:

4. [**HOLD THE PRICE - SYNDICATE RETAINS BONDS**] On and following the Sale Date, with respect to the initial sales of the Unsold Maturities, the Underwriters have neither offered nor sold any Unsold Maturities to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of the following: (a) the close of the fifth business day after the Sale Date, or (b) the date on which at least 10 percent of the bonds of the Unsold Maturity has been sold to the Public at a price that is at or below the Initial Offering Price.

3. The agreement among Underwriters, each selling group agreement and each retail distribution agreement (to which the Representative is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A)(i) report the prices at which it sells to the Public the unsold Bonds of each Maturity allotted to it until it is notified by the

Representative that at least 10 percent of such Maturity of the Bonds was sold by the Underwriters to the Public at a single price, and (ii) with respect to the Unsold Maturities, if any, comply with the hold-the-offering-price rule, as described above, if and for so long as directed by the Representative and as set forth in the related pricing wires, (B) promptly notify the Representative of any sales of the Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (C) acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

For purposes of this Certificate, the following definitions apply:

- (a) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (b) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.
- (c) *Related Party* means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).
- (d) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The Representative understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the District's Tax Certificate and Agreement to which this certificate is included as Exhibit and with respect to compliance with the federal income tax rules affecting the Bonds, and by Hawkins Delafield & Wood LLP, as bond counsel to the District, in connection with providing an opinion as to the exclusion from gross income of interest on the Bonds pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

The Representative is certifying only as to facts in existence on the date hereof. Nothing herein represents the Representative's interpretation of any laws; in particular, the Treasury Regulations under the Code, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Although certain information furnished in this Certificate has been derived from other Underwriters and cannot be independently verified by us, we have no reason to believe it to be untrue in any material respect.

Dated: [Closing Date]

[Representative]

By: _____

Name: _____

Title: _____

HDW DRAFT – 1/9/24

ESCROW AGREEMENT

by and between

LOS ANGELES UNIFIED SCHOOL DISTRICT

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

Dated as of [Dated Date]

**Los Angeles Unified School District
(County of Los Angeles, California)**

**General Obligation Bonds, Series KRY (2009)
(Federally Taxable Build America Bonds)**

**General Obligation Bonds, Series RY (2010)
(Federally Taxable Build America Bonds)**

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “Escrow Agreement”), dated as of [Dated Date], is by and between the LOS ANGELES UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the “District”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as escrow bank (the “Escrow Bank”) and as agent of the Paying Agent for the Bonds (the “Paying Agent”) (as defined herein).

W I T N E S S E T H:

WHEREAS, the District has heretofore issued the Prior Bonds described in Exhibit A hereto pursuant to the resolution pursuant to which the Prior Bonds were issued;

WHEREAS, the Escrow Bank serves as the Paying Agent for the Prior Bonds;

WHEREAS, the District has determined that debt service savings can be achieved by refunding the Prior Bonds on the Redemption Dates and at the Redemption Prices set forth on Exhibit A and applying a portion of the proceeds of the Los Angeles Unified School District (County of Los Angeles, California) 202_ General Obligation Refunding Bonds, Series __ (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (the “Bonds”) for the purpose of providing the funds necessary to redeem the Prior Bonds prior to their respective maturity dates;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the District and the Escrow Bank agree as follows:

Section 1. Definitions. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the resolutions adopted by the District authorizing the Prior Bonds.

Section 2. The Escrow Fund. (a) There is hereby established with the Escrow Bank a fund (the “Escrow Fund”) to be held as an irrevocably pledged escrow by the Escrow Bank, which the Escrow Bank shall keep separate and apart from all other funds and accounts of the District and the Escrow Bank and which shall be applied solely as provided in this Escrow Agreement. The Escrow Fund is established for the purpose of refunding the Prior Bonds and, for purposes of Section 53555 of the California Government Code, shall be deemed to be a fund in the treasury of the District. Pending application as provided in this Escrow Agreement, amounts on deposit in the Escrow Fund are hereby pledged and assigned solely to the payment of the interest on and principal and Redemption Price of the Prior Bonds, which amounts shall be held in escrow by the Escrow Bank for the Owners of the Prior Bonds.

(b) Upon the issuance of the Bonds, there shall be deposited in the Escrow Fund \$[] received from the proceeds of the sale of the Bonds (a portion of which was the Good Faith Deposit received by the District), which amount will [be invested in Securities (herein defined) pursuant to Section 3 hereof] [remain uninvested]. The District has determined that moneys on deposit in the Escrow Fund will be at least equal to an amount sufficient to make the payments required by Section 4 hereof. [The Escrow Bank may conclusively rely upon the verification report by [Verification Agent] provided in connection with the issuance of the Bonds

as to the sufficiency of the funds to make the payments required for redemption of the Prior Bonds.]

Section 3. Use and Investment of Moneys. (a) The Escrow Bank hereby acknowledges deposit of the moneys described in Section 2(b). [The District may direct the Escrow Bank to invest all or a portion of such moneys in United States Obligations (the “Securities”) upon receipt of (i) certification by a nationally recognized firm of independent certified public accountants that the Securities will mature in such principal amounts and earn interest in such amounts and, in each case, at such times, so that sufficient moneys will be available from maturing principal and interest on the Securities, together with uninvested moneys then held by the Escrow Bank in the Escrow Fund, to make all payments required by Section 4 hereof and (ii) an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the purchase of the Securities will not adversely affect the exclusion of interest on Prior Bonds from gross income for purposes of federal income taxation.]

(b) Upon the written request of the District, but subject to the conditions and limitations herein set forth, the Escrow Bank shall purchase substitute United States Obligations for the Securities that may then be held in the Escrow Fund in whole or in part with the proceeds derived from the sale, transfer, redemption or other disposition of the Securities then on deposit in the Escrow Fund and any uninvested money then held by the Escrow Bank hereunder in accordance with the provisions of this Section. Such sale, transfer, redemption or other disposition of Securities then on deposit in the Escrow Fund and substitution of other United States Obligations shall be effected by the Escrow Bank upon the written request of the District but only by a simultaneous transaction and only upon receipt of (i) certification by a nationally recognized firm of independent certified public accountants that the United States Obligations to be substituted, together with the Securities which will continue to be held in the Escrow Fund, will mature in such principal amounts and earn interest in such amounts and, in each case, at such times so that sufficient moneys will be available from maturing principal and interest on all of such Securities held in the Escrow Fund, together with any uninvested moneys, to make all payments required by Section 4 hereof, which have not previously been made, and (ii) receipt by the Escrow Bank of an opinion of counsel of recognized standing in the field of law relating to municipal bonds to the effect that the sale, transfer, redemption or other disposition and substitution of United States Obligations will not adversely affect the exclusion of interest on Prior Bonds from gross income for purposes of federal income taxation.

(c) Upon the written request of the District, but subject to the conditions and limitations herein set forth, the Escrow Bank shall apply any moneys received from the maturing principal of or interest or other investment income on any Securities held in the Escrow Fund, or the proceeds from any sale, transfer, redemption or other disposition of Securities pursuant to Section 3(b) not required for the purposes of said Section (i) to the extent such moneys will not be required at any time for the purpose of making a payment required by Section 4 hereof, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, such moneys shall be transferred to the Treasurer and Tax Collector of the County (the “County Treasurer”) for deposit in the District’s interest and sinking funds established for the Bonds upon the written request of the District as received by the Escrow Bank, free and clear of any trust, lien, pledge or assignment securing the Prior Bonds or otherwise existing hereunder, and (ii) to the extent such moneys will be required for such purpose at a later date, such moneys may, to the

extent practicable, be invested or reinvested in United States Obligations maturing at times and in amounts sufficient, as certified by a nationally recognized firm of independent certified public accountants delivered to the Escrow Bank, to make such payment required by Section 4 hereof.

(d) All United States Obligations purchased pursuant to this Escrow Agreement shall be deposited in and held for the credit of the Escrow Fund. Except as provided in this Section 3, no moneys or United States Obligations deposited with the Escrow Bank pursuant to this Escrow Agreement nor principal of, or interest payments or other investment income on, any such United States Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Prior Bonds as provided by Section 4 hereof.

(e) The Owners of the Prior Bonds shall have a first and exclusive lien on the moneys and United States Obligations in the Escrow Fund until such moneys and United States Obligations are used and applied as provided in this Escrow Agreement.

(f) The Escrow Bank shall not be held liable for investment losses resulting from compliance with the provisions of this Escrow Agreement.

Section 4. Payment of Prior Bonds. From the maturing principal of the Securities held in the Escrow Fund and the investment income and other earnings thereon and any uninvested money then held in the Escrow Fund, the Escrow Bank shall pay the interest on the Prior Bonds due on [_____] and pay on the Redemption Date therefor the Redemption Price and interest on the Prior Bonds then due and payable in accordance with the terms of the respective Resolutions. To the extent that the amount on deposit in the Escrow Fund on the Redemption Date is in excess of the amount necessary to make the required payments with respect to the Prior Bonds, as shown in the then applicable escrow verification of the nationally recognized firm of independent certified public accountants, such excess shall be transferred to the County Treasurer for deposit in the District's interest and sinking funds established for the District's general obligation bonds.

Section 5. Irrevocable Instructions to Mail Notice of Redemption. (a) The District hereby irrevocably designates the Prior Bonds for prior redemption on the Redemption Date as indicated in Section 4 hereof and hereby irrevocably instructs the Escrow Bank, as the Paying Agent for the Prior Bonds, to deliver, not less than 30 nor more than 60 days prior to the Redemption Date, in accordance with the respective resolutions of the District and the Board of Supervisors of the County of Los Angeles that authorized the Prior Bonds (the "Prior Bonds Resolutions"), a notice of redemption of the Prior Bonds in substantially the form attached hereto as Exhibit B to the owners of the Prior Bonds. The Escrow Bank is hereby further instructed to post such notice of redemption to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system as soon as possible after delivery of the notice of redemption in accordance with the terms of the Prior Bonds Resolutions.

(b) The District hereby irrevocably instructs the Escrow Bank to deliver on [_____, 202_] in accordance with the Prior Bonds Resolutions, a notice of defeasance substantially in the form attached hereto as Exhibit C to the owners of the Prior Bonds, stating that an irrevocable deposit has been made with the Escrow Bank and that such Prior Bonds have been deemed to be

paid and to post such notice of defeasance to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system.

Section 6. Performance of Duties. The Escrow Bank agrees to perform the duties set forth herein and agrees that the irrevocable instructions to the Escrow Bank herein provided are in a form satisfactory to it.

Section 7. Authority to Make Investments; Funds and Accounts. The Escrow Bank shall have no power or duty to invest any funds held under this Escrow Agreement except as provided in Section 3 hereof. The Escrow Bank shall have no power or duty to transfer or otherwise dispose of the moneys held hereunder except as provided in this Escrow Agreement. Any fund or account required to be established and maintained pursuant hereto by the Escrow Bank may be established and maintained in the accounting records of the Escrow Bank either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund, but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with sound accounting practice and with due regard for the protection of the security of the Prior Bonds and the rights of the Owners of the Prior Bonds. The Escrow Bank may establish such funds and accounts as it deems necessary to perform its obligations hereunder.

Section 8. Compensation. The District shall from time to time pay or cause to be paid to the Escrow Bank the agreed upon compensation for its services to be rendered hereunder, and reimburse the Escrow Bank for all of its reasonable advances in the exercise and performance of its duties hereunder; provided, however, that under no circumstances shall the Escrow Bank be entitled to any lien whatsoever on any moneys or obligations in the Escrow Fund for the payment of fees and expenses for services rendered or expenses incurred by the Escrow Bank under this Escrow Agreement or otherwise.

Section 9. Indemnification. To the extent permitted by law, the District shall indemnify and save the Escrow Bank harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or its willful misconduct. The indemnity contained in this Section shall survive the termination of this Escrow Agreement.

Section 10. Responsibilities of Escrow Bank. The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or any securities deposited therein, the purchase of the securities to be purchased pursuant hereto, the retention of such securities or the proceeds thereof, the sufficiency of the securities or any uninvested moneys held hereunder to accomplish the redemption of the Prior Bonds, or any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "Whereas" clauses herein shall be taken as the statements of the District, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representation as to the sufficiency of the securities to be purchased pursuant hereto and any

uninvested moneys to accomplish the redemption of the Prior Bonds or to the validity of this Escrow Agreement as to the District and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Agreement. The Escrow Bank may consult with counsel, who may or may not be counsel to the District, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel of recognized standing in the field of law relating to municipal bonds) may be deemed to be conclusively established by a written certification of the District.

Section 11. Amendments. The District and the Escrow Bank may (but only with the consent of the Owners of all of the Prior Bonds) amend this Escrow Agreement or enter into agreements supplemental to this Escrow Agreement; provided, however, that such amendments and agreements are limited to (a) insertion of unintentionally omitted material, corrections of mistakes or clarifications of ambiguities, (b) pledging of additional legal security for the benefit of the Owners of the Prior Bonds, or (c) providing for the deposit of additional cash and/or securities in the Escrow Fund.

Section 12. Term. This Escrow Agreement shall terminate on the date upon which the Prior Bonds have been paid in accordance with this Escrow Agreement.

Section 13. Severability. If any one or more of the covenants or agreements provided in this Escrow Agreement on the part of the District or the Escrow Bank to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenants or agreements shall be null and void and shall be deemed separate from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Escrow Agreement.

Section 14. Counterparts. This Escrow Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as an original but all of which shall constitute and be but one and the same instrument.

Section 15. Governing Law. This Escrow Agreement shall be construed under the laws of the State of California.

**LOS ANGELES UNIFIED SCHOOL
DISTRICT**

By: _____
Chief Business Officer

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, AS
ESCROW BANK AND PRIOR PAYING
AGENT**

By: _____
Authorized Officer

EXHIBIT A
PRIOR BONDS

EXHIBIT B**NOTICE OF CONDITIONAL REDEMPTION**

Los Angeles Unified School District
 (County of Los Angeles, California)
 General Obligation Bonds, Series KRY (2009)
 (Federally Taxable Build America Bonds)
 Issued on October 15, 2009

<u>[Bond No.]</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CUSIP (544646)</u>
-------------------	----------------------	-----------------------------	--------------------------	----------------------------	-----------------------------	---------------------------

Los Angeles Unified School District
 (County of Los Angeles, California)
 General Obligation Bonds, Series RY (2010)
 (Federally Taxable Build America Bonds)
 Issued on March 4, 2010

<u>[Bond No.]</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CUSIP (544646)</u>
-------------------	----------------------	-----------------------------	--------------------------	----------------------------	-----------------------------	---------------------------

NOTICE IS HEREBY GIVEN to the owners of the above-captioned bonds (the “Prior Bonds”) pursuant to the resolutions adopted by the Board of Education of the Los Angeles Unified School District (the “District”) and the Board of Supervisors of the County of Los Angeles (the “County”), that all or a portion of the outstanding Prior Bonds are hereby called for redemption on the Redemption Date set forth above (the “Redemption Date”) at the Extraordinary Optional Redemption Price as determined in accordance with the respective bond purchase agreements for the Prior Bonds, plus accrued interest thereon to the Redemption Date (the “Redemption Price”). Redemption of the Prior Bonds is conditioned upon the issuance by the District of General Obligation Refunding Bonds, the proceeds of which will be used to pay the Redemption Price. This notice of conditional redemption may be rescinded by subsequent written notice delivered in like manner at any time prior to or on the Redemption Date. If this notice of conditional redemption is rescinded, this notice of conditional redemption shall be of no force and effect and none of the Prior Bonds shall be redeemed on the Redemption Date.

On the Redemption Date of the Prior Bonds, there will become due and payable on the Prior Bonds the Redemption Price thereof, together with interest accrued thereon to the Redemption Date. From and after the Redemption Date, interest on the Prior Bonds will cease to accrue.

The Owners of the Prior Bonds are required to present and surrender the Prior Bonds at the address of the Paying Agent set forth below in order to receive payment of the Redemption Price and accrued interest:

If by Hand, Mail or Overnight Mail:
U. S. Bank Trust Company, National Association Global Corporate Trust Services 111 Fillmore Avenue E. St. Paul, MN 55107 1-800-934-6802

Owner of any Prior Bond that is subject to redemption fails to deliver such Prior Bond to the Paying Agent on the Redemption Date, such Prior Bond shall nevertheless be deemed redeemed on the Redemption Date and the Owner of such Prior Bond shall have no rights in respect thereof except to receive payment of the Redemption Price from funds that are held by the Paying Agent for such payment.

IMPORTANT NOTICE REGARDING TAX DOCUMENTATION AND POTENTIAL WITHHOLDING: Pursuant to U.S. federal tax laws, you have a duty to provide the applicable type of tax certification form issued by the U.S. Internal Revenue Service (“IRS”) to U.S. Bank Trust Company, National Association, Corporate Trust Services to ensure payments are reported accurately to you and to the IRS. In order to permit accurate withholding (or to prevent withholding), a complete and valid tax certification form must be received by U.S. Bank Trust Company, National Association, Corporate Trust Services before payment of the redemption proceeds is made to you. Failure to timely provide a valid tax certification form as required will result in the maximum amount of U.S. withholding tax being deducted from any redemption payment that is made to you.

Dated: _____, 202__

U.S. BANK TRUST COMPANY ,
NATIONAL ASSOCIATION,
as Paying Agent

EXHIBIT C**NOTICE OF DEFEASANCE**

Los Angeles Unified School District
 (County of Los Angeles, California)
 General Obligation Bonds, Series KRY (2009)
 (Federally Taxable Build America Bonds)

Los Angeles Unified School District
 (County of Los Angeles, California)
 General Obligation Bonds, Series RY (2010)
 (Federally Taxable Build America Bonds)

NOTICE IS HEREBY GIVEN to the owners of a portion of the above-captioned bonds as more specifically set forth below (the “Bonds”) of the Los Angeles Unified School District (the “District”), that the District has deposited with U.S. Bank Trust Company, National Association, as Escrow Bank for the Bonds, an amount of money which will provide moneys sufficient to pay the redemption price of the Bonds on the redemption date set forth below. All obligations of the District with respect to the Bonds have ceased and terminated and all payments of principal of interest with respect to the Bonds shall be paid only from moneys on deposit with said Escrow Bank and available as aforesaid.

Los Angeles Unified School District
 (County of Los Angeles, California)
 General Obligation Bonds, Series KRY (2009)
 (Federally Taxable Build America Bonds)

<u>[Bond No.]</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CUSIP (544646)</u>
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Los Angeles Unified School District
 (County of Los Angeles, California)
 General Obligation Bonds, Series RY (2010)
 (Federally Taxable Build America Bonds)

<u>[Bond No.]</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CUSIP (544646)</u>
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The CUSIP numbers have been assigned by an independent service for convenience of reference and neither the District nor the Escrow Bank shall be held liable for any inaccuracy in such CUSIP numbers.

DATED: _____, 202__

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION,
as Escrow Bank

PRELIMINARY OFFICIAL STATEMENT DATED [____], 2024

668A

NEW ISSUE – BOOK-ENTRY ONLY**RATINGS:** Fitch: “[____]”

KBRA: “[____]”

Moody’s: “[____]”

See “MISCELLANEOUS – Ratings” herein.

[In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District, under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Refunding Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Refunding Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Refunding Bonds is included in the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In addition, in the opinion of Bond Counsel to the District, under existing statutes, interest on the Refunding Bonds is exempt from personal income taxes imposed by the State of California.] See “TAX MATTERS” herein.

\$[PAR]*

[District
Logo]

LOS ANGELES UNIFIED SCHOOL DISTRICT
(County of Los Angeles, California)
2024 General Obligation Refunding Bonds, Series A
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds)

Dated: Date of Delivery**Due: As shown on inside cover**

The Los Angeles Unified School District (County of Los Angeles, California) 2024 General Obligation Refunding Bonds, Series A (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (the “Refunding Bonds”) are issued by the Los Angeles Unified School District (the “District”), located in the County of Los Angeles (the “County”), to refund and defease certain Prior Bonds (defined herein) as more fully described herein. A portion of the proceeds of the Refunding Bonds will be used to pay the costs of issuance incurred in connection with the issuance of the Refunding Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” and “PLAN OF REFUNDING” herein. The Refunding Bonds are being issued under the laws of the State of California (the “State”) and the applicable authorizations received at elections held by the District as described herein, and pursuant to a resolution of the Board of Education of the District.

The Refunding Bonds are general obligation bonds of the District secured by and payable from *ad valorem* property taxes to be levied within the District pursuant to the California Constitution and other State law. The Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Refunding Bonds, all as more fully described herein. See “SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS.”

Interest on the Refunding Bonds is payable on each January 1 and July 1 to maturity, commencing [____] 1, 20[____]. Principal of the Refunding Bonds is payable on July 1 in each of the years and in the amounts set forth on the inside front cover page hereof.

The Refunding Bonds will be issued in book-entry form only, in denominations of \$5,000 principal amount, or integral multiples thereof, and will be initially issued and registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”). DTC will act as securities depository for the Refunding Bonds. Owners will not receive certificates representing their interests in the Refunding Bonds. Payments of principal of, premium, if any, and interest on the Refunding Bonds will be made by U.S. Bank Trust Company, National Association, as agent to the Treasurer and Tax Collector of the County, as the initial paying agent, to DTC, which is obligated to remit such payments to its DTC Participants for subsequent disbursement to the beneficial owners of the Refunding Bonds. See APPENDIX C – “BOOK-ENTRY ONLY SYSTEM.”

The Refunding Bonds are subject to redemption prior to their respective stated maturity dates as described herein.* See “THE REFUNDING BONDS – Redemption.”

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR GENERAL REFERENCE ONLY. IT IS NOT INTENDED TO BE A SUMMARY OF THE SECURITY OR TERMS OF THIS ISSUE. INVESTORS ARE ADVISED TO READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Refunding Bonds will be offered when, as and if issued by the District, and received by the Underwriters, subject to the approval as to their legality by Hawkins Delafield & Wood LLP, Los Angeles, California, Bond Counsel to the District, and certain other conditions. Certain legal matters will be passed upon for the District by the General Counsel to the District and by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Disclosure Counsel to the District, and for the Underwriters by [____], [____], [____]. The Refunding Bonds, in book-entry form, will be available for delivery through the facilities of DTC on or about [____], 2024.

[UNDERWRITERS TO COME]

Dated: _____, 2024

* Preliminary; subject to change.

MATURITY DATES, PRINCIPAL AMOUNTS, INTEREST RATES, INITIAL PUBLIC OFFERING
YIELDS, PRICES AND CUSIP NUMBERS*

\$[PAR]*
LOS ANGELES UNIFIED SCHOOL DISTRICT
(County of Los Angeles, California)
2024 General Obligation Refunding Bonds, Series A
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds)

Base CUSIP[†] Number: 544647

\$ _____ Serial Refunding Bonds

Maturity* (July 1)	Principal Amount	Interest Rate	Initial Public Offering Yield	Price	CUSIP [†] Suffix
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\$ _____ % Term Refunding Bonds due July 1, 20__; Yield _____%; Price: _____%; CUSIP[†] Suffix

\$ _____ % Term Refunding Bonds due July 1, 20__; Yield _____%; Price: _____%; CUSIP[†] Suffix

* Preliminary; subject to change.
† CUSIP® is a registered trademark of The American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of The American Bankers Association by FactSet Research Systems Inc. Copyright© 2024 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Underwriters or their respective agents or counsel assume responsibility for the accuracy of such numbers.

No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing.

The information contained herein has been obtained from sources that are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the District since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

THE REFUNDING BONDS HAVE NOT BEEN REGISTERED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE REFUNDING RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS.

When used in this Official Statement or in any continuing disclosure by the District, in any press release by the District or in any oral statement made with the approval of an authorized officer of the District, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “forecast,” “expect,” “intend” and similar expressions identify “forward-looking statements.” Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

The District maintains a website at www.lausd.org. However, reference to such website address is for informational purposes only. Unless specified otherwise, such website and the information or links contained therein are not incorporated by reference herein, should not be relied upon in making an investment decision with respect to the Refunding Bonds, and are not part of this Official Statement for purposes of and as that term is defined in Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934.

CUSIP® is a registered trademark of The American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of The American Bankers Association by FactSet Research Systems Inc. CUSIP data herein is set forth for convenience of reference only. The District and the Underwriters assume no responsibility for the selection or uses of the CUSIP data or for the accuracy or correctness of such data. The CUSIP numbers for the Refunding Bonds are subject to being changed after the delivery of the Refunding Bonds as a result of various subsequent actions.

**LOS ANGELES UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION**

<u>District</u>	<u>Member</u>	<u>Term Ending</u>
5	Jackie Goldberg, President	December 16, 2024
3	Scott Schmerelson, Vice President	December 16, 2024
1	Dr. George J. McKenna III	December 16, 2024
2	Dr. Rocio Rivas	December 12, 2026
4	Nick Melvoin	December 12, 2026
6	Kelly Gonez	December 12, 2026
7	Tanya Ortiz Franklin	December 16, 2024

DISTRICT OFFICIALS

Alberto M. Carvalho, Superintendent
Jaime G. Torrens, Senior Advisor to the Superintendent
Pedro Salcido, Deputy Superintendent of Business Services and Operations
Devora Navera Reed, General Counsel
David D. Hart, Chief Business Officer
Nolberto Delgadillo, Deputy Chief Business Officer – Finance
Ernie Thomas, Controller
Timothy S. Rosnick, Director of Capital Planning and Budgeting

BOND COUNSEL

Hawkins Delafield & Wood LLP
Los Angeles, California

DISCLOSURE COUNSEL

Orrick, Herrington & Sutcliffe LLP
Los Angeles, California

MUNICIPAL ADVISOR

Public Resources Advisory Group
Los Angeles, California

PAYING AGENT

U.S. Bank Trust Company, National Association, as agent for the
Treasurer and Tax Collector of the County of Los Angeles
Los Angeles, California

ESCROW AGENT

U.S. Bank Trust Company, National Association
Los Angeles, California

VERIFICATION AGENT

[VERIFICATION AGENT]
[____, ____]

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\$[PAR]*
LOS ANGELES UNIFIED SCHOOL DISTRICT
(County of Los Angeles, California)
2024 General Obligation Refunding Bonds, Series A
(Dedicated Unlimited *Ad Valorem* Property Tax Bonds)

INTRODUCTION

This Introduction is not a summary of this Official Statement. It is only a brief description of, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and inside cover page, through the appendices hereto, and the documents summarized or described herein. The offering of the Refunding Bonds to potential investors is made only by means of the entire Official Statement. A full review should be made of the entire Official Statement.

General

This Official Statement, which includes the cover page through the appendices hereto, is provided to furnish information in connection with the sale of \$[PAR]* aggregate principal amount of Los Angeles Unified School District (County of Los Angeles, California) 2024 General Obligation Refunding Bonds, Series A (Dedicated Unlimited *Ad Valorem* Property Tax Bonds) (the “Refunding Bonds”) to be offered by the Los Angeles Unified School District (the “District”).

The Refunding Bonds are issued by the District pursuant to certain provisions of the California Government Code and other applicable law, the applicable authorizations received at elections held by the District as described herein, and a resolution adopted by the Board of Education of the District (the “District Board”) on [____], 2024 (the “Refunding Resolution”). See “INTRODUCTION – Authority and Purpose for Issuance of the Refunding Bonds.” The Refunding Bonds are being issued to refund and defease the Prior Bonds (defined herein). A portion of the proceeds of the Refunding Bonds will be used to pay the costs of issuance incurred in connection with the issuance of the Refunding Bonds. See “ESTIMATED SOURCES AND USES OF FUNDS” and “PLAN OF REFUNDING.”

THE REFUNDING BONDS ARE GENERAL OBLIGATION BONDS OF THE DISTRICT SECURED BY AND PAYABLE FROM *AD VALOREM* PROPERTY TAXES TO BE LEVIED UPON ALL PROPERTY SUBJECT TO TAXATION BY THE DISTRICT, WITHOUT LIMITATION AS TO RATE OR AMOUNT (EXCEPT AS TO CERTAIN PERSONAL PROPERTY WHICH IS TAXABLE AT LIMITED RATES). THE REFUNDING BONDS ARE NOT AN OBLIGATION OF THE COUNTY, THE STATE OF CALIFORNIA OR OF THE GENERAL FUND OF THE DISTRICT. SEE “SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS.”

The District

The District, encompassing approximately 710 square miles, is located in the western section of the County of Los Angeles (the “County”) in the State of California (the “State”). The District’s boundaries include virtually all of the City of Los Angeles (the “City”), all of the Cities of Cudahy, Gardena, Huntington Park, Lomita, Maywood, San Fernando, Vernon and West Hollywood, and portions of the Cities of Bell, Bell Gardens, Beverly Hills, Calabasas, Carson, Commerce, Culver City, Downey, Hawthorne, Inglewood, Long Beach, Lynwood, Montebello, Monterey Park, Rancho Palos Verdes, Rolling Hills Estates, Santa Clarita, Santa Monica, South Gate, and Torrance. In addition, the District provides

* Preliminary; subject to change.

services to several unincorporated areas of the County which include residential and industrial areas. The boundaries for the District are approximately 80% coterminous with the City, with the remaining 20% included in the smaller neighboring cities and unincorporated County areas described above. The District was formed in 1854 as the Common Schools for the City and became a unified school district in 1960.

The District is the largest public school district in the State and the largest self-governing public school district in the United States. As of September 15, 2023, the transitional kindergarten through 12th grade enrollment in the District for fiscal year 2023-24 was approximately 412,341 students, including those attending magnet, opportunity, and continuation schools and centers, locally-funded affiliated charter schools (“Affiliated Charter Schools”), and schools for people with disabilities. Such enrollment does not include students attending fiscally independent charter schools (“Fiscally Independent Charter Schools”) that was budgeted at 108,702 students at the time of preparation of the District’s original adopted budget for fiscal year 2023-24. For more information regarding District enrollment and average daily attendance, see APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT GENERAL INFORMATION – Enrollment and Average Daily Attendance.” See also APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Budget – *LACOE’s Responses to Fiscal Year 2023-24 Budget*,” for information regarding District operating deficits in relation to declining enrollment. As reflected in the District’s Audited Annual Financial Report for fiscal year 2022-23, the District operated 1,238 schools and centers, which consisted of 434 elementary schools, 78 middle/junior high schools, 87 senior high schools, 59 options schools, 262 magnet centers, 67 magnet schools, 30 multi-level schools, 12 special education schools, 2 community adult schools, 7 regional occupational centers, 2 skills centers, 87 early education centers, 4 infant centers, 18 primary school centers, and 89 California State preschools in fiscal year 2022-23. As reflected in the District’s Audited Annual Financial Report for fiscal year 2022-23, 51 of the District’s schools were operated as Affiliated Charter Schools. In addition, as reflected in the District’s Audited Annual Financial Report for fiscal year 2022-23, the District oversaw 224 Fiscally Independent Charter Schools within the District’s boundaries. See APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – STATE FUNDING OF SCHOOL DISTRICTS – Charter School Funding.”

Additional information on the District is set forth in Appendices A and B. See APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION” and APPENDIX B – “AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023.” For specific information on the impact of the Coronavirus Disease 2019 (“COVID-19”) pandemic (i) on the security and source of payment for the Refunding Bonds, see “SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS – Assessed Valuation of Property Within the District” and “– Tax Rates, Levies and Collections” and (ii) on the District’s operations and finances, see APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – STATE FUNDING OF SCHOOL DISTRICTS – Infectious Disease Outbreak.”

[ADD DISCLOSURE AND CROSS-REFERENCE TO DISCUSSION OF CONCURRENT FINANCINGS WHEN DETAILS AVAILABLE.]

The District’s General Obligation Bond Program

Voters within the District have approved a total of \$27.605 billion of general obligation bonds in six separate bond elections since 1997, as delineated in Table 1 below, a portion of which are currently outstanding. A total of \$18.906 billion of the approved general obligation bonds has been issued, with \$8.699 billion remaining to be issued under the bond authorizations listed below (collectively, the

“Authorizations”). See “SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS – The District’s General Obligation Bond Program and Bonding Capacity.”

TABLE 1
LOS ANGELES UNIFIED SCHOOL DISTRICT
General Obligation Bond Authorizations

Bond Authorization	Date Authorized by Voters	Percentage Approval⁽¹⁾	Amount Authorized (\$ Billions)	Amount Issued⁽²⁾ (\$ Billions)	Amount Unissued⁽²⁾ (\$ Billions)	Purposes
Proposition BB	April 8, 1997	71%	\$ 2.400	\$ 2.400	\$0.000	Health and safety improvements, computer technology and science labs, air conditioning and new construction
Measure K	November 5, 2002	68	3.350	3.350	0.000	New construction, acquisition, rehabilitation and upgrading of specifically identified school facilities
Measure R	March 2, 2004	63	3.870	3.870	0.000	New construction, acquisition, rehabilitation and upgrading of specifically identified school facilities, and installation and upgrading of information-technology infrastructure
Measure Y	November 8, 2005	66	3.985	3.985	0.000	New construction, acquisition, rehabilitation and upgrading of specifically identified school facilities, and installation and upgrading of information-technology infrastructure
Measure Q	November 4, 2008	69	7.000	4.276	2.724	New construction, acquisition, rehabilitation and upgrading of specifically identified school facilities, and installation and upgrading of information-technology infrastructure
Measure RR	November 3, 2020	71	<u>7.000</u>	<u>1.025</u>	<u>5.975</u>	New construction, acquisition, rehabilitation and upgrading of specifically identified school facilities, and implementing COVID-19 facility safety standards
Total			<u>\$27.605</u>	<u>\$18.906</u>	<u>\$8.699</u>	

(1) Measure K, Measure R, Measure Y, Measure Q and Measure RR were approved pursuant to the provisions of Proposition 39, which requires approval of at least 55% of voters voting on the proposition. Proposition BB was approved pursuant to the provisions of Proposition 46, which requires approval of at least two-thirds of voters voting on the proposition.

(2) See APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Debt – *General Obligation Bonds*” for the amounts of outstanding general obligation bonds under the referenced Authorizations. Excludes general obligation refunding bonds.

Source: Los Angeles Unified School District.

In addition to the bond proceeds from the six Authorizations referred to above, the District has received State-matching funds and other revenue sources to fund the general obligation bond program's various projects. The District may continue to receive other revenue sources, including State-matching funds; however, additional funding is not guaranteed. The District's general obligation bond program has completed all projects that enabled the District to operate all schools on a traditional two-semester calendar in the 2018-19 school year. [In addition, approximately 23,600 new school construction, rehabilitation, modernization and replacement projects, which are intended to upgrade facilities and improve the learning environment for students, have been completed.] The program includes, among other things, various school facilities improvements for computer technology, sustainability, information technology systems and school buses.

Authority and Purpose for Issuance of the Refunding Bonds

The Refunding Bonds are issued pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code or other applicable law, the applicable Authorizations described in Table 1 herein and the Refunding Resolution. The proceeds of the Refunding Bonds will, after payment of costs of issuance therefor, be used to refund and defease the Prior Bonds (defined herein). See "PLAN OF REFUNDING" and "ESTIMATED SOURCES AND USES OF FUNDS."

Security and Source of Payment for the Refunding Bonds

The Refunding Bonds are payable from *ad valorem* property taxes to be levied within the District pursuant to the California Constitution, other State law and the applicable Authorizations. The Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), for the payment of principal of and interest on the Refunding Bonds, all as more fully described herein. Such *ad valorem* property taxes are deposited in the related Interest and Sinking Fund of the District, which is established for the Refunding Bonds of the related voter-approved measure and held by the County and may only be applied to pay the principal of, redemption premium, if any, and interest on the Refunding Bonds of such voter-approved measure. Pursuant to the Refunding Resolution, the term "Interest and Sinking Fund" means each interest and sinking fund of the District, designated to correspond to the applicable general obligation bonds or general obligation refunding bonds of the District and related voter-approved bond measure of the District established for such bonds and used only for payment of principal of and interest on such bonds.

Pursuant to the Refunding Resolution, the District pledges and grants a lien on and security interest in, all revenues from the property taxes collected from the levy by the Board of Supervisors with respect to each voter-approved bond measure of the District for payment of bonds issued under such measure of the District and all amounts on deposit in any Interest and Sinking Fund of the District for the payment of the principal or redemption price of and interest on such bonds. The Refunding Resolution provides that this pledge and grant is valid and binding from the date of adoption of the Refunding Resolution for the benefit of the owners of such bonds and successors thereto. The Refunding Resolution further provides that the property taxes and amounts held in each Interest and Sinking Fund of the District are immediately subject to this pledge and grant, and that this pledge and grant constitutes a lien and security interest which immediately attaches to the property taxes and amounts held in such Interest and Sinking Fund of the District to secure the payment of such bonds and is effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge or grant, and without the need of any physical delivery, recordation, filing, or further act. The Refunding Resolution provides that this pledge and grant is an agreement between the District and the owners of each series of Refunding Bonds and of each issue of outstanding general obligation bonds and general obligation refunding bonds to provide security for each series of Refunding Bonds and all such other general obligation

bonds and general obligation refunding bonds of the District in addition to any statutory lien that may exist, and each such issue of general obligation bonds and general obligation refunding bonds of the District are or were issued to finance or refinance, as applicable, one or more of the projects specified in the applicable voter-approved measure and not to finance the general purposes of the District. In accordance with Section 15251 of the Education Code, such bonds are also automatically secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax for the applicable voter-approved measure. See “SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS.”

Other Information

This Official Statement contains brief descriptions of, among other things, the District, the District’s general obligation bond program, the Refunding Resolution and certain matters relating to the security for the Refunding Bonds. Such descriptions and information do not purport to be comprehensive or definitive. All references herein to documents are qualified in their entirety by reference to such documents. Copies of such documents are available for inspection at the District by request to the Office of the Chief Business Officer at (213) 241-7888 and, following delivery of the Refunding Bonds will be on file, as applicable, at the principal office of U.S. Bank Trust Company, National Association, as agent to the Treasurer and Tax Collector of the County, as paying agent (the “Paying Agent”), in Los Angeles, California.

PLAN OF REFUNDING

A portion of the proceeds of the Refunding Bonds will be applied to refund, on a [current][advance] basis, and defease the District’s outstanding general obligation bonds identified below (collectively, the “Prior Bonds”) and to pay the costs of issuance of the Refunding Bonds. Such proceeds from the Refunding Bonds will be deposited into an escrow fund (the “Escrow Fund”) established with respect to the Prior Bonds under an escrow agreement dated as of [_____] 1, 2024, by and between the District and U.S. Bank Trust Company, National Association, as escrow bank (in such capacity, the “Escrow Agent”). Of the proceeds of the Refunding Bonds deposited into the Escrow Fund, substantially all will be invested in accordance with the applicable resolution authorizing the issuance of the Prior Bonds, and the remaining portion will be uninvested until applied to redeem the Prior Bonds. The amount deposited in the Escrow Fund will be sufficient to fully pay the interest due on the Prior Bonds and the redemption price of 100% of the principal amount of the Prior Bonds, on [_____] 1, 20[___], the redemption date therefor. The mathematical computations used to determine the sufficiency of the escrow deposit will be verified by the Verification Agent (defined herein). See “MISCELLANEOUS – Verification of Mathematical Computations.”

Set forth on the following page is a description of the Prior Bonds expected to be refunded on the Redemption Date with the proceeds of the Refunding Bonds:

**Los Angeles Unified School District
(County of Los Angeles, California)
[____], Series [____]**

<u>Maturity Date (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Date</u>	<u>Redemption Price</u>	<u>CUSIP (544646)</u>
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ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Refunding Bonds are as follows:

**TABLE 2
ESTIMATED SOURCES AND USES OF FUNDS**

Estimated Sources of Funds

Principal Amount	\$
[Net] Original Issue [Premium/Discount]	
Total Sources	\$

Estimated Uses of Funds

Deposit to Escrow Fund	
Underwriters' Discount	
Costs of Issuance ⁽¹⁾	
Total Uses	\$

⁽¹⁾ Includes fees of Bond Counsel, Disclosure Counsel, Paying Agent, Escrow Agent, Municipal Advisor, rating agencies, printer, verification agent, and other miscellaneous expenses.

THE REFUNDING BONDS

General Provisions

The Refunding Bonds will be dated their date of delivery, will be issued in book-entry form only, without coupons, in denominations of \$5,000 principal amount or any integral multiple thereof, and, when issued, will be initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository for the Refunding Bonds. Owners will not receive physical certificates representing their interest in the Refunding Bonds purchased, except in the event that use of the book-entry system for the Refunding Bonds is discontinued. Payments of principal of, premium, if any, and interest on the Refunding Bonds will be made by the Paying Agent to DTC, which is obligated in turn to remit such payments to its DTC Participants for subsequent disbursement to the beneficial owners of the

Refunding Bonds. For information about the securities depository and DTC's book-entry system, see APPENDIX C – "BOOK-ENTRY ONLY SYSTEM."

The Refunding Bonds mature in the years and on the dates set forth on the inside front cover page hereof. Interest on the Refunding Bonds is payable on each January 1 and July 1 to maturity, commencing on [] 1, 20[] (each, an "Interest Payment Date"). Interest on the Refunding Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Each Refunding Bond will bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless it is authenticated as of a date during the period from the 15th day of the calendar month immediately preceding such Interest Payment Date, inclusive, whether or not such day is a business day (each, a "Record Date") to such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless it is authenticated on or before the Record Date preceding the first Interest Payment Date, in which event it shall bear interest from the date of delivery of the Refunding Bonds.

Redemption*

Optional Redemption. The Refunding Bonds maturing on or after July 1, 20__, are subject to redemption prior to their respective stated maturity dates, at the option of the District, from any source of available funds, as a whole or in part on any date on or after July 1, 20__, at a redemption price equal to the principal amount of such Refunding Bonds called for redemption, together with interest accrued thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The Refunding Bonds maturing on July 1, 20__ are subject to mandatory sinking fund redemption on July 1 in each of the years and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium:

Mandatory Sinking Fund Redemption Date (July 1)	Principal Amount to be Redeemed
_____	\$ _____
†	

† Maturity.	

The principal amount to be redeemed in each year shown above will be reduced proportionately, or as otherwise directed by the District, in integral multiples of \$5,000 principal amount, by any portion of such term bonds optionally redeemed prior to the mandatory sinking fund redemption date.

* Preliminary; subject to change.

the purpose as described in the Refunding Resolution, the Refunding Bonds designated for redemption shall become due and payable on the specified redemption date and interest shall cease to accrue thereon as of the redemption date, and upon presentation and surrender of such Refunding Bonds at the place specified in the notice of redemption, such Refunding Bonds are required to be redeemed and paid at the redemption price thereof out of the money provided therefor. The Owners of such Refunding Bonds so called for redemption after such redemption date shall be entitled to payment thereof only from the related Interest and Sinking Fund of the District or the trust fund established for such purpose. All Refunding Bonds redeemed will be cancelled forthwith by the Paying Agent and will not be reissued.

Right to Rescind Notice. The District may rescind any optional redemption and notice thereof for any reason on any date prior to the date fixed for redemption by causing written notice of the rescission to be given to the owners of the Refunding Bonds so called for redemption. Any optional redemption and notice thereof shall be rescinded if for any reason on the date fixed for redemption moneys are not available in the related Interest and Sinking Fund of the District or otherwise held in trust for such purpose in an amount sufficient to pay in full on said date the principal of and premium, if any, and interest due on the Refunding Bonds called for redemption. Notice of rescission of redemption shall be given in the same manner in which notice of redemption was originally given. The actual receipt by the owner of any Refunding Bond of notice of such rescission shall not be a condition precedent to rescission, and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission.

Redemption Fund. Prior to or on the redemption date of any Refunding Bonds, there shall be available, in the related Interest and Sinking Fund of the District, or held in trust for such purpose as provided by law, monies for the purpose and sufficient to redeem, at the redemption prices as provided therefor, the Refunding Bonds designated in the notice of redemption. Such monies set aside for the Refunding Bonds are required to be applied on or after the redemption date solely for payment of principal of and premium, if any, and interest due on the Refunding Bonds to be redeemed upon presentation and surrender of such Refunding Bonds provided that all monies in the related Interest and Sinking Fund of the District shall be used for the purposes established and permitted by law. Any interest due on or prior to the redemption date shall be paid from the related Interest and Sinking Fund of the District, unless otherwise provided to be paid from such monies held in trust. If, after all of the Refunding Bonds have been redeemed and cancelled or paid and cancelled, there are monies remaining in the related Interest and Sinking Fund of the District or otherwise held in trust for the payment of the redemption price of such Refunding Bonds, the monies are required to be held in or returned or transferred to any Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from such fund; provided, however, that if those monies are part of the proceeds of bonds of the District, the monies shall be transferred to the fund created for the payment of principal of and interest on such bonds. If no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

Defeasance and Unclaimed Moneys

Defeasance. If at any time the District pays or causes to be paid or there shall otherwise be paid to the Owners of any or all of the outstanding Refunding Bonds all or any part of the principal of and premium, if any, and interest on such Refunding Bonds at the times and in the manner provided in the Refunding Resolution and in such Refunding Bonds, or as provided in the following paragraph, or as otherwise provided by law consistent herewith, then such Owners of such Refunding Bonds shall cease to be entitled to the obligation of the District as provided in the Refunding Resolution, and such obligation and all agreements and covenants of the District and of the County to such Owners under the Refunding Resolution and such Refunding Bonds shall thereupon be satisfied and discharged and shall terminate, except only that the District shall remain liable for payment of all principal of and premium, if any, and interest on such Refunding Bonds, but only out of monies on deposit in the related Interest and Sinking Fund of the District

or otherwise held in trust for such payment; and provided further, however, that the provisions of the Refunding Resolution, shall apply in all events. See “– Unclaimed Moneys” below.

The District may pay and discharge any or all of the Refunding Bonds by depositing in trust with the Paying Agent or an escrow agent, selected by the District, at or before maturity, money and/or Defeasance Securities (as defined herein), in an amount which will, together with the interest to accrue thereon and available monies then on deposit in the related Interest and Sinking Fund of the District, be fully sufficient to pay and discharge the indebtedness on such Refunding Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

The term “Defeasance Securities” means (i) non-callable direct and general obligations of the United States of America (including state and local government series), or obligations that are unconditionally guaranteed as to principal and interest by the United States of America, including, in the case of direct and general obligations of the United States of America, evidences of direct ownership of proportionate interests in future interest or principal payments of such obligations; provided that investments in such proportionate interests must be limited to circumstances wherein (a) a bank or trust company acts as custodian and holds the underlying United States obligations; (b) the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor of the underlying United States obligations; and (c) the underlying United States obligations are held in a special account, segregated from the custodian’s general assets, and are not available to satisfy any claim of the custodian, any person claiming through the custodian, or any person to whom the custodian may be obligated; (ii) non-callable obligations of government sponsored agencies that are rated in one of the two highest rating categories assigned by Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business (“S&P”) or Moody’s Investors Service (“Moody’s”), but in each case the obligations are not guaranteed by a pledge of the full faith and credit of the United States of America; and (iii) Advance Refunded Municipal Securities (defined herein).

The term “Advance Refunded Municipal Securities” means any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local government unit of any such state (i) which are not callable prior to maturity or as to which irrevocable instructions have been given to the trustee, fiscal agent or other fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds or other obligations for redemption on the date or dates specified in such instructions, (ii) which are secured as to principal of, premium, if any, and interest by a fund consisting only of cash, direct United States or United States guaranteed obligations, or any combination thereof, which fund may be applied only to the payment of such principal of, premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the redemption date or dates specified in the irrevocable instructions referred to in clause (i) above, as appropriate, and (iii) as to which the principal of, premium, if any, and interest on the bonds and obligations of the character described in clause (i) above which have been deposited in such fund, along with any cash on deposit in such fund, have been verified by an independent certified public accountant as being sufficient to pay principal of, premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (i) above, as applicable.

Unclaimed Moneys. Any money held in any fund created pursuant to the Refunding Resolution, or by the Paying Agent or an escrow agent in trust, for the payment of the principal of and premium, if any, and interest on the Refunding Bonds, and remaining unclaimed for two years after the principal of all of the Refunding Bonds has become due and payable (whether by maturity or upon prior redemption) shall be transferred to any Interest and Sinking Fund of the District for payment of any outstanding bonds of the District payable from that fund; or, if no such bonds of the District are at such time outstanding, the monies shall be transferred to the general fund of the District as provided and permitted by law.

SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS

General Description

The Refunding Bonds are payable from *ad valorem* property taxes to be levied within the District pursuant to the California Constitution and other State law. In order to provide sufficient funds for repayment of principal and interest when due on the Refunding Bonds, the Board of Supervisors of the County is empowered and is obligated to levy *ad valorem* property taxes upon all property subject to taxation by the District, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). When collected, such *ad valorem* property taxes are required by law to be deposited in the related Interest and Sinking Fund of the District, which is established for the Refunding Bonds of the related voter-approved measure, held and maintained by the County and may only be applied to pay the principal of, redemption premium, if any, and interest on the Refunding Bonds of such voter-approved measure. Such taxes are in addition to but separate from other taxes levied upon property within the District that are deposited by the County in the General Fund of the District. The District does not receive such funds, nor are they available to pay any of the District's operating expenses.

Under California law, the District's funds are required to be held by the Treasurer and Tax Collector of the County (the "County Treasurer"). All funds held by the County Treasurer in each Interest and Sinking Fund of the District are expected to be invested at the discretion of the County Treasurer on behalf of the District in such investments as are authorized by Section 53601 and following of the California Government Code and the investment policy of the County, as either may be amended or supplemented from time to time. See APPENDIX F – "THE LOS ANGELES COUNTY TREASURY POOL."

Pledge of Tax Revenues

Pursuant to the Refunding Resolution, the District pledges and grants a lien on and security interest in, all revenues from the property taxes collected from the levy by the Board of Supervisors with respect to each voter-approved bond measure of the District for payment of bonds issued under such measure of the District and all amounts on deposit in any Interest and Sinking Fund of the District for the payment of the principal or redemption price of and interest on such bonds. The Refunding Resolution provides that this pledge and grant is valid and binding from the date of adoption of the Refunding Resolution for the benefit of the owners of such bonds and successors thereto. The Refunding Resolution further provides that the property taxes and amounts held in each Interest and Sinking Fund of the District are immediately subject to this pledge and grant, and this pledge and grant constitutes a lien and security interest which immediately attaches to the property taxes and amounts held in such Interest and Sinking Fund of the District to secure the payment of such bonds and is effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge or grant, and without the need of any physical delivery, recordation, filing, or further act. The Refunding Resolution provides that this pledge and grant is an agreement between the District and the owners of the Refunding Bonds and of each issue of outstanding general obligation bonds and general obligation refunding bonds to provide security for each the Refunding Bonds and all such other general obligation bonds and general obligation refunding bonds of the District in addition to any statutory lien that may exist, and each such issue of general obligation bonds and general obligation refunding bonds of the District are or were issued to finance or refinance, as applicable, one or more of the projects specified in the applicable voter-approved measure and not to finance the general purposes of the District. In accordance with Section 15251 of the Education Code, such bonds are also automatically secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax for the applicable voter-approved measure. See "– Statutory Lien on Taxes (Senate Bill 222)" below.

The pledge of tax revenues provided for in the Refunding Resolution specifies that said lien secures the Refunding Bonds and other bonds that may be issued in the future. Further, previous general obligation bonds of the District have been issued under resolutions which pledge tax revenues to secure the general obligation bonds and the general obligation refunding bonds issued thereunder and the District may provide for a similar pledge of tax revenues in resolutions adopted in the future that authorize general obligation bonds and general obligation refunding bonds. The Refunding Resolution does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of the tax are insufficient to pay all amounts then due and owing that are secured by the lien of the pledges.

Statutory Lien on Taxes (Senate Bill 222)

Pursuant to Section 53515 of the California Government Code (which became effective on January 1, 2016, as part of Senate Bill 222), all general obligation bonds issued by local agencies, including refunding bonds (including the Refunding Bonds), will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax. California Education Code Section 15251 provides for a similar lien for bonds issued and sold by school districts pursuant to Chapter 1 of Part 10 of Division 1 of Title 1 of the California Education Code. Section 53515 of the California Government Code and Section 15251 of the California Education Code provide that the lien will automatically arise, without the need for any action or authorization by the local agency or its governing board, and will be valid and binding from the time the bonds are executed and delivered. Section 53515 and Section 15251 further provide that the revenues received pursuant to the levy and collection of the tax will be immediately subject to the lien, and the lien will immediately attach to the revenues and be effective, binding and enforceable against the local agency or school district, as applicable, its successor, transferees and creditors, and all others asserting rights therein, irrespective of whether those parties have notice of the lien and without the need for physical delivery, recordation, filing or further act.

This statutory lien, by its terms, secures not only the Refunding Bonds, but also any other bonds of the District payable, as to both principal and interest, from the proceeds of *ad valorem* property taxes that may be levied pursuant to paragraphs (2) and (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The statutory lien provision does not specify the relative priority of obligations so secured or a method of allocation in the event that the revenues received pursuant to the levy and collection of the tax are insufficient to pay all amounts then due and owing that are secured by the statutory lien.

California Constitutional and Statutory Provisions Relating to *Ad Valorem* Property Taxes

Article XIII A of the California Constitution. On June 6, 1978, California voters approved Proposition 13, adding Article XIII A to the California Constitution. Article XIII A limits the amount of any *ad valorem* property tax on real property to one percent of the full cash value thereof, except that additional *ad valorem* property taxes may be levied to pay debt service (i) on indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIII A approved by California voters on June 3, 1986) on bonded indebtedness for the acquisition or improvement of real property that has been approved on or after July 1, 1978 by two-thirds of the voters voting on such indebtedness, and (iii) (as a result of a constitutional amendment approved by California voters on November 7, 2000) on bonded indebtedness incurred for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, approved by 55 percent of the voters voting on the bond measure. Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the 1% limit except for taxes to support indebtedness approved by the voters as described above.

Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-1976 tax bill under full ‘cash value,’ or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment.” Assessed value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. As a result, property that has been owned by the same taxpayer for many years can have an assessed value that is much lower than the market value of the property. Similar property that has recently been acquired may have a substantially higher assessed value reflecting the recent acquisition price. Increases in assessed value in a taxing area due to the change in ownership of property may occur even when the rate of inflation or consumer price index do not permit an increase in assessed valuation of property that does not change ownership. Proposition 13 has had the effect of stabilizing assessed valuation such that it does not fluctuate as significantly as the market value of property, but instead gradually changes as longer owned residential properties are transferred and reassessed upon such transfer. On June 18, 1992, the United States Supreme Court issued a decision upholding the constitutionality of Article XIII A (*Nordlinger v. Hahn*, 112 S. Ct. 2326, 120 L. Ed. 2d 1 (1992)).

Article XIII A has subsequently been amended to permit reduction of the full cash value base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the full cash value base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways. Proposition 8, approved by the voters in November of 1978, provides for the enrollment of the lesser of the base year value or the market value of real property, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property, or other factors causing a similar decline. In these instances, the market value is required to be reviewed annually until the market value exceeds the base year value. The assessed value increases to its pre-reduction level (escalated to the annual inflation rate of no more than two percent) following the year(s) for which the reduction is applied. Reductions in assessed value could result in a corresponding increase in the annual tax rate levied by the County to pay debt service on the Refunding Bonds.

Legislation Implementing Article XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The one percent property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the two percent annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years. All taxable property is shown at full assessed value on the tax rolls. Consequently, the one percent tax rate is expressed as \$1 per \$100 of taxable value.

Prospective purchasers of the Refunding Bonds should be aware that, notwithstanding any decrease in assessed valuation for any fiscal year, the County is required to levy sufficient taxes to pay debt service on the Refunding Bonds. The consequence of any decrease in assessed valuation is a corresponding increase in the tax rate on taxable property so that sufficient tax revenues may be collected from taxpayers to pay debt service on the Refunding Bonds in full when due.

Assessed Valuation of Property Within the District

General. As required by State law, the District uses the services of the County for the assessment and collection of taxes for District purposes. District taxes are collected at the same time and on the same tax rolls as are the County, the City of Los Angeles and other local agency and special district taxes.

State law exempts \$7,000 of the full cash value of an owner-occupied dwelling from property tax, but this exemption does not result in any loss of revenue to local entities, including the District, because an amount equivalent to the taxes which would have been payable on such exempt values is paid by the State to the County for distribution to local agencies. The County levies property taxes on behalf of taxing agencies in the County for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. However, upon a change in ownership of property or completion of new construction, State law permits the County to recognize changes in the assessed valuation of real property before the next regular assessment role is complete in order to levy taxes based on the new assessed value. In such instances, the property is reassessed and a supplemental tax bill is sent to the new owner based on the new value prorated for the balance of the tax year.

The fiscal year 2023-24 Assessment Roll for property within the District's boundaries reflects an increase of approximately 5.96% in assessed value from the prior year. Under State law, in addition to reassessments requested by property owners pursuant to Proposition 8 when the current market value of property is less than assessed value as of January 1, the county assessor annually initiates reviews of property for reassessments due to decline-in-value. See "*—Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*" below.

TABLE 3
LOS ANGELES UNIFIED SCHOOL DISTRICT
Historical Gross Assessed Valuation of Taxable Property⁽¹⁾
Fiscal Years 2009-10 through 2023-24
(\$ in thousands)

Fiscal Year	Secured⁽²⁾	Unsecured	Total⁽²⁾	Change From Prior Year	Percent Change
2009-10	\$451,127,882	\$23,849,409	\$474,977,291	\$187,493	--
2010-11	442,092,473	21,753,078	463,845,551	(11,131,740)	(2.34)%
2011-12	447,830,204	21,265,021	469,095,225	5,249,674	1.13
2012-13	458,767,053	21,308,439	480,075,492	10,980,267	2.34
2013-14	482,043,584	21,634,336	503,677,920	23,602,428	4.92
2014-15	510,371,502	22,562,705	532,934,207	29,256,287	5.81
2015-16	546,807,059	23,362,404	570,169,464	37,235,257	6.99
2016-17	581,473,213	24,495,794	605,969,007	35,799,543	6.28
2017-18	619,162,082	25,342,665	644,504,747	38,535,740	6.36
2018-19	665,355,078	27,377,547	692,732,625	48,227,878	7.48
2019-20	710,954,606	28,442,486	739,397,092	46,664,467	6.73
2020-21	759,004,739	28,679,270	787,684,010	48,286,918	6.53
2021-22	790,822,215	27,581,051	818,403,266	30,719,256	3.90
2022-23	848,435,713	29,196,328	877,632,041	59,228,775	7.24
2023-24	898,345,149	31,634,928	929,980,077	52,348,036	5.96

⁽¹⁾ Full cash value.

⁽²⁾ Includes utility valuations.

Source: California Municipal Statistics, Inc.

Assessed Valuation Reductions. Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District’s control, such as a general market decline in property values, including potential market declines caused by the effects of a reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, drought, flood, landslide, liquefaction, levee failure, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year. See also “—*Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*” below.

Property values could be reduced by factors beyond the District’s control, including a depressed real estate market due to general economic conditions or other events. A pandemic, like the COVID-19 pandemic, may result in an economic recession or depression that causes a general market decline in property values therefore affecting the assessed value of property in the District. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – STATE FUNDING OF SCHOOL DISTRICTS – Infectious Disease Outbreak.” Events resulting in changing economic conditions may also alter the willingness or the ability of local taxpayers to pay *ad valorem* property taxes levied to repay the District’s Refunding Bonds. The District cannot predict whether events that may result in changing economic conditions will occur or the extent that a change in economic conditions will impact assessed value of property in the District or the willingness or ability of local taxpayers to pay *ad valorem* property taxes.

Aside from economic conditions, property values could be reduced by natural or manmade disasters. In recent years, portions of California, including the County and adjacent counties, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Moreover, the District is located in a seismically active region. Active earthquake faults include the San Andreas Fault that runs throughout the County, the Palos Verdes fault that runs along the coast and through a small portion of the County, and other smaller faults including the Lower Elysian Park thrust, the Upper Elysian Park fault and Puente Hills blind thrust system. Furthermore, California has experienced severe drought conditions in recent years, but has most recently experienced periods of extreme precipitation. These and other extreme weather events are all effects of climate change. As greenhouse gas emissions continue to accumulate, climate change may intensify and increase the frequency of such extreme weather events. The District cannot predict the timing, extent, or severity of any potential natural or manmade disaster and its impact on property values in the District.

Prospective purchasers of the Refunding Bonds should be aware that, notwithstanding any decrease in assessed valuation for any fiscal year, the County is required to levy sufficient taxes to pay debt service on the Refunding Bonds. The consequence of any decrease in assessed valuation is a corresponding increase in the tax rate on taxable property so that sufficient tax revenues may be collected from taxpayers to pay debt service on the Refunding Bonds in full when due. However, increases in tax rates may impact the ability or willingness of taxpayers to pay their property taxes. See “ – Tax Rates, Levies and Collections.”

Appeals of Assessed Valuation; Blanket Reductions of Assessed Values. There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in

subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction or reconstruction activity occurs. Any base year appeal must be made within four years of the change of ownership or new construction date.

The second type of appeal, commonly referred to as a Proposition 8 appeal, can result if factors occur causing a decline in the market value of the property to a level below the property's then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner's property by filing a written application with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must submit an application to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (such pre-reduction level escalated by the annual inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition, Article XIII A of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. According to representatives of the County assessor's office, the County has in the past, pursuant to Article XIII A of the State Constitution, ordered blanket reductions of assessed property values and corresponding property tax bills on single family residential properties when the value of the property has declined below the current assessed value as calculated by the County.

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the District in the future.

Assessed Valuation by Jurisdiction. The following Table 4 describes the percentage and value of the total assessed value of the property within the District’s boundaries that resides in the various cities and unincorporated portions of the County, as well as the assessed value of property within the District relative to the County’s assessed value, for fiscal year 2023-24.

TABLE 4
LOS ANGELES UNIFIED SCHOOL DISTRICT
Fiscal Year 2023-24 Assessed Valuation by Jurisdiction

Jurisdiction	Assessed Valuation in District	% of District	Assessed Valuation of Jurisdiction	% of Jurisdiction in District
City of Bell	\$1,898,648,181	0.20%	\$2,386,832,811	79.55%
City of Bell Gardens	64,627,089	0.01	2,357,100,409	2.74
City of Beverly Hills	206,172,057	0.02	44,985,003,719	0.46
City of Calabasas	750,267	0.00	10,384,929,447	0.01
City of Carson	18,971,870,845	2.04	21,126,060,071	89.80
City of Commerce	393,476,151	0.04	7,130,442,900	5.52
City of Cudahy	1,082,136,157	0.12	1,082,375,575	99.98
City of Culver City	62,179,384	0.01	16,462,393,824	0.38
City of Downey	676	0.00	14,983,555,256	0.00
City of Gardena	8,656,755,345	0.93	8,656,755,345	100.00
City of Hawthorne	898,857,307	0.10	10,842,229,863	8.29
City of Huntington Park	4,024,858,436	0.43	4,024,858,436	100.00
City of Inglewood	43,767,072	0.00	16,123,306,112	0.27
City of Lomita	3,090,826,491	0.33	3,090,826,491	100.00
City of Long Beach	467,031,174	0.05	75,868,478,130	0.62
City of Los Angeles	819,314,948,319	88.10	819,772,705,348	99.94
City of Lynwood	60,507,001	0.01	4,538,648,661	1.33
City of Maywood	1,331,533,103	0.14	1,331,533,103	100.00
City of Montebello	12,963,135	0.00	7,950,856,621	0.16
City of Monterey Park	302,702,231	0.03	9,715,095,200	3.12
City of Rancho Palos Verdes	1,592,479,481	0.17	16,396,993,841	9.71
City of Rolling Hills Estates	26,956,445	0.00	4,672,574,538	0.58
City of San Fernando	2,609,359,578	0.28	2,609,359,578	100.00
City of Santa Clarita	54,430	0.00	44,856,053,742	0.00
City of Santa Monica	1,109,849	0.00	48,958,244,546	0.00
City of South Gate	6,327,886,721	0.68	7,756,779,545	81.58
City of Torrance	60,748,689	0.01	38,198,891,637	0.16
City of Vernon	7,948,251,550	0.85	7,948,251,550	100.00
City of West Hollywood	16,955,678,507	1.82	16,955,678,507	100.00
Unincorporated Los Angeles County	33,572,941,168	3.61	137,490,774,283	24.42
Total District	\$929,980,076,839	100.00%		
 Los Angeles County	 \$929,980,076,839	 100.00%	 \$2,005,261,690,790	 46.38%

Source: California Municipal Statistics, Inc.

Assessed Valuation by Land Use. The following Table 5 sets forth the assessed valuation by land use of property within the District in fiscal year 2023-24.

TABLE 5
LOS ANGELES UNIFIED SCHOOL DISTRICT
Local Secured Assessed Valuation and Parcels by Land Use
Fiscal Year 2023-24

	2023-24 Assessed Valuation⁽¹⁾	% of Total	No. of Parcels	% of Total
<u>Non-Residential:</u>				
Commercial/Office Building	\$150,905,944,798	16.80%	51,111	5.28%
Industrial	94,627,787,691	10.53	24,867	2.57
Recreational	2,635,325,413	0.29	1,234	0.13
Government/Social/Institutional	4,599,858,112	0.51	5,129	0.53
Miscellaneous	499,608,202	0.06	994	0.1
Subtotal Non-Residential	\$253,268,524,216	28.20%	83,335	8.61%
<u>Residential:</u>				
Single Family Residence	\$408,068,510,052	45.43%	578,883	59.83%
Condominium/Townhouse	80,954,041,301	9.01	138,017	14.27
Mobile Home Related	517,690,748	0.06	115	0.01
2-4 Residential Units	52,740,752,621	5.87	96,441	9.97
5+ Residential Units/Apartments	97,260,923,369	10.83	42,215	4.36
Miscellaneous Residential	53,660,212	0.01	320	0.03
Subtotal Residential	\$639,595,578,303	71.21%	855,991	88.48%
Vacant Parcels	\$5,369,854,036	0.60%	28,149	2.91%
Total	\$898,233,956,555	100.00%	967,475	100.00%

⁽¹⁾ Local Secured Assessed Valuation, excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

Assessed Valuation of Single-Family Homes. The following Table 6 sets forth the distribution of single-family homes within the District within various assessed valuation ranges in fiscal year 2023-24.

TABLE 6
LOS ANGELES UNIFIED SCHOOL DISTRICT
Assessed Valuations of Single Family Homes Per Parcel
Fiscal Year 2023-24

	No. of Parcels	2023-24 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single-Family Residential	578,883	\$408,068,510,052	\$704,924	\$444,269

2023-24 Assessed Valuation	No. of Parcels⁽¹⁾	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$99,999	46,072	7.959%	7.959%	\$2,971,697,039	0.728%	0.728%
\$100,000 - \$199,999	64,820	11.197	19.156	9,924,757,997	2.432	3.160
\$200,000 - \$299,999	83,585	14.439	33.595	20,838,318,544	5.107	8.267
\$300,000 - \$399,999	68,324	11.803	45.398	23,794,903,026	5.831	14.098
\$400,000 - \$499,999	57,567	9.944	55.342	25,831,034,834	6.330	20.428
\$500,000 - \$599,999	49,439	8.540	63.883	27,109,248,408	6.643	27.071
\$600,000 - \$699,999	41,147	7.108	70.991	26,677,628,507	6.538	33.609
\$700,000 - \$799,999	32,051	5.537	76.528	23,972,795,061	5.875	39.484
\$800,000 - \$899,999	24,268	4.192	80.720	20,573,688,859	5.042	44.525
\$900,000 - \$999,999	17,693	3.056	83.776	16,763,609,387	4.108	48.633
\$1,000,000 - \$1,099,999	12,562	2.170	85.946	13,155,607,699	3.224	51.857
\$1,100,000 - \$1,199,999	9,592	1.657	87.603	11,010,712,840	2.698	54.556
\$1,200,000 - \$1,299,999	7,797	1.347	88.950	9,731,103,852	2.385	56.940
\$1,300,000 - \$1,399,999	7,181	1.240	90.191	9,675,405,438	2.371	59.311
\$1,400,000 - \$1,499,999	5,887	1.017	91.208	8,522,869,688	2.089	61.400
\$1,500,000 - \$1,599,999	5,151	0.890	92.097	7,968,768,045	1.953	63.353
\$1,600,000 - \$1,699,999	4,581	0.791	92.889	7,547,907,532	1.850	65.202
\$1,700,000 - \$1,799,999	3,886	0.671	93.560	6,796,839,459	1.666	66.868
\$1,800,000 - \$1,899,999	3,422	0.591	94.151	6,327,362,819	1.551	68.418
\$1,900,000 - \$1,999,999	3,118	0.539	94.690	6,078,345,159	1.490	69.908
\$2,000,000 - \$2,099,999	2,533	0.438	95.127	5,188,748,001	1.272	71.180
\$2,100,000 - \$2,199,999	2,186	0.378	95.505	4,696,463,036	1.151	72.330
\$2,200,000 - \$2,299,999	1,972	0.341	95.846	4,437,475,795	1.087	73.418
\$2,300,000 - \$2,399,999	1,758	0.304	96.149	4,131,607,664	1.012	74.430
\$2,400,000 - \$2,499,999	1,639	0.283	96.432	4,015,802,966	0.984	75.414
\$2,500,000 - \$2,599,999	1,404	0.243	96.675	3,577,290,317	0.877	76.291
\$2,600,000 - \$2,699,999	1,366	0.236	96.911	3,614,539,205	0.886	77.177
\$2,700,000 - \$2,799,999	1,253	0.216	97.127	3,441,950,720	0.843	78.020
\$2,800,000 - \$2,899,999	1,092	0.189	97.316	3,110,456,960	0.762	78.783
\$2,900,000 - \$2,999,999	1,053	0.182	97.498	3,103,766,802	0.761	79.543
\$3,000,000 and greater	14,484	2.502	100.000	83,477,804,393	20.457	100.000
Total	578,883	100.000%		\$408,068,510,052	100.000%	

⁽¹⁾ Improved single-family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Largest Secured Taxpayers in the District. The following Table 7 sets forth the twenty taxpayers with the greatest combined ownership of secured taxable property in the District on the fiscal year 2023-24 tax roll, and the secured assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District.

TABLE 7
LOS ANGELES UNIFIED SCHOOL DISTRICT
Largest Local Secured Taxpayers⁽¹⁾
Fiscal Year 2023-24

	Property Owner	Primary Land Use	2023-24 Assessed Valuation	% of Total⁽²⁾
1.	Universal Studios LLC	Movie Studio	\$3,119,828,062	0.35%
2.	Douglas Emmett LLC	Office Building	2,976,972,693	0.33
3.	Essex Portfolio LP	Apartments	2,702,864,870	0.30
4.	Rexford Industrial Realty LP	Industrial	2,285,203,101	0.25
5.	Century City Mall LLC	Shopping Center/Mall	1,110,574,262	0.12
6.	Next Century Partners LLC	Residential/Hotel	1,097,659,368	0.12
7.	FSP South Flower Street	Office Building	1,003,714,148	0.11
8.	CJDB LLC	Shopping Center/Mall	967,010,182	0.11
9.	Rochelle H. Sterling	Apartments	898,094,714	0.10
10.	Hanjin International Corp.	Hotel	891,027,387	0.10
11.	Anheuser Busch Commercial	Industrial	843,163,069	0.09
12.	One Hundred Towers LLC	Office Building	715,390,295	0.08
13.	Trizec 333 LA LLC	Office Building	701,018,682	0.08
14.	Onni Wilshire Courtyard LLC	Office Building	673,342,925	0.07
15.	Maguire Partners 355 S. Grand LLC	Office Building	655,596,686	0.07
16.	BRE HH Property Owner LLC	Office Building	650,561,002	0.07
17.	Olympic and Georgia Partners LLC	Hotel	625,519,745	0.07
18.	Tishman Speyer Archstone Smith	Apartments	623,996,307	0.07
19.	LA Live Properties LLC	Commercial	582,531,585	0.06
20.	Maguire Properties 555 W. Fifth	Office Building	574,760,357	0.06
			\$23,698,829,440	2.64%

⁽¹⁾ Excludes taxpayers with values derived from mineral rights or a possessory interest. Historically, among the top 10 taxpayers within the District are landowners with primary land use of oil and gas production, including Marathon Petroleum Corporation, Phillips 66 Company and Valero Energy Corporation, which are not reflected in the table above.

⁽²⁾ Local Secured Assessed Valuation, excluding tax-exempt property and utility valuations: \$898,233,956,555.

Source: California Municipal Statistics, Inc.

The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer's financial situation and ability or willingness to pay property taxes in a timely manner. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District's control.

Tax Rates, Levies and Collections

General. Taxes are levied for each fiscal year on taxable real and personal property as of the preceding January 1. Real property that changes ownership or is newly constructed is revalued at the time the change occurs or the construction is completed. The current year property tax rate is applied to the reassessed value, and the taxes are then adjusted by a proration factor that reflects the portion of the remaining tax year for which taxes are due. The annual tax rate is based on the amount necessary to pay all

obligations payable from *ad valorem* property taxes and the assessed value of taxable property in a given year. Economic and other factors beyond the District's control, such as a general market decline in land values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster such as earthquake, drought, flood, fire, toxic dumping, etc., could cause a reduction in the assessed value of taxable property within the District and necessitate a corresponding increase in the annual tax rate to be levied to pay the principal of and interest on the District's outstanding general obligation bonds.

For assessment and collection purposes, property is classified as either "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing property (real or personal) the taxes on which are a lien sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is listed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year, and become delinquent on December 10 and April 10, respectively. A penalty of 10% attaches immediately to all delinquent payments. Properties on the secured roll with respect to which taxes are delinquent become tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then may be sold at public auction by the County Treasurer.

Property taxes on the unsecured roll are due in one payment on the January 1 lien date and become delinquent after August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5 p.m. on October 31, an additional penalty of 1.5% attaches to them on the first day of each month until paid. The County has four ways of collecting delinquent unsecured personal property taxes: (i) a civil action against the taxpayer; (ii) filing a judgment in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (iii) filing a certificate of delinquency for record in the County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (iv) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

Proposition 13 and its implementing legislation impose the function of property tax allocation on counties in the State and prescribe how levies on countywide property values are to be shared with local taxing entities within each county. The limitations in Proposition 13, however, do not apply to *ad valorem* property taxes or special assessments to pay the interest and redemption charges on indebtedness, like the District's general obligation bonds, approved by the voters.

The County levies a 1% *ad valorem* property tax on behalf of all taxing agencies in the County. The taxes collected are allocated on the basis of a formula established by State law enacted in 1979. Under this formula, the County and all other taxing entities receive a base year allocation plus an allocation on the basis of "situated" growth in assessed value (new construction, change of ownership, inflation) prorated among the jurisdictions that serve the tax rate areas within which the growth occurs. Tax rate areas are specifically defined geographic areas, which were developed to permit the levying of taxes for less than county-wide or less than city-wide special and school districts. In addition, the County levies and collects additional approved property taxes and assessments on behalf of any taxing agency within the County.

State Government Code Sections 29100 through 29107 provide the procedures that all counties must follow for calculating tax rates. The secured tax levy within the District consists of the District's share of the 1% general *ad valorem* property and unitary taxes assessed on a County-wide basis and amounts

levied that are in excess of the 1% general *ad valorem* property taxes. These tax receipts are part of the District's operations. In addition, the secured tax levy also includes the amount for the District's share of special voter-approved *ad valorem* property taxes assessed on a District-wide basis, such as the *ad valorem* property taxes assessed for the District's general obligation bonds issued pursuant to the Authorizations and any related general obligation refunding bonds. *Ad valorem* property taxes levied for general obligation bonds are deposited with the County and may only be applied to pay the principal of, redemption premium, if any, and interest on the District's general obligation bonds and general obligation refunding bonds. The District does not receive such funds nor are they available to pay any of the District's operating expenses. In addition, the total secured tax levy includes special assessments, improvement bonds, supplemental taxes or other charges which have been assessed on property within the District. Since State law allows homeowners' exemptions (described above) and certain business exemptions from *ad valorem* property taxation, such exemptions are not included in the total secured tax levy. See also "– California Constitutional and Statutory Provisions Relating to *Ad Valorem* Property Taxes" above.

Further, State Education Code Section 15251 provides that all taxes levied with respect to general obligation bonds when collected will be paid into the county treasury of the county whose superintendent of schools has jurisdiction over the school district on behalf of which the tax was levied, to the credit of the debt service fund (or interest and sinking fund) of the school district, and will be used for the payment of the principal of and interest on the general obligation bonds and general obligation refunding bonds of the school district and for no other purpose. Accordingly, the County may not borrow or spend such amounts nor can the District receive such funds and use them for operating purposes.

Typical Tax Rate Area. The following Table 8 shows *ad valorem* property tax rates for the last five fiscal years in a typical Tax Rate Area of the District (TRA 0067). TRA 0067 comprises approximately 30.19% of the total fiscal year 2023-24 assessed value of the District.

TABLE 8
LOS ANGELES UNIFIED SCHOOL DISTRICT
Typical Tax Rates per \$100 of Assessed Valuation (TRA 0067)
Fiscal Years 2019-20 through 2023-24

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
General	1.000000%	1.000000%	1.000000%	1.000000%	1.000000%
Los Angeles Unified School District ⁽¹⁾	0.125520	0.139929	0.113228	0.121072	0.124219
Los Angeles Community College District ⁽¹⁾	0.027175	0.040162	0.043759	0.024882	0.060231
City of Los Angeles ⁽¹⁾	0.018084	0.016538	0.014721	0.016066	0.011448
Metropolitan Water District of Southern California ⁽²⁾	0.003500	0.003500	0.003500	0.003500	0.003500
Total	1.174279%	1.200129%	1.175208%	1.165520%	1.199398%

⁽¹⁾ Tax rate relates to bonds authorized by voters subsequent to the approval of Proposition 13.

⁽²⁾ Tax rate relates to bonds authorized by voters pursuant to a special election held in 1966 (prior to the approval of Proposition 13) in the service area of the Metropolitan Water District of Southern California.

Source: California Municipal Statistics, Inc.

Secured Tax Charges and Delinquencies. The following Table 9A sets forth the real property tax charges and corresponding delinquencies for the District's general obligation bond debt service levy, with respect to the property located in the District, for fiscal years 2013-14 through 2022-23. For reference and as an indication of comparative delinquency rates, Table 9B sets forth the real property tax charges and corresponding delinquencies for the portion of the County's 1% general fund levy that is allocated to the District, with respect to property located in the District for fiscal years 2013-14 through 2022-23. The portion of the County's 1% general fund levy that is allocated to the District is not pledged to and does not secure the repayment of Refunding Bonds.

TABLE 9
LOS ANGELES UNIFIED SCHOOL DISTRICT
Secured Tax Charges and Delinquencies
Fiscal Years 2013-14 through 2022-23

A. District General Obligation Bond Debt Service Levy

Fiscal Year	Secured Tax Charge⁽¹⁾	Amount Delinquent June 30	Percentage Delinquent June 30
2013-14	\$707,334,806.26	\$11,937,445.89	1.69%
2014-15	752,855,468.94	13,128,310.26	1.74
2015-16	711,852,286.31	10,350,374.48	1.45
2016-17	762,676,169.42	10,152,397.66	1.33
2017-18	765,484,783.08	11,238,395.43	1.47
2018-19	826,147,438.29	13,737,180.29	1.66
2019-20	903,922,222.21	25,782,448.86	2.85
2020-21	1,072,754,468.10	22,715,092.01	2.12
2021-22	904,728,597.58	16,272,122.21	1.80
2022-23	1,033,041,998.26	20,269,504.57	1.96

B. 1% General Fund Apportionment Levy

Fiscal Year	Secured Tax Charge⁽²⁾	Amount Delinquent June 30	Percentage Delinquent June 30
2013-14	\$948,210,266.65	\$13,991,567.53	1.48%
2014-15	1,005,565,868.63	14,501,753.32	1.44
2015-16	1,078,286,485.58	15,318,415.41	1.42
2016-17	1,142,718,955.32	13,595,654.87	1.19
2017-18	1,222,916,327.88	15,217,873.23	1.24
2018-19	1,311,715,583.78	17,950,532.81	1.37
2019-20	1,405,968,051.67	31,757,910.59	2.26
2020-21	1,499,191,370.12	25,590,654.61	1.71
2021-22	1,556,962,602.77	24,377,000.99	1.57
2022-23	1,665,617,645.15	26,045,738.38	1.56

⁽¹⁾ District's general obligation bond debt service levy.

⁽²⁾ 1% General Fund apportionment. Excludes redevelopment agency impounds.

Source: California Municipal Statistics, Inc.

Property tax delinquencies may be impacted by economic and other factors beyond the District's control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including reduced consumer confidence, reduced real wages or reduced economic activity as a result of a pandemic or natural or manmade disaster, such as earthquake, drought, flood, fire,

toxic dumping. It is not possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. For more information on the impact of the COVID-19 pandemic, see APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – STATE FUNDING OF SCHOOL DISTRICTS – Infectious Disease Outbreak.” If delinquencies increase substantially as a result of events outside the control of the District, the County does have the authority to increase allowances for annual reserves in the tax levy to avoid fluctuating tax levies.

The County Does Not Participate in a Teeter Plan. Certain counties in the State operate under a statutory program entitled Alternate Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “Teeter Plan”). Under the Teeter Plan local taxing entities receive 100% of their tax levies net of delinquencies, but do not receive interest or penalties on delinquent taxes collected by the county. The County has not adopted the Teeter Plan, and consequently the Teeter Plan is not available to local taxing entities within the County, such as the District. The District’s receipt of property taxes is therefore subject to delinquencies.

The District Participates in CSDTFA. The District is a member of the California Statewide Delinquent Tax Finance Authority (“CSDTFA”). CSDTFA is a joint exercise of powers agency formed for the purpose of purchasing delinquent *ad valorem* property taxes of its members in accordance with Section 6516.6 of the Government Code of the State of California. Historically, CSDTFA has from time to time purchased delinquent *ad valorem* property tax receivables related to the District’s share of the 1% general *ad valorem* property tax levy (not the additional *ad valorem* property tax levy for debt service on the District’s general obligation bonds) from the District. However, the District cannot predict whether CSDTFA will continue to make such purchases in the future. [CSDTFA purchased the District’s delinquent *ad valorem* property tax receivables related to the 1% general *ad valorem* property tax levy attributable to fiscal year 2021-22 from the District at a purchase price equal to 110% of such receivables and is expected to purchase the District’s delinquent *ad valorem* property tax receivables related to the 1% general *ad valorem* property tax levy attributable to fiscal year 2022-23 from the District at a purchase price equal to 110% of such receivables.] Any penalty charges collected with respect to such delinquencies will be retained by CSDTFA.

Aggregate Fiscal Year Debt Service

The following Table 11 sets forth the semi-annual debt service obligations in each fiscal year for all of the District's outstanding general obligation bonds, including the Refunding Bonds. For more information on the District's outstanding general obligation bonds, see APPENDIX A – "DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Debt."

TABLE 11
LOS ANGELES UNIFIED SCHOOL DISTRICT
General Obligation Bonds, Semi-Annual Debt Service Schedule⁽¹⁾
[TO BE UPDATED BY PRAG]

Semi-annual Period through	Outstanding General Obligation Bonds ⁽²⁾	Refunding Bonds		Semi Annual Debt Service	Total
		Principal	Interest		
January 1, 2024					
July 1, 2024					
January 1, 2025					
July 1, 2025					
January 1, 2026					
July 1, 2026					
January 1, 2027					
July 1, 2027					
January 1, 2028					
July 1, 2028					
January 1, 2029					
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January 1, 2043					
July 1, 2043					
January 1, 2044					
July 1, 2044					
January 1, 2045					
July 1, 2045					
January 1, 2046					
July 1, 2046					
January 1, 2047					
July 1, 2047					
January 1, 2048					
July 1, 2048					
Total ⁽³⁾					

⁽¹⁾ Does not reflect the planned refunding of the Prior Bonds from proceeds of the Refunding Bonds.

⁽²⁾ Includes set-aside payments for Qualified School Construction Bonds. Excludes federal subsidies related to Build America Bonds and Qualified School Construction Bonds. See APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Debt – *Limitations on the Receipt of Federal Funds.*”

⁽³⁾ Totals may not equal the sum of the components due to rounding.

Source: Los Angeles Unified School District.

The District's General Obligation Bond Program and Bonding Capacity

Voters within the District have approved a total of \$27.605 billion of general obligation bonds in six separate bond elections since 1997. See APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – District Debt” for additional information regarding the District’s outstanding general obligation bonds. Pursuant to Section 15106 of the Education Code, the District’s bonding capacity for general obligation bonds may not exceed 2.5% of taxable property value in the District as shown by the last equalized assessment of the County. The taxable property valuation in the District for fiscal year 2023-24 is \$929.98 billion, which results in a total current bonding capacity of approximately \$23.25 billion. The District’s available capacity for the issuance of new general obligation bonds is approximately \$[] billion (taking into account current outstanding debt before the issuance of the Refunding Bonds and not accounting for the refunding of the Prior Bonds). The issuance of additional series of general obligation bonds, other than general obligation refunding bonds, in future fiscal years will depend upon, among other things, the assessed valuation of property within the District’s boundaries, as determined by the District’s analysis of information from, among other sources, the Office of the County Assessor. See “– California Constitutional and Statutory Provisions Relating to *Ad Valorem* Property Taxes” above and APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Future Financings – *General Obligation Bonds*.”

Overlapping Debt Obligations

Set forth in Table 12 on the following page is the report prepared by California Municipal Statistics Inc. on [], 2024, which provides information with respect to direct and overlapping debt within the District as of [], 2024 (the “Overlapping Debt Report”). The Overlapping Debt Report is included for general information purposes only. The District has not reviewed the Overlapping Debt Report for completeness or accuracy and makes no representations in connection therewith. The Overlapping Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

The first column in Table 12 names each public agency which has outstanding debt as of the date of the report and whose territory overlaps the District in whole or in part. Column 2 shows the percentage of each overlapping agency’s assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not shown in Table 12) produces the amount shown in column 3, which is the apportionment of each overlapping agency’s outstanding debt to taxable property in the District.

TABLE 12
LOS ANGELES UNIFIED SCHOOL DISTRICT
Schedule of Direct and Overlapping Bonded Debt
As of [____], 2024 [TO BE UPDATED PRIOR TO POS POSTING]

2023-24 Assessed Valuation: \$929,980,076,839

	<u>% Applicable</u>	<u>Debt [____]/1/24</u>
<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>		
Metropolitan Water District		
Los Angeles Community College District		
Pasadena Area Community College District		
Los Angeles Unified School District		(1)
City of Los Angeles		
Other Cities		
City Community Facilities Districts		
Other City and Special District 1915 Act Bonds		
TOTAL GROSS DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		
Less: Los Angeles Unified School District General Obligation Bonds, Election of 2005, Series J (2010) Qualified School Construction Bonds and Election of 2005, Series H (2009) Qualified School Construction Bonds: Amount accumulated in Interest and Sinking Fund and Set Asides for Repayment		(2)
TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Los Angeles County General Fund Obligations		
Los Angeles County Superintendent of Schools Certificates of Participation		
Pasadena Area Community College District Certificates of Participation		
Los Angeles Unified School District Certificates of Participation		(3)
City of Los Angeles General Fund Obligations		
Other City General Fund and Pension Obligation Bonds		
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		
Less: City supported obligations		
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		
<u>OVERLAPPING TAX INCREMENT DEBT:</u>		
City of Los Angeles Redevelopment Agency (Successor Agency)		
Other Redevelopment Agencies (Successor Agency)		
TOTAL OVERLAPPING TAX INCREMENT DEBT		
GROSS COMBINED TOTAL DEBT		(4)
NET COMBINED TOTAL DEBT		

Ratios to 2023-24 Assessed Valuation:

Direct Debt (\$[____])	[____]%
Net Direct Debt (\$[____])	[____]%
Total Gross Overlapping Tax and Assessment Debt	[____]%
Total Net Overlapping Tax and Assessment Debt	[____]%
Gross Combined Direct Debt (\$[____])	[____]%
Net Combined Direct Debt (\$[____])	[____]%
Gross Combined Total Debt	[____]%
Net Combined Total Debt	[____]%

Ratios to Redevelopment Incremental Valuation (\$[____]):

Total Overlapping Tax Increment Debt	[____]%
--------------------------------------	---------

(1) Excludes the Refunding Bonds.

(2) Set aside amount through [fiscal year 2022-23].

(3) [FN to come re concurrent transactions.]

(4) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

TAX MATTERS

Opinion of Bond Counsel. In the opinion of Hawkins Delafield & Wood LLP, Bond Counsel to the District (“Bond Counsel”), under existing statutes and court decisions and assuming continuing compliance with certain tax covenants described herein, (i) interest on the Refunding Bonds is excluded from gross income for Federal income tax purposes pursuant to Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), and (ii) interest on the Refunding Bonds is not treated as a preference item in calculating the alternative minimum tax under the Code, however for tax years beginning after December 31, 2022, interest on the Refunding Bonds is included in calculating the “adjusted financial statement income” of certain corporations that are subject to the alternative minimum tax under Section 55 of the Code. In rendering its opinion, Bond Counsel has relied on certain representations, certifications of fact, and statements of reasonable expectations made by the District and others in connection with the Refunding Bonds, and Bond Counsel has assumed compliance by the District with certain ongoing covenants to comply with applicable requirements of the Code to assure the exclusion of interest on the Refunding Bonds from gross income under Section 103 of the Code.

In addition, in the opinion of Bond Counsel, under existing statutes, interest on the Refunding Bonds is exempt from personal income taxes imposed by the State of California.

Bond Counsel expresses no opinion as to any other Federal, state or local tax consequences arising with respect to the Refunding Bonds, or the ownership or disposition thereof, except as stated above. Bond Counsel renders its opinion under existing statutes and court decisions as of the issue date, and assumes no obligation to update, revise or supplement its opinion to reflect any action thereafter taken or not taken, any fact or circumstance that may thereafter come to its attention, any change in law or interpretation thereof that may thereafter occur, or for any other reason. Bond Counsel expresses no opinion as to the consequence of any of the events described in the preceding sentence or the likelihood of their occurrence. In addition, Bond Counsel expresses no opinion on the effect of any action taken or not taken in reliance upon an opinion of other counsel regarding Federal, state or local tax matters, including, without limitation, exclusion from gross income for Federal income tax purposes of interest on the Refunding Bonds.

Certain Ongoing Federal Tax Requirements and Covenants. The Code establishes certain ongoing requirements that must be met subsequent to the issuance and delivery of the Refunding Bonds in order that interest on the Refunding Bonds be and remain excluded from gross income under Section 103 of the Code. These requirements include, but are not limited to, requirements relating to use and expenditure of gross proceeds of the Refunding Bonds, yield and other restrictions on investments of gross proceeds, and the arbitrage rebate requirement that certain excess earnings on gross proceeds be rebated to the Federal government. Noncompliance with such requirements may cause interest on the Refunding Bonds to become included in gross income for Federal income tax purposes retroactive to their issue date, irrespective of the date on which such noncompliance occurs or is discovered. The District has covenanted to comply with certain applicable requirements of the Code to assure the exclusion of interest on the Refunding Bonds from gross income under Section 103 of the Code.

Certain Collateral Federal Tax Consequences. The following is a brief discussion of certain collateral Federal income tax matters with respect to the Refunding Bonds. It does not purport to address all aspects of Federal taxation that may be relevant to a particular owner of a Refunding Bond. Prospective investors, particularly those who may be subject to special rules, are advised to consult their own tax advisors regarding the Federal tax consequences of owning and disposing of the Refunding Bonds.

Prospective owners of the Refunding Bonds should be aware that the ownership of such obligations may result in collateral Federal income tax consequences to various categories of persons, such as corporations (including S corporations and foreign corporations), financial institutions, property and casualty and life insurance companies, individual recipients of Social Security and railroad retirement

benefits, individuals otherwise eligible for the earned income tax credit, and taxpayers deemed to have incurred or continued indebtedness to purchase or carry obligations the interest on which is excluded from gross income for Federal income tax purposes. Interest on the Refunding Bonds may be taken into account in determining the tax liability of foreign corporations subject to the branch profits tax imposed by Section 884 of the Code.

Original Issue Discount. “Original issue discount” (“OID”) is the excess of the sum of all amounts payable at the stated maturity of a Refunding Bond (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates) over the issue price of that maturity. In general, the “issue price” of a maturity (a bond with the same maturity date, interest rate, and credit terms) means the first price at which at least 10 percent of such maturity was sold to the public, i.e., a purchaser who is not, directly or indirectly, a signatory to a written contract to participate in the initial sale of the Refunding Bonds. In general, the issue price for each maturity of Refunding Bonds is expected to be the initial public offering price set forth on the cover page of the Official Statement. Bond Counsel further is of the opinion that, for any Refunding Bonds having OID (a “Discount Bond”), OID that has accrued and is properly allocable to the owners of the Discount Bonds under Section 1288 of the Code is excludable from gross income for federal income tax purposes to the same extent as other interest on the Refunding Bonds.

In general, under Section 1288 of the Code, OID on a Discount Bond accrues under a constant yield method, based on periodic compounding of interest over prescribed accrual periods using a compounding rate determined by reference to the yield on that Discount Bond. An owner’s adjusted basis in a Discount Bond is increased by accrued OID for purposes of determining gain or loss on sale, exchange, or other disposition of such Refunding Bond. Accrued OID may be taken into account as an increase in the amount of tax-exempt income received or deemed to have been received for purposes of determining various other tax consequences of owning a Discount Bond even though there will not be a corresponding cash payment.

Owners of Discount Bonds should consult their own tax advisors with respect to the treatment of original issue discount for federal income tax purposes, including various special rules relating thereto, and the state and local tax consequences of acquiring, holding, and disposing of Discount Bonds.

Bond Premium. In general, if an owner acquires a Refunding Bond for a purchase price (excluding accrued interest) or otherwise at a tax basis that reflects a premium over the sum of all amounts payable on the Refunding Bond after the acquisition date (excluding certain “qualified stated interest” that is unconditionally payable at least annually at prescribed rates), that premium constitutes “bond premium” on that Refunding Bond (a “Premium Bond”). In general, under Section 171 of the Code, an owner of a Premium Bond must amortize the bond premium over the remaining term of the Premium Bond, based on the owner’s yield over the remaining term of the Premium Bond determined based on constant yield principles (in certain cases involving a Premium Bond callable prior to its stated maturity date, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on such bond). An owner of a Premium Bond must amortize the bond premium by offsetting the qualified stated interest allocable to each interest accrual period under the owner’s regular method of accounting against the bond premium allocable to that period. In the case of a tax-exempt Premium Bond, if the bond premium allocable to an accrual period exceeds the qualified stated interest allocable to that accrual period, the excess is a nondeductible loss. Under certain circumstances, the owner of a Premium Bond may realize a taxable gain upon disposition of the Premium Bond even though it is sold or redeemed for an amount less than or equal to the owner’s original acquisition cost. Owners of any Premium Bonds should consult their own tax advisors regarding the treatment of bond premium for Federal income tax purposes, including various special rules relating thereto, and state and local tax consequences, in connection with the acquisition, ownership and amortization of bond premium on, sale, exchange, or other disposition of Premium Bonds.

Information Reporting and Backup Withholding. Information reporting requirements apply to interest paid on tax-exempt obligations, including the Refunding Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, “Request for Taxpayer Identification Number and Certification,” or if the recipient is one of a limited class of exempt recipients. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to “backup withholding,” which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a “payor” generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing a Refunding Bond through a brokerage account has executed a Form W-9 in connection with the establishment of such account, as generally can be expected, no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Refunding Bonds from gross income for Federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner’s Federal income tax once the required information is furnished to the Internal Revenue Service.

Miscellaneous. Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Refunding Bonds under Federal or state law or otherwise prevent beneficial owners of the Refunding Bonds from realizing the full current benefit of the tax status of such interest. In addition, such legislation or actions (whether currently proposed, proposed in the future, or enacted) and such decisions could affect the market price or marketability of the Refunding Bonds.

Prospective purchasers of the Refunding Bonds should consult their own tax advisors regarding the foregoing matters.

The proposed form of the opinion of Hawkins Delafield & Wood LLP relating to the Refunding Bonds is set forth in APPENDIX D — “PROPOSED FORM OF OPINION OF BOND COUNSEL.”]

LEGAL MATTERS

Possible Limitations on Remedies; Bankruptcy

[TO BE UPDATED] General. State law contains certain safeguards to protect the financial solvency of school districts. See APPENDIX A – “DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – STATE FUNDING OF SCHOOL DISTRICTS.” If the safeguards are not successful in preventing a school district from becoming insolvent, the State Superintendent of Public Instruction (the “State Superintendent”), operating through an administrator appointed by the State Superintendent, may be authorized under State law to file a petition under Chapter 9 of the United States Bankruptcy Code (the “Bankruptcy Code”) on behalf of the school district for the adjustment of its debts, assuming that the school district meets certain other requirements contained in the Bankruptcy Code necessary for filing a petition under Chapter 9 of the Bankruptcy Code. School districts are not themselves authorized to file a bankruptcy proceeding, and they are not subject to involuntary bankruptcy.

Bankruptcy courts are courts of equity and as such have broad discretionary powers. If the District were to become the debtor in a proceeding under Chapter 9 of the Bankruptcy Code, then the “automatic stay” provisions of the Bankruptcy Code would prohibit the parties from taking any action to collect any amount from the District or the County (including *ad valorem* property tax revenues) or to enforce any obligation of the District or the County, without the bankruptcy court’s permission. In such a proceeding, as part of its plan of adjustment in bankruptcy, the District may be able to alter the priority, interest rate,

principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Refunding Bonds and other transaction documents related to the Refunding Bonds, as long as the bankruptcy court determines that the alterations are fair and equitable. In addition, in such a proceeding, as part of such a plan, the District may be able to eliminate the obligation of the County to raise taxes if necessary to pay the Refunding Bonds. There also may be other possible effects of a bankruptcy of the District that could result in delays or reductions in payments on the Refunding Bonds, or other losses on the Refunding Bonds. Moreover, regardless of any specific adverse determinations in any District bankruptcy proceeding, the existence of a District bankruptcy proceeding could have an adverse effect on the liquidity and market price of the Refunding Bonds.

As stated above, if a school district were to go into bankruptcy, the bankruptcy petition would be filed under Chapter 9 of the Bankruptcy Code. Chapter 9 provides that it does not limit or impair the power of a state to control, by legislation or otherwise, a municipality of or in such state in the exercise of the political or governmental powers of such municipality, including expenditures for such exercise. For purposes of Chapter 9, a school district is a municipality. State law provides that the *ad valorem* property taxes levied to pay the principal and interest on the Refunding Bonds shall be used for the payment of principal and interest of the District's general obligation bonds and for no other purpose. If this restriction on the expenditure of such *ad valorem* property taxes is respected in a bankruptcy case, then the *ad valorem* property tax revenue could not be used by the District for any purpose other than to make payments on the Refunding Bonds. It is possible, however, that a bankruptcy court could conclude that the restriction should not be respected.

Statutory Lien. Pursuant to the California Government Code, all general obligation bonds issued by local agencies, including refunding bonds (including the Refunding Bonds), are secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax and the lien automatically arises, without the need for any action or authorization by the local agency or its governing board, and is valid and binding from the time the bonds are executed and delivered. See "SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS – Statutory Lien on Taxes (Senate Bill 222)." Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by the District, the automatic stay provisions of the Bankruptcy Code would apply, preventing bondholders from enforcing their rights to payment from such tax collections without permission of the bankruptcy court, and payments that become due and owing on the Refunding Bonds during the pendency of the Chapter 9 proceeding could be delayed.

Special Revenues. If the *ad valorem* property tax revenues that are pledged to the payment of the Refunding Bonds (see "SECURITY AND SOURCE OF PAYMENT FOR THE REFUNDING BONDS – Pledge of Tax Revenues") are determined to be "special revenues" within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* property tax revenues that are collected after the date of the bankruptcy filing should not be subject to the automatic stay. "Special revenues" are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. The District has specifically pledged the *ad valorem* property taxes for payment of the Refunding Bonds. State law prohibits the use of the tax proceeds for any purpose other than payment of the general obligation bonds (including general obligation refunding bonds) and the original bond proceeds can only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* property tax revenues collected for the payment of bonds in California, and no assurance can be given that a bankruptcy court will hold that the *ad valorem* property tax revenues are special revenues within the meaning of the Bankruptcy Code.

The Bankruptcy Code provides that there is no stay of application of pledged special revenues to payment of indebtedness secured by such revenues. The United States Court of Appeals for the First Circuit, in cases arising out of the insolvency proceedings of Puerto Rico, has held that this provision permits voluntary payments of debt service by the issuer of bonds backed by special revenues, but does not permit the bondholders to compel the issuer to make payments of debt service from special revenues. If this decision is followed by other courts, the holders of the Refunding Bonds may be prohibited from taking any action to require the District or the County to make payments on the Refunding Bonds, unless the bankruptcy court's permission is obtained. This could result in substantial delays in payments on the Refunding Bonds.

In addition, even if the *ad valorem* property tax revenues are determined to be “special revenues,” the Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, a bankruptcy court could permit the District to use the *ad valorem* property tax revenues to pay necessary operating expenses of the District and its schools, before the remaining revenues are paid to the owners of the Refunding Bonds.

Possession of Tax Revenues; Remedies. If the District goes into bankruptcy and the District or the County has possession of tax revenues (whether collected before or after commencement of the bankruptcy), and if the District or the County, as applicable, does not voluntarily pay such tax revenues to the owners of the Refunding Bonds, it is not entirely clear what procedures the owners of the Refunding Bonds would have to follow to attempt to obtain possession of such tax revenues, how much time it would take for such procedures to be completed, or whether such procedures would ultimately be successful. A similar risk would exist if the County goes into bankruptcy and has possession of tax revenues (whether collected before or after commencement of the bankruptcy). The United States Court of Appeals for the First Circuit, in another case arising out of the insolvency proceedings of Puerto Rico, has held that the Bankruptcy Code prohibits the bankruptcy court from requiring a governmental debtor to apply revenues in accordance with applicable non-bankruptcy law. In yet another case arising out of the insolvency proceedings of Puerto Rico, the United States Court of Appeals for the First Circuit has held that creditors cannot bring suit in a non-bankruptcy court to compel the governmental debtor to comply with non-bankruptcy law without first obtaining the permission of the bankruptcy court, and that the bankruptcy court has discretion as to whether to provide permission.

Opinion of Bond Counsel Qualified by Reference to Bankruptcy, Insolvency and Other Laws Relating to or Affecting Creditor's Rights. The proposed form of opinion of Bond Counsel, included as Appendix D, is qualified by reference to bankruptcy, insolvency and other laws relating to or affecting creditor's rights.

Amounts Held in County Treasury Pool

The County on behalf of the District is expected to be in possession of the annual *ad valorem* property taxes and certain funds to repay the Refunding Bonds and may invest these funds in the County's Treasury Pool, as described in Appendix F – “THE LOS ANGELES COUNTY TREASURY POOL.” Should those investments suffer any losses, there may be delays or reductions in payments on the Refunding Bonds.

Legality for Investment in the State

Under provisions of the State Financial Code, the Refunding Bonds are legal investments for commercial banks in the State to the extent that the Refunding Bonds, in the informed opinion of said bank, are prudent for the investment of funds of depositors, and, under provisions of the California Government Code, are eligible for security for deposits of public moneys in the State.

Continuing Disclosure

The District has covenanted for the benefit of the holders and beneficial owners of the Refunding Bonds to provide certain financial information and operating data relating to the District (the “Annual Report”) for each fiscal year by not later than 240 days following the end of the District’s fiscal year (currently ending June 30), commencing with the Annual Report for fiscal year 2022-23, and to provide notices of the occurrence of certain specified events (collectively, the “Listed Events”). The information to be contained in the Annual Report and in a notice of a Listed Event is set forth in Appendix E – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” The District will provide or cause to be provided the Annual Report and such notices to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system in the manner prescribed by the Securities and Exchange Commission (“SEC”). Copies of the District’s annual reports and notices of Listed Event filings are available at the website of Digital Assurance Certification, L.L.C. (“DAC”), www.dacbond.com, and at the website of the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access (“EMMA”) system, emma.msrb.org. The information presented on these websites is not incorporated by reference in this Official Statement and should not be relied upon in making an investment decision with respect to the Refunding Bonds. These covenants have been made in order to assist the Underwriters (defined herein) in complying with SEC Rule 15c2-12(b)(5) (the “Rule”).

Due to the impact of COVID-19 on California school district operations during fiscal year 2019-20, California Senate Bill 98 extended the deadline for school districts to file their audited financial statements for fiscal year 2019-20 with the State to March 31, 2021. As a result, at the time of filing the District’s Annual Report for fiscal year 2019-20, the District’s audited financial statements for fiscal year 2019-20 were not yet available. The District’s audited financial statements for fiscal year 2019-20 were subsequently filed to EMMA on March 30, 2021. Additionally, within the past five years, certain of the District’s annual report and Listed Events filings required in connection with its prior continuing disclosure undertakings were not properly linked to all CUSIP numbers for the District’s outstanding bonds.

Certain Legal Matters

The validity of the Refunding Bonds and certain other legal matters are subject to the approving opinion of Hawkins Delafield & Wood LLP, Los Angeles, California, Bond Counsel to the District, and certain other conditions. A complete copy of the proposed form of opinion of Bond Counsel with respect to the Refunding Bonds is contained in Appendix D. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will also be passed upon for the District by its General Counsel and by the District’s Disclosure Counsel, Orrick, Herrington & Sutcliffe LLP, Los Angeles, California (“Disclosure Counsel”), and for the Underwriters by their counsel, [____], [____], California (“Underwriters’ Counsel”).

Each of Bond Counsel, Disclosure Counsel, and Underwriters’ Counsel will receive compensation contingent upon the sale and delivery of the Refunding Bonds. From time to time, Bond Counsel and Disclosure Counsel each may represent one or more of the Underwriters in matters unrelated to the District or the Refunding Bonds.

FINANCIAL STATEMENTS

The District’s Audited Annual Financial Report for fiscal year ended June 30, 2023, including its general purpose financial statements for the fiscal year ended June 30, 2023, is included as Appendix B. The basic financial statements of the District for the fiscal year 2022-23 have been audited by Simpson & Simpson, independent certified public accountants, as stated in their report appearing in Appendix B. The District has not requested nor has the District obtained the consent of Simpson & Simpson to the inclusion of its report in Appendix B. Simpson & Simpson has not been engaged to perform and has not performed,

since the date of its report included herein, any procedures on the financial statements addressed in that report. Simpson & Simpson has not been requested to perform and has not performed any procedures relating to the Official Statement.

LITIGATION

There is no litigation pending against the District or, to the knowledge of its respective executive officers, threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Refunding Bonds or in any way contesting or affecting the validity of the Refunding Bonds or the Authorizations or any proceedings of the District taken with respect to the issuance or sale thereof, or the levy or application of *ad valorem* property taxes for the payment of principal of and interest on the Refunding Bonds or the use of the proceeds of the Refunding Bonds. There are no pending lawsuits that, in the opinion of the District's General Counsel, challenge the validity of the Refunding Bonds, the existence of the District, or the title of the executive officers to their respective offices. There are a number of lawsuits and claims pending against the District. See APPENDIX A – "DISTRICT FINANCIAL INFORMATION AND REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION – DISTRICT FINANCIAL INFORMATION – Risk Management and Litigation." In the opinion of the District, the outcome of the presently pending suits and claims will not materially impair the District's repayment of the Bonds.

MISCELLANEOUS

Ratings

Fitch Ratings, Inc. ("Fitch"), Kroll Bond Rating Agency, LLC ("KBRA"), and Moody's Investors Service Inc. ("Moody's") have assigned their municipal bond ratings of "[____]," "[____]," and "[____]," respectively, to the Refunding Bonds, which may include information that has not been included in this Official Statement. The District has furnished to each rating agency certain materials and information with respect to itself and the Refunding Bonds. Generally, rating agencies base their ratings on such information and materials and on their own investigations, studies and assumptions. Each rating reflects only the view of the respective rating agency, and any explanation of the significance of such rating may be obtained only from the issuing rating agency furnishing the same, at the following addresses: Fitch Ratings, Inc., 33 Whitehall Street, New York, New York 10004, telephone: (212) 908-0800, Kroll Bond Rating Agency, LLC, 805 Third Avenue, 29th floor, New York, New York 10022, telephone: (212) 702-0707, and Moody's Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone: (212) 533-0300. There is no assurance that any such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if, in its judgment, circumstances so warrant. Any such downward revision or withdrawal of any such rating may have an adverse effect on the market price of the Refunding Bonds.

Municipal Advisor

The District has retained Public Resources Advisory Group, as Municipal Advisor (the "Municipal Advisor") in connection with the issuance of the Refunding Bonds and certain other financial matters. The Municipal Advisor has not been engaged, nor has it undertaken, to audit, authenticate or otherwise verify the information set forth in this Official Statement, or any other related information available to the District, with respect to accuracy and completeness of disclosure of such information. The Municipal Advisor has reviewed this Official Statement but makes no guaranty, warranty or other representation respecting accuracy and completeness of the information contained in this Official Statement. The Municipal Advisor will receive compensation from the District contingent upon the sale and delivery of the Refunding Bonds.

Verification of Mathematical Computations

Upon the delivery of the Refunding Bonds, [VERIFICATION AGENT], [____], [____] (the “Verification Agent”), will deliver a report stating that the firm has verified the mathematical accuracy of the schedules with respect to the sufficiency of the Escrow Fund established to pay the redemption price of, including accrued interest thereon, the Prior Bonds. The scope of the verification will be based solely on information and assumptions provided to the Verification Agent by the Underwriter. The Verification Agent will express no opinion on the assumptions provided by it to the Underwriter, nor as to the exemption from taxation of the interest on the Refunding Bonds.

Underwriting

The Refunding Bonds are being purchased by [____], on behalf of a syndicate that also includes the other underwriters set forth on the cover hereof (collectively, the “Underwriters”). The Underwriters have agreed to purchase the Refunding Bonds at the purchase price of \$ _____ (which amount is equal to the aggregate principal amount of the Refunding Bonds, [plus/less] [an][a net] original issue [premium/discount] of \$ _____, less an Underwriters’ discount of \$ _____), pursuant to a Bond Purchase Agreement, dated _____, 2024 (the “Purchase Agreement”), by and among the Underwriters, the County and the District, relating to the Refunding Bonds. Pursuant to the Purchase Agreement, the Underwriters will purchase all of the Refunding Bonds if any are purchased.

The Underwriters may offer and sell the Refunding Bonds to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement. The public offering prices may be changed from time to time by the Underwriters.

The Underwriters have provided the following paragraphs for inclusion in the section “MISCELLANEOUS – Underwriting.” No representation is made by the District as to the accuracy, completeness or adequacy of such information.

Certain of the Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the Underwriters and their affiliates may have certain creditor and/or other rights against the District and its affiliates in connection with such activities. In the various course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

[UW DISTRIBUTION LANGUAGE TO COME]

Additional Information

The purpose of this Official Statement is to provide information to prospective buyers of the Refunding Bonds. Quotations from and summaries of the Refunding Bonds, the Refunding Resolution, and the constitutional provisions, statutes and other documents described herein do not purport to be complete, and reference is made to said documents, constitutional provisions and statutes for full and complete statements of their provisions. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not a contract or agreement between the District and the purchasers or owners of any of the Refunding Bonds.

Execution and Delivery

The District has duly authorized the execution and delivery of this Official Statement.

LOS ANGELES UNIFIED SCHOOL DISTRICT

By: _____
Chief Business Officer

APPENDIX A

**DISTRICT FINANCIAL INFORMATION AND
REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION**

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This Appendix A provides information concerning the operations and finances of the Los Angeles Unified School District (the “District”) and certain demographic information in the area covered by the District. The Bonds are general obligation bonds of the District, secured and payable from ad valorem property taxes assessed on taxable properties within the District and are not an obligation of the County (defined herein) or of the general fund of the District. See “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS” in the forepart of this Official Statement. See also “GLOSSARY OF CERTAIN TERMS AND ABBREVIATIONS” herein for a description of certain terms and abbreviations used in this Appendix A.

DISTRICT GENERAL INFORMATION

District Boundaries

The District, encompassing approximately 710 square miles, is located in the western section of the County of Los Angeles (the “County”) in the State of California (the “State”). The District’s boundaries include virtually all of the City of Los Angeles (the “City”), all of the Cities of Cudahy, Gardena, Huntington Park, Lomita, Maywood, San Fernando, Vernon and West Hollywood, and portions of the Cities of Bell, Bell Gardens, Beverly Hills, Calabasas, Carson, Commerce, Culver City, Downey, Hawthorne, Inglewood, Long Beach, Lynwood, Montebello, Monterey Park, Rancho Palos Verdes, Rolling Hills Estates, Santa Clarita, Santa Monica, South Gate, and Torrance. In addition, the District provides services to several unincorporated areas of the County, which include residential and industrial areas. The boundaries for the District are approximately 80% coterminous with the City, with the remaining 20% included in the smaller neighboring cities and unincorporated County areas described above. The District was formed in 1854 as the Common Schools for the City and became a unified school district in 1960.

District Governance; Senior Management

District Board. The District is governed by a seven-member Board of Education (the “District Board”), each member of which is a voting member and elected by voters within such member’s designed district. The members of the District Board are elected to four-year terms in alternate slates of three and four, with elections held every two years. The members of the District Board along with their district and term are set forth below.

District	Member	Term Ending
5	Jackie Goldberg, President	December 16, 2024
3	Scott Schmerelson, Vice President	December 16, 2024
1	Dr. George J. McKenna III	December 16, 2024
2	Dr. Rocio Rivas	December 12, 2026
4	Nick Melvoin	December 12, 2026
6	Kelly Gonez	December 12, 2026
7	Tanya Ortiz Franklin	December 16, 2024

Superintendent. The chief executive officer of the District, appointed by the District Board to manage the day-to-day operations of the District, is the Superintendent of Schools (the “Superintendent”). The District Board appointed Alberto M. Carvalho to serve as the Superintendent effective February 2022.

Strategic Plan. On June 21, 2022, the District Board unanimously adopted a strategic plan for the next four years (the “2022-26 Strategic Plan”) that focuses on the goal of ensuring that all District students graduate “ready for the world” and prepared to thrive in college, career, and life. The 2022-26

Strategic Plan revolves around five pillars, each consisting of four priorities, that represent critical areas the District will focus on: academic excellence, joy and wellness, engagement and collaboration, operational effectiveness and investing in staff.

Pursuant to the 2022-26 Strategic Plan, the first pillar of “Academic Excellence” prioritizes improving student outcomes through high-quality instruction, delivering enriching experiences to instill lifelong learning, eliminating opportunity gaps, and encouraging multiple paths for college and career readiness. The second pillar of “Joy and Wellness” prioritizes creating welcoming and inclusive learning environments, addressing student well-being through health, nutrition, and wellness services, cultivating strong social-emotional skills, and ensuring outstanding attendance to achieve consistent learning. The third pillar of “Engagement and Collaboration” prioritizes strengthening relationships between students, families, and schools, providing accessible information to the community, leading on local, state, and national levels, and honoring the perspectives of students. The fourth pillar of “Operational Effectiveness” prioritizes developing data-driven decision-making, modernizing facilities and technological infrastructure, sustainably implementing school and District budgets, and making the District a district of choice of families. The fifth pillar of “Investing in Staff” prioritizes recruiting and retaining a diverse workforce, providing rigorous and relevant professional learning, cultivating staff wellness, and maintaining consistent and high performance standards.

The District developed an Implementation Guide for the 2022-26 Strategic Plan with actions and practices for practitioners to implement in schools and classrooms. Pursuant to the 2022-26 Strategic Plan, the District intends to, among other endeavors, ensure processes and systems are in alignment by reviewing budgets, updating reporting structures, offering professional development for school and central office staff, and providing additional support for aligning school-level plans to the 2022-26 Strategic Plan. Furthermore, to ensure the 2022-26 Strategic Plan remains on track, the District is regularly engaging with the community to solicit feedback on its actions and expenditures, and has established districtwide systems to monitor progress of ongoing implementation, as well progress toward achieving its targets for success – at both the central-office and school-site levels.

Regions. In addition to the Superintendent of the District, the District organizes its schools into four (formerly six) geographically-based regions (each, a “Region”). Each Region has a separate superintendent to oversee the schools in the related area of the District. The current Region Superintendents are Dr. David Baca (North), Andre Spicer (South), José P. Huerta (East), and Dr. Denise Collier (West).

Biographies. Brief biographical information for Superintendent Alberto M. Carvalho and other senior management of the District is set forth below.

Alberto M. Carvalho, Superintendent. Alberto M. Carvalho has served as Superintendent of the District, the nation’s largest self-governing public school district, since February 2022. He was selected by the District Board in a unanimous vote following a comprehensive community engagement process and a nationwide search.

During his 14-year tenure as Superintendent of Miami-Dade County Public Schools (“M-DCPS”), Superintendent Carvalho garnered local, state, national and international recognition. His honors include Florida’s 2014 Superintendent of the Year; the 2014 National Superintendent of the Year; the 2016 winner of the Harold W. McGraw Prize in Education; the 2018 National Urban Superintendent of the Year; the 2019 National Association for Bilingual Education (NABE) Superintendent of the Year Award; making him the most accomplished Superintendent in America’s history.

Superintendent Carvalho currently serves on the National Assessment Governing Board, appointed by the U.S. Secretary of Education. He also serves as a committee member for the National Academies of Science, Engineering, and Medicine and as an Advisory Committee Member to the Harvard Program on Education Policy and Governance. Superintendent Carvalho is a dedicated member of the National Board of Directors for Common Threads and the Posse Foundation.

Under his tenure, M-DCPS became one of the nation's highest-performing urban school systems, receiving systemwide accreditation from AdvancEd in 2014. M-DCPS was named as the 2014 College Board Advanced Placement Equity and Excellence District of the Year and the 2012 winner of the Broad Prize for Urban Education. He is now seeking to elevate the District to the premier spot in American urban education.

Superintendent Carvalho has been awarded many honorary degrees. He has been honored by the President of Portugal with the "Ordem de Mérito Civil," by Mexico with the "Ohtli Award" and was awarded the Official Cross of the Orden de Isabel la Católica (Order of Isabella the Catholic) on behalf of King Felipe VI of Spain.

Jaime G. Torrens, Senior Advisor to the Superintendent. Mr. Torrens, Senior Advisor to the Superintendent of the District, is responsible for assisting and supporting the Superintendent in the overall operation of the largest self-governing public school district in the nation.

Mr. Torrens previously served as Deputy Superintendent and Chief of Staff for M-DCPS where he oversaw a broad portfolio of functional areas. Among other duties, he led the M-DCPS' response and recovery related to COVID-19 (as defined herein).

As Chief Facilities Officer for over 12 years he was responsible for all aspects of facilities planning, construction, maintenance, operations and inspections at the fourth largest school system in the nation. As a member of the Superintendent's Cabinet, he directed a staff of 1,000 professional and technical personnel responsible for all aspects of 3,100 buildings comprising 45 million square feet on over 400 school campuses and ancillary facilities.

Mr. Torrens also led the implementation of M-DCPS' \$1.2 billion General Obligation Bond program approved by voters in 2012 to renovate, construct and modernize school facilities throughout Miami-Dade County. This extensive capital improvement program included instructional technology upgrades at every school to provide equity throughout all campuses. Concurrently, he helped launch a comprehensive business development program which drastically expanded participation of small, minority and women-owned businesses that had been historically underrepresented in the construction industry.

Mr. Torrens served M-DCPS in various positions of increasing responsibility related to facilities management and district/emergency operations. He led M-DCPS' infusion of sustainability principles into design criteria and specifications for capital projects, implemented the Guaranteed Energy Performance Contracting Program and opened the first Gold Certified comprehensive high school under the LEED for Schools Program.

Mr. Torrens holds a Master of Science in Management Information Systems and a Bachelor of Science in Electrical Engineering from Florida International University, and he is a LEED Accredited Professional.

Mr. Pedro Salcido, Deputy Superintendent of Business Services and Operations. Since joining the District in 2012, Pedro Salcido has served in a variety of roles. Appointed in November 2022, he is

currently the Deputy Superintendent of Business Services and Operations overseeing the critical work and divisions that enable the District to run, including school operations, food services, transportation, finance, information technology, facilities, medical services, and procurement. Current strategic initiatives under his purview include closing the digital divide, school bus electrification and systems modernization, healthier and more appealing school meals, wireless network modernization, school building modernization projects, and zero-based budgeting.

Prior to becoming Deputy Superintendent of Business Services and Operations, Mr. Salcido served as the Chief of Staff, managing all District academic and nonacademic operations and activities, while also serving as the Superintendent's principal liaison to the District Board. He oversaw the execution of all District policies and was instrumental in the development of Superintendent Carvalho's 100-Day Plan and 2022-26 Strategic Plan. Mr. Salcido has a demonstrated track record in expanding equitable programmatic and financial practices. Most notably, he served as the leading staff member who developed and implemented the District's Student Equity Needs Index (SENI), an equity-based funding allocation that today has grown to distribute nearly \$700 million to the neediest schools in the District.

Mr. Salcido also served as the District's Senior Executive Director of Finance and Policy, and the Director of Government Relations during which he managed state, federal and local advocacy efforts and supervised internal and external efforts related to finance, labor negotiations and general board policies. Moreover, for five years, he led the work on the initial development and implementation of the District's Local Control and Accountability Plan ("LCAP"), the result of which was the establishment of a system of common accountability and budget alignment with the LCAP Scorecard and broad community engagement efforts.

As a first-generation Mexican American son of immigrants and a first-generation high school and college graduate, Mr. Salcido often relies on his own lived experiences to connect with both the educational and personal experiences of the students we serve. He seeks to listen often to the perspectives of staff, students, and families to effectively contribute to the decisions that shape the daily experiences of Los Angeles students and families. Mr. Salcido holds a Masters in Public Administration from the University of Southern California and holds dual degrees in Politics and Latin American Studies from the University of California, Santa Cruz.

Devora Navera Reed, General Counsel. Devora Navera Reed serves as the General Counsel for the District. She has been serving the District since 2006 and previously held the position of Chief Education and Legal Services Counsel. Ms. Navera Reed oversaw legal issues and litigation in areas dealing with special education, school law and operations, charter schools, equity and access, and constitutional issues, to name a few. As General Counsel for the District, Ms. Navera Reed is responsible for administering and overseeing the legal activities of the District's legal staff and outside legal firms. In addition, she advises the District Board, Superintendent, and senior leadership related to matters of major importance to the District. Prior to joining the District in 2006, Ms. Navera Reed served as an attorney for the Children's Law Center of Los Angeles for nearly a decade, where she represented and advocated for children in dependency court and the foster care system. In addition to her legal responsibilities, Ms. Navera Reed serves as a board member of the California Minority Counsel Program promoting diversity, equity and inclusion in the legal field. Ms. Navera Reed earned a Bachelor of Arts from the University of Southern California in 1992 and a Juris Doctorate degree from the University of San Francisco School of Law in 1996.

David D. Hart, Chief Business Officer. Mr. Hart began serving as the District's Chief Business Officer in January 2020. Before coming to the District, Mr. Hart served as the Chief Financial Officer of the Cherry Creek School District for approximately three years – the last 18 months of which he also served as Cherry Creek's Chief Operating Officer. Before joining Cherry Creek, Mr. Hart was a Director

at The PFM Group for nearly two years and a Senior Vice President in Public Finance at D.A. Davidson & Co. for approximately a year. Prior to that time, Mr. Hart served as the Chief Financial Officer for Denver Public Schools for four years and as Chief Financial Officer of the Douglas County School District for three years. He has also served as Manager of Revenue for the City and County of Denver, as Treasurer for the City and County of Denver and as Budget Director for the Douglas County School District. Mr. Hart attended the University of Colorado at Denver, where he received his Master of Public Administration: Policy Analysis and Evaluation.

Nolberto Delgadillo, Deputy Chief Business Officer – Finance. Mr. Delgadillo joined the District in July 2023, taking on the role to support the District's fiscal strategy. He came to the District from Portland Public Schools (Oregon) where he served as Chief Financial Officer. Prior to his time at Portland Public Schools he served in the same role for Tulsa Public Schools (Oklahoma). Mr. Delgadillo has a track record for being responsible for ensuring that school district funds are managed responsibly and reported accurately while leading the full spectrum of financial services. Before his time with Tulsa Public Schools, Mr. Delgadillo served as Chief Operations Officer in Los Angeles, at the LA Promise Fund. He also previously supported finance operations at Green Dot Public Schools (California). Mr. Delgadillo also spent over 12 years in the health care sector. He is a graduate from the University of Southern California earning degrees in Chemistry and Spanish and earning an MBA from Loyola Marymount University. He also completed a two-year program through The Broad Center, earning a Master's in Educational Leadership.

Ernie Thomas, Controller. Mr. Thomas joined the District in January 2024 from a national non-profit organization focused on education where he served for a decade, first as Controller and eventually as Treasurer and Controller for the last six years. He previously served as Corporate Controller for a community sector organization for two years. Prior to that, he served as Vice President at National Community Renaissance for a year. Before that, Mr. Thomas served at an entertainment company for over a decade, where he first held the position of Controller for three years, and then Chief Financial Officer for the last nine years. Mr. Thomas was also an auditor at Authur Andersen & Co. and is a Certified Public Accountant (inactive). Mr. Thomas graduated from UCLA with a Bachelor of Arts degree in Economics.

Timothy S. Rosnick, Director of Capital Planning and Budgeting. Mr. Rosnick joined the District in October 2006 and served as the District's Director of Accounting Controls from October 2006 through June 2007 and the Director of Treasury and Accounting Controls from July 2007 through June 2008. Mr. Rosnick served as the District's Controller from June 2008 through June 2011 and served as the District's Deputy Controller from June 2011 through September 2023. Mr. Rosnick became Director of Capital Planning and Budgeting in September 2023. Prior to joining the District, Mr. Rosnick served as an Administrator at the Orange County Department of Education and as a Financial Officer with LACOE. Mr. Rosnick graduated from the University of Washington with a Bachelor of Arts degree with Distinction in Economics and received a Master of Business Administration degree from the University of Texas at Austin. Mr. Rosnick is a member of the Government Finance Officers Association and the CFA Institute.

School Facilities

The District is the largest public school district in the State and the largest self-governing public school district in the United States. As reflected in the District's Audited Annual Financial Report for fiscal year 2022-23, the District operated 1,238 schools and centers, which consisted of 434 elementary schools, 78 middle/junior high schools, 87 senior high schools, 59 options schools, 262 magnet centers, 67 magnet schools, 30 multi-level schools, 12 special education schools, 2 community adult schools, 7 regional occupational centers, 2 skills centers, 87 early education centers, 4 infant centers, 18 primary

school centers, and 89 California State preschools in fiscal year 2022-23. As reflected in the District's Audited Annual Financial Report for fiscal year 2022-23, 51 of the District's schools were operated as locally-funded affiliated charter schools ("Affiliated Charter Schools"). In addition, as reflected in the District's Audited Annual Financial Report for fiscal year 2022-23, the District oversaw 224 fiscally independent charter schools ("Fiscally Independent Charter Schools") within the District's boundaries. See "STATE FUNDING OF SCHOOL DISTRICTS – Charter School Funding."]

Enrollment and Average Daily Attendance

At the time of preparation of the District's second interim report for fiscal year 2023-24 (the "Fiscal Year 2023-24 Second Interim Report") the transitional kindergarten ("TK") through 12th grade enrollment in the District for fiscal year 2023-24 was projected to be approximately [412,341] students, including those attending magnet, opportunity, and continuation schools and centers, Affiliated Charter Schools, and schools for people with disabilities. Such enrollment represents a decrease of [1,482] students or a decline of approximately [0.36]% from the budgeted TK-12 enrollment in the District at the time of preparation of the District's original adopted budget for fiscal year 2023-24 (the "Fiscal Year 2023-24 Budget"). Such enrollment does not include students attending Fiscally Independent Charter Schools that was budgeted at [108,702] students at the time of preparation of the Fiscal Year 2023-24 Budget. Based on enrollment projections at the time of preparation of the Fiscal Year 2023-24 Second Interim Report, the District was projecting enrollment to decline by [2.49]% on average through fiscal year 2025-26. For information regarding District operating deficits in relation to declining enrollment, see "DISTRICT FINANCIAL INFORMATION – District Budget – *LACOE's Response to Fiscal Year 2023-24 Budget*." While the District expects enrollment to continue to decline, the District's projected enrollment declines are subject to change as conditions change and more data becomes available throughout the fiscal year. The District attributes declining enrollment to, among other things, the reduced birth rate in the County, increased costs of living and housing costs in southern California, increased numbers of school-age students in the District's boundaries attending Fiscally Independent Charter Schools rather than District schools, and residual impacts of the Coronavirus Disease 2019 ("COVID-19") pandemic. To improve student enrollment, the District's Strategic Enrollment & Program Planning Office is mobilizing data and resources to coordinate District-wide enrollment efforts, expanding outreach to communities and families, and improving the articulation of school pathways and programs

As a result of declining enrollment in District schools, the District's annual average daily attendance ("ADA") declined in recent years and is expected to further decline in fiscal years 2023-24 through 2025-26 based on projections contained in the Fiscal Year 2023-24 Second Interim Report. To ensure funding stability regardless of instructional model in light of the COVID-19 pandemic, the State budget for fiscal year 2020-21 included a hold-harmless provision for the purpose of calculating apportionments in fiscal year 2020-21, and it provided that average daily attendance for fiscal year 2020-21 is based on fiscal year 2019-20 (specifically, the period July 1, 2019 through February 29, 2020). Although the State budget for fiscal year 2021-22 did not include an extension of the ADA hold-harmless provision in fiscal year 2021-22, school districts with enrollment declines in fiscal year 2021-22, like the District, retained the ability to receive their apportionment based on the higher of their fiscal year 2019-20 or fiscal year 2021-22 ADA as provided under the Local Control Funding Formula (the "LCFF"). See "STATE FUNDING OF SCHOOL DISTRICTS – Local Control Funding Formula." In light of pervasive declining enrollment throughout nearly all school districts in the State, the Governor's State budget for fiscal year 2022-23 revised the LCFF calculation beginning with fiscal year 2022-23 to consider the greater of a school district's current fiscal year, prior fiscal year, or the average of three prior fiscal years' ADA to allow school districts more time to adjust to enrollment-related LCFF funding declines. For purposes of fiscal year 2021-22, if a school district can demonstrate it provided independent study offerings to students in fiscal year 2021-22, such school district may consider the greater of its fiscal year 2021-22 ADA or its fiscal year 2021-22 enrollment adjusted for pre-COVID-19 absence rates. Such

adjustment is applicable to fiscal year 2021-22 for purposes of calculating a school district's prior year ADA or the average of three prior years' ADA in fiscal year 2022-23 and future fiscal years in accordance with the amendments made in connection with the Governor's State budget for fiscal year 2022-23. The following Table A-1 sets forth the District's actual and funded ADA for fiscal years 2012-13 through 2023-24. As reflected in Table A-1, the District's funded ADA for fiscal years 2012-13 through 2021-22 was based largely on actual prior year ADA for the second period of attendance ("P-2") for traditional TK-12 students, but current year P-2 ADA for students attending Affiliated Charter Schools. For fiscal years 2022-23 and 2023-24, the District's funded ADA was based largely on the average of three prior fiscal years' P-2 ADA for traditional TK-12 students, as adjusted in accordance with the COVID-19 ADA relief measures, but current year P-2 ADA for students attending Affiliated Charter Schools.

TABLE A-1

LOS ANGELES UNIFIED SCHOOL DISTRICT
Average Daily Attendance
Fiscal Years 2012-13 through 2023-24⁽¹⁾

Fiscal Year	Actual ADA			Funded ADA
	TK-12 ⁽²⁾	Affiliated Charter Schools ⁽³⁾	Total	Total
2012-13	505,513	28,832	534,345	546,631 ⁽⁷⁾
2013-14	488,362	39,633	527,995	532,838 ⁽⁷⁾
2014-15	476,285	39,944	516,229	524,591 ⁽⁷⁾
2015-16	463,735	39,632	503,367	512,625 ⁽⁷⁾
2016-17	450,713	41,143	491,856	500,648 ⁽⁷⁾
2017-18	438,359	40,232	478,591	483,710 ⁽⁷⁾
2018-19	415,100	38,910	454,010	470,127 ⁽⁷⁾
2019-20 ⁽⁴⁾	413,965	40,940	454,905	454,792 ⁽⁷⁾
2020-21 ⁽⁵⁾	N/A	N/A	N/A	455,356 ⁽⁷⁾
2021-22	345,896	35,043	380,939	449,912 ⁽⁷⁾
2022-23	348,544	35,466	384,010	434,269 ⁽⁸⁾
2023-24 ⁽⁶⁾	[339,897]	[33,944]	[373,841]	[409,924] ⁽⁸⁾

⁽¹⁾ Data may differ from other District disclosures because adjustments were made in certain fiscal years due to additional attendance for non-public students, corrected attendance reports for District students, and/or audit findings.

⁽²⁾ Includes non-public school special education students and District students attending schools operated by the County.

⁽³⁾ Includes charter schools that are fiscally-affiliated with the District which were funded with block grants until fiscal year 2012-13. Beginning fiscal year 2013-14, such charter schools are funded by the LCFF.

⁽⁴⁾ Condensed reporting period. Does not reflect actual student attendance after February 29, 2020 due to the COVID-19 pandemic.

⁽⁵⁾ Attendance reporting not required for fiscal year 2020-21. The fiscal year 2020-21 State budget included a hold harmless provision for the purpose of calculating apportionments under LCFF in fiscal year 2020-21, providing that ADA for fiscal year 2020-21 was based on ADA for fiscal year 2019-20 (specifically, the period July 1, 2019 through February 29, 2020), as discussed in more detail above.

⁽⁶⁾ Projected and funded ADA, as reflected in Fiscal Year 2023-24 Budget.

⁽⁷⁾ Funded ADA is based largely on actual prior year P-2 ADA for TK-12 and current year P-2 ADA for Affiliated Charter Schools. For more information, see the discussion of ADA funding in the paragraph immediately preceding this table.

⁽⁸⁾ Funded ADA is based largely on the average of three prior fiscal years' P-2 ADA for TK-12, as adjusted in accordance with the COVID-19 ADA relief measures, and current year P-2 ADA for Affiliated Charter Schools. For more information, see the discussion of ADA funding in the paragraph immediately preceding this table.

Sources: Los Angeles Unified School District Audited Annual Financial Report for fiscal year 2021-22 (actual ADA for fiscal years 2012-13 through 2021-22); unaudited actuals reports for fiscal years 2012-13 through 2022-23 (funded ADA for fiscal years 2012-13 through 2022-23; actual ADA for fiscal year 2022-23); Fiscal Year 2023-24 Budget (projected and funded ADA for fiscal year 2023-24).

Cybersecurity

[The District collects, processes, and distributes protected and personal information on students, staff, parents, and contractors. The size of the District's information assets creates a target-rich environment for a variety of threats such as cyber criminals and natural disasters. In 2019, the District experienced a cyberattack that resulted in unauthorized access to a limited number of student records; the software vulnerability was resolved the same day it was discovered. In March 2020, in response to the COVID-19 pandemic, the District rapidly implemented new remote learning and remote working capabilities, which increased the District's cyberattack surface area. The District implemented additional layers of technical and administrative controls to mitigate remote access risks. In August 2022, a Data Center power outage triggered by a failed electrical transformer owned by Los Angeles Department of Water and Power, resulted in temporary unavailability of some information systems. The District mitigated the risk by increasing electrical line and backup power capacity and successfully performing functional load tests.

On September 3, 2022, the District became aware of a cyberattack on its information technology assets and proactively suspended network traffic in and out of its data centers. In response to such incident, the District swiftly activated its incident response protocol and commenced an investigation with support from Kroll, LLC, an outside cybersecurity firm, to assist with containment, remediation, and forensic analysis. The Microsoft Detection and Response Team also assisted with the forensic investigation. The District also notified local and federal law enforcement agencies and continues to support their ongoing investigations. The District has identified, contained, and remediated the ransomware, and it has not found evidence of additional malware related to the cyberattack or any other persistent malicious activity on its network or systems.

The District's investigation of the incident determined that on or about July 31, 2022, the threat actor began conducting digital monitoring of the District's environment remotely using a contractor account to gain unauthorized access to systems. The District did not pay a ransom to the threat actor in connection with the incident. The threat actor posted approximately 500 gigabytes of data it stole from the District to its "leak site" on the dark web. Most of the files exfiltrated by the threat actor were located on the District's facilities servers and systems. The District provided required notifications to those individuals and entities with personal information included among those materials posted by the threat actor. This included employees, former employees, job applicants, and employees and contractors of facilities services division vendors who had personally identifiable information posted. The District offered credit monitoring services to such individuals. Notifications were also provided to individuals, including students and employees, who had personal "medical information" posted in the form of positive COVID-19 test results collected through the District's COVID-19 testing program, and to individuals, mostly former students, who had information contained in student assessment reports, most of which was dated, posted.

As a result of the incident, the District initially restricted access to its servers and systems, including access to user accounts, email, and software applications. Many operations and processes that were automated or facilitated by technology had to be completed manually, and some still remain manual at this time. Nonetheless, school sites remained operational. Most servers and systems were gradually restored within days as they were determined to be safe, with the District's most critical systems being restored first. The District restored certain impacted systems from backups and continues to work to rebuild others. While the District maintains cyber liability insurance, not all costs incurred are covered thereunder, and certain covered costs, which continue to be identified and calculated may ultimately exceed applicable coverage limits. Further, the District is planning to implement various security enhancements in light of the incident, but the District cannot currently predict the total cost of such enhancements.

The District has been served with three lawsuits relating to the incident on behalf of individuals allegedly impacted by the cyberattack, and unidentified classes of others impacted. At this early stage, the District cannot predict the outcome or any potential financial impact that may result from such litigation. Further, the District cannot predict whether any other claims or litigation will be filed or estimate any potential financial impact that may result. For more information about the existing lawsuits, see “DISTRICT FINANCIAL INFORMATION – Risk Management and Litigation.”

The District has implemented several protective measures with respect to access requirements to its systems to reduce the likelihood of a similar incident from occurring in the future. The District established an Independent Information Technology Task Force comprised of cybersecurity experts from private and public sectors to develop a set of recommendations to further strengthen the District’s cybersecurity. The District has augmented its cybersecurity team, retained cybersecurity service providers, and implemented additional security controls and monitoring of its systems.

To minimize the impact and frequency of cybersecurity incidents, the District previously hired a Director of Information Technology Security in 2016 to develop and implement a risk-based information security management program (“ISMP”). The ISMP is designed to protect the confidentiality, integrity, and availability of information assets managed by the District’s Information Technology Division and comply with all applicable information protection regulations including the Family Educational Rights and Privacy Act, Children’s Internet Protection Act, and the Health Insurance Portability and Accountability Act. The ISMP includes a number of technical, administrative, and physical security safeguards that take into account the District’s unique threats and vulnerabilities. Safeguards include, but are not limited to, policies that require employees, students, and parents to acknowledge their obligation to protect District information, cybersecurity training for employees, next generation network security technologies, access control systems, and cyber liability insurance. The District and its third-party IT vendors are required to carry cyber liability insurance to offset the cost of business disruptions caused by cybersecurity incidents.

No assurance can be made in any networked environment that a future cyberattack or natural disaster would not compromise the confidentiality, integrity or availability of District information assets. The only viable mitigation of cybersecurity risks is a layered defense strategy. The District implements layered defenses as a principal driver of its information security program and continuously monitors the effectiveness of the program to proactively modify it when the cyberattack landscape changes.]

STATE FUNDING OF SCHOOL DISTRICTS

General

School districts in the State receive operating revenues from federal, State and local sources, including appropriations from the State’s general fund and local property taxes derived from a school district’s share of the 1% *ad valorem* property tax. School districts also currently receive revenues from the State attributable to temporary tax increases implemented by Proposition 30 (defined herein). In connection with voter approval of Proposition 55 (defined herein), certain of such temporary tax increases were extended by twelve years through 2030. See “CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS – Proposition 30” herein. School districts, such as the District, may be eligible for other special categorical funding, including funding for certain State and federal programs. The amount of categorical funding appropriated to a school district may vary significantly from other school districts and yearly. At the time of preparation of the Fiscal Year 2023-24 Second Interim Report, the District projected to receive approximately [_____] % of District General Fund revenues from funds of or controlled by the State. As a result, decreases in State revenues, or in State legislative

appropriations made to fund education, may significantly affect District operations. For more information regarding the District's funding for fiscal year 2023-24, see “– State Budget Act – 2023-24 State Budget,” “– State Budget Act – Proposed 2024-25 State Budget,” “– Local Control Funding Formula” and “DISTRICT FINANCIAL INFORMATION – District Budget” herein.

Article XVI of the State Constitution requires that from all State revenues, there first be set apart the moneys to be applied by the State for support of the public school system and public institutions of higher education. See “CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS – Constitutionally Required Funding of Education” herein. The State Legislature and the Governor approve the State's authorized appropriations for school districts each fiscal year in connection with the adoption of the State Budget Act (defined herein). Proposition 98 (“Proposition 98”), approved in November 1988 as a combined initiative constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act,” provides the minimum funding formula for school districts. See “CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS – Proposition 98” herein. Under Proposition 98 (as modified by Proposition 111, which was enacted on June 5, 1990), there are currently three tests which determine the minimum level of K-14 funding. See “CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS” and “STATE FUNDING OF SCHOOL DISTRICTS– Local Control Funding Formula” herein. Proposition 98 permits the State Legislature, by two-thirds vote of both houses and with the Governor's concurrence, to suspend the K-14 schools' minimum funding formula for a one-year period. The amount of suspension is required to be repaid according to a specified State Constitutional formula, thereby restoring Proposition 98 funding to the level that would have been required in the absence of such suspension.

The actual appropriations and the timing of such appropriations are subject to, among other things, the estimated amount of State general fund revenues during the fiscal year and subsequent changes in State law. At times since the implementation of Proposition 98, the State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by deferring apportionments of Proposition 98 funds from one fiscal year to the next, as the State did in fiscal years 2019-20 and 2020-21; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the State Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances. For more information on the Proposition 98 minimum guarantee under the 2023-24 State Budget, see “– State Budget Act – 2023-24 State Budget” herein.

Since fiscal year 2013-14, the amount of funds an individual school district receives from State revenues depends on the amount of revenues the State calculates that the school district should receive based on the LCFF, less the amount the school district derives from such school district's share of the 1% *ad valorem* property tax. See “– Local Control Funding Formula” and “CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS – Constitutionally Required Funding of Education” herein.

The State Budget Process

The State's fiscal year begins on July 1 and ends on June 30. According to the State Constitution, the Governor of the State (the “Governor”) is required to propose a budget for the next fiscal year (the

“Governor’s Budget”) to the State Legislature no later than January 10 of each year. State law requires the Governor to update the Governor’s Budget projections and budgetary proposals by May 14 of each year (the “May Revision”). Proposition 25, which was adopted by voters in the State at an election held on November 2, 2010, amended the State Constitution such that a final budget must be adopted by a simple majority vote of each house of the State Legislature by no later than June 15 and the Governor must sign the adopted budget by no later than June 30. The budget becomes law upon the signature of the Governor (the “State Budget Act”).

Under State law, the annual proposed Governor’s Budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the Governor’s Budget, the State Legislature takes up the proposal. Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the State Budget Act, as approved by the State Legislature and signed by the Governor. The Governor may reduce or eliminate specific line items in the State Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each House of the State Legislature. Appropriations also may be included in legislation other than the State Budget Act. Bills containing appropriations (except for K-14 education) must be approved by a two-thirds majority vote in each House of the State Legislature and be signed by the Governor. Bills containing K-14 education appropriations require only a simple majority vote. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution. Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt. However, delays in the adoption of a final State budget in any fiscal year may affect payments of State funds during such budget impasse. See “– State Funding of Schools Without a State Budget” herein for a description of payments of appropriations during a budget impasse.

The description above and below of the State’s budget has been obtained from publicly available information which the District believes to be reliable; however, the District, its counsel (including Bond Counsel and Disclosure Counsel), the Municipal Advisor, the Underwriters and their counsel do not guarantee the accuracy or completeness of this information and have not independently verified such information. Additional information regarding State budgets is available at various State-maintained websites, including www.dof.ca.gov. The website is not incorporated herein by reference and the District, its counsel (including Bond Counsel and Disclosure Counsel), the Municipal Advisor, the Underwriters and their counsel do not make any representation as to the accuracy of the information provided therein.

State Budget Act

2023-24 State Budget. The Governor signed the fiscal year 2023-24 State budget on June 27, 2023, which was amended through a series of legislative bills (as amended, the “2023-24 State Budget”). The 2023-24 State Budget reflects a downturn in revenues and slower revenue growth than previous projections due to the declining stock market, high inflation, rising interest rates and layoffs in high-wage sectors. By paying down the State’s debt and using one-time surplus funds on one-time commitments, the 2023-24 State Budget is able to address the shortfall with balanced solutions that protect core State programs and services. The 2023-24 State Budget includes a package of solutions to bridge an approximately \$31.7 billion shortfall while avoiding deep and damaging program cuts. Specifically, the 2023-24 State Budget shifts approximately \$9.3 billion of spending commitments from the State’s general fund to other funds, reduces or pulls back approximately \$8.1 billion in previously approved State general fund spending, delays approximately \$7.9 billion in spending across multiple years, includes approximately \$6.1 billion in additional revenue, primarily from the Managed Care Organization tax as well as internal borrowing from special fund balances not projected for programmatic purposes, and

builds in approximately \$340.0 million in trigger reductions that are projected to be restored in the proposed State budget for fiscal year 2024-25, assuming sufficient funds at that time. The 2023-24 State Budget avoids new significant ongoing commitments and maintains fiscal discipline by setting aside a record \$37.8 billion in total budgetary reserves. The 2023-24 State Budget notes that a tax filing delay due to unprecedented storms in fiscal year 2022-23 has delayed the projected receipt of \$42.0 billion in State tax receipts to October 2023, including \$28.4 billion from personal income tax and \$13.3 billion from corporation tax, representing nearly one-fourth of the fiscal year 2022-23 total projected personal income tax, and nearly one-third of the fiscal year 2022-23 corporation tax.

The 2023-24 State Budget projects total resources available in fiscal year 2022-23 of approximately \$260.9 billion, including revenues and transfers of approximately \$205.1 billion and a prior year balance of approximately \$55.8 billion, and total expenditures in fiscal year 2022-23 of approximately \$234.6 billion. The 2023-24 State Budget projects total resources available for fiscal year 2023-24 of approximately \$235.0 billion, inclusive of revenues and transfers of approximately \$208.7 billion and a prior year balance of approximately \$26.4 billion. The 2023-24 State Budget projects total expenditures in fiscal year 2023-24 of approximately \$225.9 billion, inclusive of non-Proposition 98 expenditures of approximately \$147.5 billion and Proposition 98 expenditures of approximately \$78.4 billion. Citing revenue risks and uncertainties, the 2023-24 State Budget includes a historic level of reserves as an important resiliency tool, setting aside a total of \$37.8 billion in fiscal year 2023-24 and allocates reserves as follows: approximately \$22.3 billion in the State Rainy Day Fund for fiscal emergencies, approximately \$10.8 billion in the Proposition 98 Rainy Day Fund (Public School System Stabilization Account), approximately \$900.0 million in the Safety Net Reserve, and approximately \$3.8 billion to the State's Special Fund for Economic Uncertainties. In addition, the 2023-24 State Budget allocates approximately \$5.3 billion of the State general fund's projected fund balance in fiscal year 2023-24 to the State's Reserve for Liquidation of Encumbrances. The State Rainy Day Fund is at its constitutional maximum of 10% of State general fund revenues.

The 2023-24 State Budget includes total funding of \$129.2 billion for all K-12 education programs, including \$79.5 billion from the State's general fund and \$49.7 billion from other funds. The 2023-24 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

Certain budgeted programs and adjustments for K-12 education set forth in the 2023-24 State Budget include the following:

- Proposition 98 Minimum Guarantee. The 2023-24 State Budget reflects Proposition 98 funding levels of \$110.6 billion in fiscal year 2021-22, \$107.4 billion in fiscal year 2022-23, and \$108.3 billion in fiscal year 2023-24. Such funding represents approximately 38.5% of the State's general fund revenues, plus local property tax revenues. To accommodate enrollment increases related to the expansion of transitional kindergarten, the 2023-24 State Budget increased the funding level from approximately 38.2% to approximately 38.5% to increase the percentage of State general fund revenues due to the minimum guarantee.
- Proposition 98 Rainy Day Fund (Public School System Stabilization Account). The 2023-24 State Budget includes payments required to be made to the Proposition 98 Rainy Day Fund in fiscal years 2021-22 through 2023-24 for a total account balance of \$10.8 billion at the end of fiscal year 2023-24. The balance of approximately \$9.9 billion in fiscal year 2022-23 triggers a cap on school district reserves beginning in fiscal year 2023-24. See “– Limitations on School District Reserves” and “CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 751” herein.

- Local Control Funding Formula. The 2023-24 State Budget includes a LCFF cost-of-living adjustment of 8.22%, which is the largest cost-of-living adjustment in the history of LCFF. The 2023-24 State Budget provides approximately \$556.3 million ongoing Proposition 98 general fund resources to reflect the cost-of-living adjustment for specified categorical programs. The cost-of-living adjustment, when combined with declining enrollment adjustments, increases the year-over-year discretionary funds available to local education agencies by approximately \$3.4 billion. The 2023-24 State Budget also reflects the utilization of approximately \$1.6 billion one-time Proposition 98 State general fund resources to support the overall costs of the LCFF in fiscal year 2023-24, and provides an increase of approximately \$80.0 million ongoing Proposition 98 State general fund resources to support county offices of education serving students in juvenile court and other alternative school settings.
- Accountability Improvements and Equity Multiplier. The 2023-24 State Budget reflects a comprehensive package to support accountability and a continuous improvement system to ensure student group and school site equity gaps within a local education agency are identified and addressed through the Local Control and Accountability Plan. To complement these efforts, the 2023-24 State Budget provides approximately \$300.0 million ongoing Proposition 98 State general fund resources to establish an Equity Multiplier as an add-on to the LCFF to accelerate gains in closing opportunity and outcome gaps, and approximately \$2.0 million ongoing Proposition 98 general fund resources to support the critical work of the new Equity Leads within the statewide system of support.
- Literacy. The 2023-24 State Budget provides approximately \$250.0 million one-time Proposition 98 general fund resources to build upon the existing Literacy Coaches and Reading Specialists Grant Program, which funds high-poverty schools to train and hire literacy coaches and reading specialists for one-on-one and small group intervention for struggling readers.
- State Preschool Program. The 2023-24 State Budget includes the following set asides to fund any adjustments related to reimbursement for preschool providers: approximately \$343.1 million in Proposition 98 general fund resources and \$20,000 in non-Proposition 98 general fund resources from fiscal year 2022-23; approximately \$369.3 million in Proposition 98 general fund resources and \$126.1 million in general fund resources from fiscal year 2023-24; and approximately \$445.7 million in Proposition 98 general fund resources and \$186.5 million in general fund resources from fiscal year 2024-25. Consistent with this approach, the 2023-24 State Budget suspends the annual cost-of-living adjustment applicable to the State Preschool Program in fiscal years 2023-24 and 2024-25.

The 2023-24 State Budget reallocates approximately \$4.4 million non-Proposition 98 general fund resources and approximately \$5.3 million Proposition 98 general fund resources from the 2022-23 State budget to continue to waive family fees from July 1, 2023 through September 30, 2023, and provides approximately \$112.0 million in available federal funds to provide temporary stipends for State Preschool Program employees.

- Transitional Kindergarten. The 2023-24 State Budget provides approximately \$357.0 million in ongoing Proposition 98 general fund resources for fiscal year 2022-23 to support the first year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and February 2. The 2023-24 State Budget also provides approximately \$283.0 million in Proposition 98 general fund resources to provide one additional certificated or classified staff person in each transitional kindergarten classroom. Additionally, the 2023-24 State Budget provides approximately \$597.0 million in ongoing Proposition 98 general fund resources beginning in fiscal year 2023-24 to support the second year of expanded eligibility for

transitional kindergarten to all children turning five-years-old between September 2 and April 2. The 2023-24 State Budget also provides approximately \$165.0 million in Proposition 98 general fund resources to support the second year of adding one additional certificated or classified staff person in each transitional kindergarten classroom.

- Arts, Music, and Instructional Materials Discretionary Block Grant. The 2023-24 State Budget decreases one-time Proposition 98 general fund support for the Arts, Music, and Instructional Materials Block Grant by approximately \$200.0 million, reducing total one-time program support from approximately \$3.5 billion to approximately \$3.3 billion. The Arts and Music in Schools: Funding Guarantee and Accountability Act (Proposition 28) will provide approximately \$938.0 million ongoing Proposition 98 general fund resources beginning in fiscal year 2023-24.
- Learning Recovery Emergency Block Grant. The 2023-24 State Budget delays approximately \$1.1 billion one-time Proposition 98 general fund resources for the Learning Recovery Emergency Block Grant to fiscal years 2025-26, 2026-27, and 2027-28.
- Zero-Emission School Buses. The 2023-24 State Budget delays approximately \$1.0 billion one-time Proposition 98 general fund resources to support greening school bus fleets through programs operated by the California Air Resources Board and the California Energy Commission to fiscal years 2024-25 and 2025-26.
- California Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (FDK Program). The 2022-23 State budget included \$100.0 million one-time general fund resources and reflected an additional \$550.0 million in fiscal year 2023-24 to support the FDK Program. The 2023-24 State Budget delays the planned \$550.0 million investment for this program to fiscal year 2024-25.
- School Facility Program. The 2023-24 State Budget provides approximately \$2.0 billion one-time general fund resources, which is \$100.0 million less than previously planned, to support the School Facility Program in fiscal year 2023-24.
- Nutrition. The 2023-24 State Budget provides an additional \$154.0 million in ongoing Proposition 98 general fund resources and an additional \$110.0 million one-time Proposition 98 general fund resources to fully fund the universal school meals program in fiscal years 2022-23 and 2023-24.
- Bipartisan Safer Communities Act, Stronger Connections Program. The 2023-24 State Budget provides approximately \$119.6 million in one-time federal funds to support local education activities related to improving school climate and safety through the Stronger Connections Program.
- Charter School Facility Grant Program. Consistent with the 2022-23 State budget, the 2023-24 State Budget provides a one-time investment of \$30.0 million Proposition 98 general fund resources to support eligible facilities costs.

The complete 2023-24 State Budget is available from the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

LAO Overview of the 2024-25 Budget: California's Fiscal Outlook. The Legislative Analyst's Office ("LAO"), a nonpartisan State office which provides fiscal and policy information and advice to the State legislature, released its report on the State's fiscal outlook entitled "The 2024-25 Budget: California's Fiscal Outlook" on December 7, 2023 (the "Fiscal Outlook Overview"). In the Fiscal Outlook Overview, the LAO analyzes the "budget problem" for the upcoming fiscal year 2024-25: an estimated \$68.0 billion budget deficit resulting from a severe decline in revenues in fiscal year 2022-23. Due to the State's extension of its tax filing deadline for residents and businesses impacted by severe winter storms in 2022-23, tax collections for fiscal year 2022-23 have continued past the close of such fiscal year. The LAO estimates that fiscal year 2022-23 revenues will be \$26.0 billion below the fiscal year 2023-24 State budget estimates for such fiscal year. In addition to the estimated \$68.0 billion budget deficit, the LAO estimates that the State faces annual operating deficits of approximately \$30.0 billion per fiscal year. The LAO's revenue outlook reflects the risk of continued economic weakness as the LAO anticipates revenue collections to be nearly flat in fiscal year 2023-24, after declining by 20% in fiscal year 2022-23. The LAO projects revenue growth returning in fiscal year 2024-25 and in future fiscal years. While addressing a deficit of this scope will be challenging, the LAO notes that the State legislature has a number of options available to do so. In particular, the State legislature could withdraw reserves of \$24.0 billion, reduce one-time spending, and reduce Proposition 98 funding for schools and community colleges. The LAO recommends reducing Proposition 98 spending to the constitutional minimum allowed under Proposition 98, thereby reducing the State's general fund costs by \$16.7 billion.

The minimum Proposition 98 funding requirement for schools and community colleges across fiscal years 2022-23 through 2024-25 is \$18.8 billion lower than the estimates from June 2023. This reduction reflects two main adjustments: (1) a \$21.0 billion decrease in required general fund spending, and (2) a \$2.2 billion increase in local property tax revenues. The total reductions in the Proposition 98 minimum funding requirement are \$9.0 billion in fiscal year 2022-23, \$6.3 billion in fiscal year 2023-24, and \$3.5 billion in fiscal year 2024-25, representing the maximum reductions in education funding, relative to June 2023 estimates, that the State could make while still meeting the Proposition 98 minimum funding requirement. The LAO notes that the Proposition 98 minimum funding requirement changes automatically based on updated revenue estimates, but the law does not automatically adjust most education spending in the current or prior fiscal year. For fiscal year 2022-23, the LAO estimates that automatic adjustments only reduce Proposition 98 spending by \$1.3 billion compared with the level anticipated in June 2023. This reduction mainly reflects the elimination of the required deposit into the Proposition 98 Rainy Day Fund. It also reflects a small increase in costs for LCFF and various smaller adjustments. Accounting for the \$9.0 billion decrease in the Proposition 98 funding requirement and the \$1.3 billion decrease in costs, overall spending in the prior fiscal year is \$7.7 billion above the Proposition 98 minimum funding requirement. Funding above the minimum level would also become part of the base for calculating the minimum requirement in fiscal year 2023-24. Specifically, it would increase the fiscal year 2023-24 Proposition 98 funding requirement by \$4.2 billion relative to the amount the State would provide if it were to fund at the minimum required level.

The LAO estimates that if the State maintains funding of \$11.9 billion above the Proposition 98 minimum requirement across fiscal years 2022-23 and 2023-24, the Proposition 98 funding requirement in fiscal year 2024-25 would be \$113.0 billion, an amount slightly higher than the estimate the State made in June 2023. Conversely, if the State were to lower Proposition 98 funding in fiscal years 2022-23 and 2023-24 to the minimum levels allowed under Proposition 98, the funding requirement in fiscal year 2024-25 would be \$108.2 billion, approximately \$3.5 billion less than the estimate the State made in June 2023. The LAO notes that the State could also lower spending by some lesser degree than the minimum levels in fiscal years 2022-23 and 2023-24, which would result in a Proposition 98 funding requirement in fiscal year 2024-25 between \$108.2 billion and \$113.0 billion.

The LAO estimates that total costs of \$109.3 billion in fiscal year 2024-25 for maintaining existing school and community college programs. Of this amount, \$1.3 billion is the cost specifically associated with the 1.27% statutory COLA. Based on the LAO's baseline assumption that the State does not reduce Proposition 98 funding to the minimum level in the current or prior fiscal year, the Proposition 98 funding requirement in fiscal year 2024-25 would be more than enough to cover the statutory COLA. If the State were to reduce Proposition 98 spending to the minimum level, however, the fiscal year 2024-25 funding requirement would be approximately \$1.0 billion less than the cost of existing programs adjusted for COLA.

Based on deposits the State made in fiscal years 2020-21 and 2021-22, the Proposition 98 Rainy Day Fund currently holds a balance of \$8.1 billion (excluding additional deposits the State anticipated making in fiscal years 2022-23 and 2023-24 prior to lower revenue estimates). The State could use up to \$7.7 billion of this balance to cover education spending that exceeds the Proposition 98 minimum requirement in fiscal year 2022-23. Using the Proposition 98 Rainy Day Fund in this way would allow the State to lower general fund spending to the constitutional minimum level in the prior fiscal year without reducing the funding allocations it previously approved. From an accounting perspective, Proposition 98 Rainy Day Fund withdrawals do not count as spending for the purpose of determining the Proposition 98 minimum funding requirement in future fiscal years. Therefore, using the Proposition 98 Rainy Day Fund for fiscal year 2022-23 would reduce the constitutional minimum requirements in fiscal years 2023-24 and 2024-25. The formulas governing the Proposition 98 Rainy Day Fund would require the State to withdraw the remaining amount in the Proposition 98 Rainy Day Fund, approximately \$450.0 million, in fiscal year 2023-24. This approach assumes a budget emergency is declared. Under the State constitution, the State legislature may use withdrawals from the Proposition 98 Rainy Day Fund for any school or community college purpose.

[The budget deficit and declining revenues described in the Fiscal Outlook Overview were considered by the Governor in developing the Proposed 2024-25 State Budget (defined herein), as detailed under the heading “– Proposed 2024-25 State Budget.”]

The Fiscal Outlook Overview is available on the LAO website at www.lao.ca.gov. The District can take no responsibility for the continued accuracy of this internet address or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Proposed 2024-25 State Budget. The Governor released the fiscal year 2024-25 proposed State budget (the “Proposed 2024-25 State Budget”) on January 10, 2024, which maintains the State's fiscal stability using some of the money saved in historic budget reserves. The Proposed 2024-25 State Budget notes that the estimated \$37.9 billion budget shortfall poses a substantial challenge and is rooted in two separate but related developments during fiscal years 2022-23 and 2023-24 – the substantial decline in the stock market that drove down revenues in fiscal year 2022-23 and the unprecedented delay in critical income tax collections in fiscal year 2023-24. The Governor's proposed budgets in January and May 2023 warned of this increased budgetary uncertainty, and in June 2023, the State passed a budget that planned accordingly, setting aside record reserves of just under \$38.0 billion. The Proposed 2024-25 State Budget solves for last fiscal year's shortfall while adjusting State spending to ensure continued fiscal stability in future fiscal years.

The stock market recovery and improved economic growth support the Proposed 2024-25 State Budget forecast assumptions that revenue growth will resume in fiscal year 2023-24 following the steep correction in fiscal year 2022-23, with potential upside through fiscal year 2024-25 if the markets continue to outperform the forecast. In addition, the Federal Reserve has indicated it intends to cut interest rates throughout 2024, which may stimulate real estate transactions and other sectors of State's economy.

However, several risk factors such as a significant financial shock from tightening financial conditions, stock market and asset price volatility, and declines and geopolitical turmoil, could negatively impact the economy going forward. The Proposed 2024-25 State Budget provides that even after the proposed withdrawals from State reserves, total reserves in fiscal year 2024-25 will remain substantial at \$18.4 billion. This includes \$11.1 billion in the Budget Stabilization Account (the “State Rainy Day Fund”), \$3.9 billion in the Public School System Stabilization Account (the “PSSSA” or the “Proposition 98 Rainy Day Fund”), and \$3.4 billion in the Special Fund for Economic Uncertainties (the “SFEU”).

The Proposed 2024-25 State Budget incorporates the following balanced combination of measures to close the budgetary shortfall in fiscal year 2024-25:

- \$13.1 billion in budget withdrawals from the State’s reserves, including \$10.4 billion from the Mandatory State Rainy Day Fund and Transfer Suspension, \$1.8 billion from the Discretionary State Rainy Day Fund, and \$900.0 million from the Safety Net Reserve.
- \$8.5 billion in various budget spending reductions, including, but not limited to, \$500.0 million in reductions to the School Facilities Aid Program and \$494.0 million in reductions to the Student Housing Revolving Loan Fund Program.
- \$5.7 billion in support from revenue sources and internal borrowing from special funds.
- \$5.1 billion in delayed budgetary funding for multiple items spread across a three-year period, beginning in fiscal year 2025-26, including but not limited to, a \$550.0 funding delay to the Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program.
- \$3.4 billion in budget fund shifts of certain expenditures from the State general fund to other funds, including, but not limited to, a \$1.3 billion reduction on State plans retirement contributions using Proposition 2 debt repayment funding.
- \$2.1 billion in funding deferrals to fiscal year 2025-26.

In addition to the budgetary solutions listed above, the Proposed 2024-25 State Budget includes withdrawals from the Proposition 98 Rainy Day Fund of \$5.7 billion to maintain support for local educational agencies and community college districts.

The Proposed 2024-25 State Budget estimates total resources available in fiscal year 2023-24 of approximately \$238.9 billion, including revenues and transfers of approximately \$196.9 billion and a prior year balance of approximately \$42.1 billion, and total expenditures in fiscal year 2023-24 of approximately \$230.9 billion. The Proposed 2024-25 State Budget projects total resources available for fiscal year 2024-25 of approximately \$222.7 billion, inclusive of revenues and transfers of approximately \$214.7 billion and a prior year balance of approximately \$8.0 billion. The Proposed 2024-25 State Budget projects total expenditures in fiscal year 2024-25 of approximately \$208.7 billion, inclusive of non-Proposition 98 expenditures of approximately \$131.8 billion and Proposition 98 expenditures of approximately \$76.9 billion. The Proposed 2024-25 State Budget includes approximately \$29.0 billion in reserves in fiscal year 2024-25 and allocates reserves as follows: approximately \$11.1 billion in the State Rainy Day Fund for fiscal emergencies, approximately \$3.9 billion in the Proposition 98 Rainy Day Fund, approximately \$10.6 million in the Reserve for Liquidation and Encumbrances, and approximately \$3.4 billion in the State’s SFEU.

The Proposed 2024-25 State Budget includes total funding of approximately \$126.8 billion for all K-12 education programs, including approximately \$76.4 billion from the State’s general fund and

approximately \$50.4 billion from other funds. Per-pupil funding totals \$17,653 per pupil in Proposition 98 funding and \$23,519 per pupil when accounting for all funding sources.

Certain budgeted programs and adjustments for K-12 education set forth in the Proposed 2024-25 State Budget include the following:

- Proposition 98 Minimum Guarantee. The revised estimates of State general fund revenues in the Proposed 2024-25 State Budget result in notable adjustments to the Proposition 98 minimum guarantee, resulting in funding estimates of approximately \$98.3 billion in fiscal year 2022-23, \$105.6 billion in fiscal year 2023-24, and \$109.1 billion in fiscal year 2024-25, representing a three-year decrease in the minimum guarantee of approximately \$11.3 billion over the level funded in the 2023-24 State Budget. Recognizing that the delay in the State tax filing deadline in fiscal year 2022-23 impacted State revenue projections for fiscal year 2022-23 available at the time the 2023-24 State Budget was enacted, the Proposed 2024-25 State Budget proposes statutory changes to address approximately \$8.0 billion of this decrease to avoid impacting existing school district and community college district budgets.
- Proposition 98 Rainy Day Fund. The 2023-24 State Budget projected a total balance of \$10.8 billion in the Proposition 98 Rainy Day Fund. The Proposed 2024-25 State Budget reflects revised fiscal year 2022-23 and 2023-24 payments, and a fiscal year 2024-25 payment, of approximately \$339.0 million, \$288.0 million, and \$752.0 million, respectively, into the Proposition 98 Rainy Day Fund, and withdrawals of approximately \$3.0 billion in fiscal year 2023-24 and \$2.7 billion in fiscal year 2024-25, for a total revised account balance of more than \$3.8 billion at the end of fiscal year 2024-25. There is a cap of 10% on school district reserves in fiscal years immediately succeeding those in which the balance in the Proposition 98 Rainy Day Fund is equal to or greater than 3% of the total K-12 share of the Proposition 98 minimum guarantee. The balance of \$5.7 billion in the Proposition 98 Rainy Day Fund in fiscal year 2023-24 continues to trigger school district reserve caps in fiscal year 2024-25.
- Local Control Funding Formula. The Proposed 2024-25 State Budget includes a LCFF cost-of-living adjustment of approximately 0.76%. When combined with population growth adjustments, this will result in a decrease of approximately \$1.4 billion in discretionary funds for local educational agencies. To fully fund this increase and to maintain the level of current year principal apportionments, the Proposed 2024-25 State Budget proposes withdrawing approximately \$2.8 billion from the Proposition 98 Rainy Day Fund to support ongoing LCFF costs in fiscal year 2023-24, withdrawing approximately \$2.2 billion from the Proposition 98 Rainy Day Fund to support ongoing LCFF costs in fiscal year 2024-25, and using available reappropriation and reversion funding totaling \$38.6 million to support ongoing LCFF costs in fiscal year 2024-25.
- Local Property Tax Adjustments. The Proposed 2024-25 State Budget includes decreases of in Proposition 98 general fund resources for school districts and county offices of education of \$113.0 million and \$996.0 million, respectively, in fiscal year 2023-24 and fiscal year 2024-25, as a result of increased offsetting property taxes.
- Instructional Continuity. To provide students with needed instructional continuity including when facing challenges such as severe climate events, illness, or other barriers that impact attendance, the Proposed 2024-25 State Budget proposes statutory changes to allow local educational agencies to provide attendance recovery opportunities to students to make up lost instructional time, thereby offsetting student absences, and mitigating learning loss and chronic absenteeism, as well as related fiscal impacts.

- California State Preschool Program. To support reimbursement rate increases previously supported by available one-time federal stimulus funding, the Proposed 2024-25 State Budget includes \$53.7 million in general fund resources. These resources are in addition to approximately \$140.6 million in general fund resources and \$206.3 million in Proposition 98 general fund resources identified in the 2023-24 State Budget.
- Teacher Preparation and Professional Development. To support training for educators to administer literacy screenings, the Proposed 2024-25 State Budget proposes \$25.0 million in ongoing Proposition 98 general fund resources through the K-12 Mandate Block Grant.

To further assist educators in teaching mathematics aligned to the State Board of Education's newly adopted Mathematics Framework, the Proposed 2024-25 State Budget proposes \$20.0 million in one-time Proposition 98 general fund resources for a county office of education to work with the University of California Subject Matter Projects, as well as other well-qualified governmental or non-profit providers, to develop and provide training for mathematics coaches and leaders who can in turn provide training and support to math teachers to deliver high-quality instruction.

The Proposed 2024-25 State Budget also proposes to make statutory changes to focus the use of unexpended allocated Learning Recovery Emergency Block Grant funds on actions to address the needs of students most impacted by learning loss, based on an assessment of needs and incorporated into the existing Local Control and Accountability Plan (LCAP) development process, and to clarify that the allowable uses of such grant funds include professional development aligned to the new Mathematics Framework.

- School Facility Program. The Kindergarten through Community College Public Education Facilities Bond Act of 2016 (Proposition 51), approved by voters in November 2016, authorized \$9.0 billion in State general obligation bonds to support K-12 and community college school facilities construction. With Proposition 51 bond authority funds nearly exhausted, the 2022-23 State budget and 2023-24 State Budget provided approximately \$1.3 billion in one-time general fund resources and \$2.0 billion in one-time general fund resources, respectively, for the School Facility Program, for K-12 school facilities construction. To address the projected budget shortfall, the Proposed 2024-25 State Budget adjusts a planned fiscal year 2024-25 investment for the School Facility Program from \$875.0 million to \$375.0 million in one-time general fund resources.
- Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program. The Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (the "FDK Program") supports the construction of new school facilities or retrofitting existing school facilities for the purpose of providing transitional kindergarten, full-day kindergarten, or preschool classrooms. The 2022-23 State budget included \$100.0 million in one-time general fund resources for the FDK Program, and the 2023-24 State Budget reflected an additional \$550.0 million in fiscal year 2024-25 to support the FDK Program. To address the projected budget shortfall, the Proposed 2024-25 State Budget delays the fiscal year 2024-25 planned investment of \$550.0 million to fiscal year 2025-26.
- Zero-Emission School Buses. The Proposed 2024-25 State Budget maintains \$500.0 million one-time Proposition 98 general fund resources to support greening school bus fleets through programs operated by the California Air Resources Board and the California Energy Commission in fiscal year 2024-25.

- Nutrition. The Proposed 2024-25 State Budget includes an increase of \$122.2 million in ongoing Proposition 98 general fund resources to fully fund the universal school meals program in fiscal year 2024-25.

The complete Proposed 2024-25 State Budget is available from the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Changes in State Budget. The final fiscal year 2024-25 State budget, which requires approval by a majority vote of each house of the State Legislature, may differ substantially from the Proposed 2024-25 State Budget. In May 2024, the Governor will revise the Proposed 2024-25 State Budget based on updated information available at such time. Such revision in May 2024 may also differ substantially from the Proposed 2024-25 State Budget. The final fiscal year 2024-25 State budget may be affected by national and State economic conditions and other factors which the District cannot predict. Accordingly, the District cannot provide any assurances that there will not be any changes in the final fiscal year 2024-25 State budget from the Proposed 2024-25 State Budget. The District cannot predict the impact that the final fiscal year 2024-25 State budget, or subsequent budgets, will have on its finances and operations.

Future Budgets and Budgetary Actions. The District cannot predict what future actions will be taken by the State Legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors beyond the District's ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash and could impair the State's ability to fund schools during fiscal year 2023-24 and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District. As the Bonds are payable from *ad valorem* property taxes, the 2023-24 State Budget is not expected to have a material impact on the payment of the Bonds.

Additional Information. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of the State budget may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." Various analyses of the budget may be found at the website of the LAO at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found via the website of the State Treasurer, www.treasurer.ca.gov. The information presented in these websites is not incorporated by reference in this Official Statement.

State Funding of Schools Without a State Budget

Although the State Constitution requires that the State Legislature adopt a budget for the State by June 15 of the prior fiscal year and that the Governor sign a budget by June 30, this deadline has been missed from time to time. Delays in the adoption of a Budget Act in any fiscal year could impact the receipt of State funding by the District. On May 29, 2002, the California Court of Appeal for the Second District decided the case of *Howard Jarvis Taxpayers Association, et al. v. Kathleen Connell* (as Controller of the State of California), et al. (also referred to as *White v. Davis*) ("Connell"). The California Court of Appeal concluded that, absent an emergency appropriation, the State Controller may authorize the payment of State funds during a budget impasse only when payment is either (i) authorized by a "continuing appropriation" enacted by the State Legislature, (ii) authorized by a self-executing provision of the State Constitution, or (iii) mandated by federal law. The Court of Appeal specifically

concluded that the provisions of Article XVI, Section 8 of the State Constitution—the provision establishing minimum funding of K-14 education enacted as part of Proposition 98—did not constitute a self-executing authorization to disburse funds, stating that such provisions merely provide formulas for determining the minimum funding to be appropriated every budget year but do not appropriate funds. Nevertheless, the State Controller has concluded that the provisions of the State Education Code establishing K-12 and county office of education revenue limit funding (the predecessor to the LCFF) do constitute continuing appropriations enacted by the State Legislature and, therefore, has indicated that State payments of such amounts would continue during a budget impasse. The State Controller, however, has concluded that K-12 categorical programs are not authorized pursuant to a continuing appropriation enacted by the State Legislature and, therefore, cannot be paid during a budget impasse. To the extent the Connell decision applies to State payments reflected in the District’s budget, the requirement that there be either a final budget bill or an emergency appropriation may result in the delay of some payments to the District while such required legislative action is delayed, unless the payments are self-executing authorizations, continuing appropriations or are subject to a federal mandate. However, the District does not expect any delays in payments from the State to adversely affect its ability to pay the principal of and interest on the Bonds described in the forepart of this Official Statement, which are payable from voter-approved *ad valorem* property taxes.

Local Control Funding Formula

General. Funding for school districts, charter schools and county offices of education in connection with the LCFF includes State apportionments for general operating costs (“State Aid”) and funding for categorical programs. During fiscal year 2022-23, approximately [55.99]% of the District’s General Fund revenues were pursuant to the LCFF. At the time of preparation of the Fiscal Year 2023-24 Second Interim Report, the District projected that approximately [____]% of the District’s General Fund revenues will consist of funds determined under the LCFF. For fiscal years 2020-21 through 2023-24, LCFF revenues comprise a lower percentage of the District’s total General Fund revenues as a result of increases in one-time federal funding for COVID-19 relief. The following Table A-2 sets forth the percentage of the District’s General Fund revenues that are derived from revenues under the LCFF, federal revenues, other State revenues and other local revenues for fiscal years 2019-20 through 2023-24.

TABLE A-2

LOS ANGELES UNIFIED SCHOOL DISTRICT
General Fund Revenue Sources
Percentage of Total District General Fund Revenues⁽¹⁾
Fiscal Years 2019-20 through 2023-24

Revenue Source	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24⁽²⁾
LCFF	74.47%	64.68%	62.42%	55.99%	[63.99]%
Federal Revenues	8.31	19.15	19.13	19.57	[17.48]
Other State Revenues	14.98	13.99	18.08	22.77	[15.93]
Other Local Revenues	2.24	2.18	0.37	1.67	[2.60]

⁽¹⁾ Sum of percentages may not equal 100% due to rounding.

⁽²⁾ Projected. [To be updated when Fiscal Year 2023-24 Second Interim Report Available.] [For more information regarding State funding during fiscal year 2023-24, including information about the establishment of an Equity Multiplier as an add-on to the LCFF in the 2023-24 State Budget and impacts on the Fiscal Year 2023-24 Budget, see “– State Budget Act – 2023-24 State Budget” and “DISTRICT FINANCIAL INFORMATION – District Budget – Revisions to Fiscal Year 2023-24 Budget.”]

Sources: Audited Annual Financial Report for fiscal years 2019-20 through 2022-23; Fiscal Year 2023-24 Second Interim Report for fiscal year 2023-24.

The LCFF allocates State funding based on a school district’s demographics. Each school district receives a base grant (the “Base Grant”) per ADA in an amount determined by the State. As discussed above, the Governor’s State budget for fiscal year 2022-23 revised the LCFF calculation beginning with fiscal year 2022-23 to consider the greater of a school district’s current fiscal year, prior fiscal year, or the average of three prior fiscal years’ ADA. See “DISTRICT GENERAL INFORMATION – Enrollment and Average Daily Attendance.” Pursuant to the LCFF, each local education agency (“LEA”) is required to, among other things, show progress toward an average class enrollment of no more than 24 pupils in kindergarten through grade 3, unless the LEA has entered into a collective bargaining agreement specifying an annual alternative average class enrollment in those grades for each school. Accordingly, the LCFF includes an adjustment to the Base Grant for kindergarten through grade 3 (the “K-3 Grade Span Adjustment”) of approximately 10.4% in order to cover the costs associated with class size reduction. In addition, the LCFF includes an adjustment to the Base Grant for grades 9 through 12 of approximately 2.6% to cover the costs of, among other things, providing career technical education.

Based on the ADA of the given demographic classification, school districts are eligible to receive a 20% supplemental grant (the “Supplemental Grant”) for students classified as English learners (“EL”), students eligible to receive a free or reduced-price meal (“FRPM”), and students classified as foster youth (“LI”). The State expects the Supplemental Grants to reflect the additional costs associated with the education of EL, FRPM and LI students. In addition, school districts are eligible to receive a concentration grant (the “Concentration Grant”) if the school district has a significant concentration of students classified as EL, FRPM or LI (collectively, “Unduplicated Pupils”). The LCFF uses an unduplicated student count to determine the amount of the Supplemental Grant and Concentration Grant authorized for a school district. A school district may only count a student one time if such student is classified in more than one of the EL, FRPM and LI categories. In the event the percentage of Unduplicated Pupils exceeds 55% of a school district’s total enrollment, the LCFF provides additional funding to the school district through a Concentration Grant. The Concentration Grant will be an amount equal to an additional 65% of the school district’s adjusted Base Grant, which includes the cost of living adjustment and grade span adjustments, if any, for each Unduplicated Pupil above the 55% threshold.

The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2023-24, the LCFF provided to school districts and charter schools: (a) a Base Grant for each LEA equivalent to

\$10,951 per ADA for kindergarten through grade 3; (b) a Base Grant for each LEA equivalent to \$10,069 per ADA for grades 4 through 6; (c) a Base Grant for each LEA equivalent to \$10,367 per ADA for grades 7 and 8; (d) a Base Grant for each LEA equivalent to \$12,327 per ADA for grades 9 through 12. The Base Grant amount for fiscal year 2023-24 includes a cost-of-living adjustment of 8.22%. The amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants is subject to the discretion of the State.

Since the full implementation of the LCFF in fiscal year 2018-19, there is no longer a gap between a school district's prior year funding and the target amount of funding under the LCFF for the current year. Further, there is no longer a difference between the District's target entitlement under the LCFF – the amount available once the LCFF is fully funded – and the District's transition entitlement. In fiscal year 2018-19, the District reached its target entitlement for the District and the Affiliated Charter Schools, such that there is no transition entitlement for the District and the Affiliated Charter Schools. Accordingly, the District's historically significant increases in LCFF funding from year to year are not reflective of the District's current and expected LCFF funding since the LCFF is fully funded.

The difference between the amount a school district or charter school would have received under the old funding system and the estimated amount it would receive for LCFF funding at full implementation, based on certain criteria is referred to as the "Economic Recovery Target." Only school districts and charter schools that were at, or below, the 90th percentile of per-pupil funding rates of school districts under the pre-fiscal year 2013-14 funding system, as determined at the certification of the State's second principal apportionment in fiscal year 2013-14, are eligible for Economic Recovery Target payments. Based on this criteria, the District is not entitled to receive Economic Recovery Target funding. However, certain of the District's Affiliated Charter Schools are entitled to the Economic Recovery Target funding and received approximately \$[1,000,000], collectively, in fiscal year 2022-23, and project [to receive approximately the same amount, collectively, in fiscal year 2023-24].

The District has the largest ADA in the State. See "DISTRICT GENERAL INFORMATION – Enrollment and Average Daily Attendance" herein. In addition, the District's ADA includes a significant number of students classified as Unduplicated Pupils. Accordingly, the District expects to receive more LCFF funding than other school districts in the State. The Fiscal Year 2023-24 Second Interim Report projects that approximately [_____] % of students attending non-charter schools of the District will be classified as Unduplicated Pupils under the LCFF during fiscal year 2023-24. The percentage of students classified as Unduplicated Pupils is based on a three-year rolling average. The District's calculation of ADA with respect to Unduplicated Pupils, which is used to determine Supplemental and Concentration Grant revenues, is subject to adjustment upon review thereof by the District's independent auditor.

The following Table A-3 sets forth the District's Base Grant per ADA for fiscal years 2014-15 through 2023-24 under the LCFF.

TABLE A-3
LOS ANGELES UNIFIED SCHOOL DISTRICT
Adjusted Base Grant Per Average Daily Attendance
Fiscal Years 2014-15 through 2023-24

<u>Fiscal Year</u>	<u>Grades K-3</u>	<u>Grades 4-6</u>	<u>Grades 7-8</u>	<u>Grades 9-12</u>
2014-15	\$7,740	\$7,116	\$7,328	\$8,712
2015-16	7,820	7,189	7,403	8,801
2016-17	7,820	7,189	7,403	8,801
2017-18	7,941	7,301	7,518	8,939
2018-19 ⁽¹⁾	8,235	7,571	7,796	9,269
2019-20	8,503	7,818	8,050	9,572
2020-21	8,503	7,818	8,050	9,572
2021-22	8,934	8,214	8,458	10,057
2022-23	9,520	8,754	9,013	10,716
2023-24	[10,951]	[10,069]	[10,367]	[12,327]

⁽¹⁾ LCFF was fully funded in fiscal year 2018-19.

Sources: Los Angeles Unified School District Comprehensive Annual Financial Report for fiscal years 2014-15 and 2015-16; the District for fiscal years 2016-17 through 2022-23; and Fiscal Year 2023-24 Second Interim Report for fiscal year 2023-24.

Local Control and Accountability Plan. Pursuant to the LCFF, since July 1, 2014, school districts, county offices of education and charter schools have been required to develop, adopt and annually update a three-year LCAP. The LCAP is required to identify goals and measure progress for student subgroups across multiple performance indicators. The Education Code requires each school district to file with the county superintendent of schools such school district's LCAP or annual update thereof not later than five days after its adoption. On or before August 15 of each year, the county superintendent of schools may seek clarification, in writing, from the governing board of such school district about the contents of the LCAP. The school district has the opportunity to respond to such request and the county superintendent is authorized to submit recommendations for amendments to the LCAP. On or before October 8 of each year, the county superintendent of schools is required to approve each school district's LCAP pending a determination that the school district has adhered to the template adopted by the State Board of Education, the school district's budget includes expenditures sufficient to implement the specific actions and strategies included in the LCAP based on projected costs, and the school district has adhered to the Education Code with respect to funds apportioned for Unduplicated Pupils.

The State's priorities for each LCAP include, among other things, compliance with requirements with respect to appropriateness of teacher assignments, ensuring that teachers are fully credentialed in the subject areas and for the pupils they are teaching, and ensuring that every pupil in the school district has sufficient access to the standards-aligned instructional materials as determined in accordance with the Education Code. In addition, school facilities are to be maintained in good repair. The State requires proper implementation of the academic content and performance standards adopted by the State Board of Education and will measure parental involvement (e.g., efforts to seek input from parents or guardians regarding decisions for the district and the school site), pupil achievement (e.g. performance on Statewide assessments, the academic performance index, readiness for college or career technical education, progress towards English proficiency, performance on advance placement examinations), pupil engagement (e.g., school attendance rates, chronic absenteeism rates, middle school dropout rates, high school dropout and graduation rates, pupil suspension and expulsion rates, etc.), access and enrollment in a broad course of study including the core subject areas and programs and services developed and

provided to Unduplicated Pupils, and pupil outcomes in the subject areas comprising a broad course of study.

In November 2014, the State Board of Education adopted final regulations to govern the expenditure of the Supplemental Grant and Concentration Grant funding. These regulations require school districts, county offices of education, and charter schools to increase and improve services for Unduplicated Pupils and provide authority for school districts to spend funds school-wide when significant populations of Unduplicated Pupils attend a school. Pursuant to the regulations, LEAs are required to obtain input from parents of students and the general public in connection with the development, revision and updates of LCAPs. In addition, the regulations require County superintendents to review school district LCAPs and require county offices of education to provide technical assistance if they disapprove an LCAP. The Education Code grants the State Superintendent of Public Instruction authority to intervene if a school district or charter school fails to show improvement across multiple subgroups in three out of four consecutive years.

Infectious Disease Outbreak

In general, the outbreak of a highly contagious disease or epidemic disease could harm the District's financial results or result in a temporary shutdown of the District's facilities. As discussed above, school districts in California are funded based on the LCFF, which allocates a base grant per unit of average daily attendance with additional supplemental grants based on certain factors. Thus, a temporary shutdown of a school or an entire school district would reduce the average daily attendance and could impact the funding a school district receives unless the State legislature or California Department of Education takes action to exclude such days from the calculations for funding purposes. Further, any impact on the State's tax and other revenue receipts as a result of a highly contagious or epidemic disease may in turn impact other educational funding that the District receives from the State. "– State Budget Act – *Future Budgets and Budgetary Actions*." In addition, the District may incur increased operational costs to conduct distance learning or to clean, sanitize and maintain its facilities either before or after an outbreak of an infectious disease.

COVID-19 Background. The outbreak of the respiratory disease caused by COVID-19 was previously declared a pandemic by the World Health Organization, a national emergency by former President Trump and a state of emergency by the Governor of the State.

Federal Response. On March 13, 2020, former President Trump declared a nationwide emergency pursuant to Section 501(b) of the Stafford Act, regarding the COVID-19 pandemic. On March 22, 2020, former President Trump approved the Major Disaster Declaration for the State of California, authorizing federal emergency aid related to COVID-19 administered through the Federal Emergency Management Agency ("FEMA"). As a result, local educational agencies were permitted to submit a request for FEMA public assistance through the California Office of Emergency Services for reimbursement of certain costs incurred as a result of COVID-19. [The District submitted its initial request for FEMA public assistance for eligible cleaning, sanitation, and personal protective equipment expenses incurred through June 30, 2020, and is working with FEMA to finalize and formally submit additional requests relating to its COVID-19 testing, vaccination and meal programs. As of September 30, 2023, the District has received confirmation of eligibility for approximately \$18 million of more than \$500 million in total assistance that has been or that it is anticipated will be requested of FEMA in connection with the COVID-19 pandemic. The District is working to maximize its reimbursement from FEMA and anticipates that a significant majority of the amount of assistance requested from FEMA will ultimately be deemed eligible and reimbursed.]

On March 27, 2020, the U.S. House of Representatives approved and former President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the “CARES Act”). The CARES Act provided \$30 billion to education, specifically \$3 billion allocated to state governors to be used at their discretion to address the emergency, \$13.5 billion for K-12 education, and \$14.25 billion for postsecondary institutions. School districts are able to use their share of the \$13.5 billion K-12 education allocation under the CARES Act, which was based on the proportion of Title I funding received for the then most recent fiscal year, for purposes authorized by federal law and other specified uses. The District was allocated approximately \$858.1 million in funding under the CARES Act, which included approximately \$289.7 million from the Elementary and Secondary School Emergency Relief Fund (the “ESSER”) provided directly from the federal government to the District, and amounts allocated by the State of California through its Learning Loss Mitigation Fund, including approximately \$488.6 million from the Coronavirus Relief Fund (the “CRF”) provided from CARES Act funding, approximately \$31.9 million from the Governor’s Emergency Education Relief Fund (the “GEER”) provided from CARES Act funding, and approximately \$47.9 million from the State’s general fund. As of June 30, 2023, the District has received all \$858.1 million allocated under the CARES Act. The District has also received approximately \$22.0 million in supplemental reimbursements at a rate of 75 cents per meal for meals served to students between March 2020 and August 2020; a portion of such funding was provided by federal sources under the CARES Act and the other portion of such funding was provided by State funds. In addition, the District has been awarded approximately \$6.0 million in grant funds by the State under the California Community Schools Partnership Program for expenditures relating to the District’s community schools. As of June 30, 2023, the District has received all \$6.0 million of such grant funding.

On December 27, 2020, HR 133 was enacted, which includes a \$900 billion COVID-19 relief package. HR 133 provided approximately \$81.9 billion to education, specifically about \$4.1 billion allocated to state governors to be used at their discretion to address the emergency, of which approximately \$2.75 billion was reserved for private K-12 education, about \$54.3 billion for K-12 education, around \$22.7 billion for postsecondary institutions, and about \$819 million for outlying areas and Bureau of Indian Affairs schools. School districts are able to use their share of the approximately \$54.3 billion K-12 education allocation under HR 133, which was based on the proportion of Title I funding received for the then most recent fiscal year, for purposes authorized by federal law and other specified uses. Pursuant to HR 133, \$154 million was allocated to the State in the form of funding for public schools from the GEER (the “GEER II”), and the State ultimately incorporated such funds into the expanded learning opportunity grant funding discussed below. In addition, pursuant to HR 133, the District is eligible to receive approximately \$1.15 billion in funding from the ESSER (the “ESSER II”) for eligible expenditures obligated through September 30, 2023. The District has received all \$1.15 billion in ESSER II funding as of June 30, 2023. In addition, under HR 133, the District received a one-time child development stipend of approximately \$4 million for costs associated with childcare programs.

On March 11, 2021, the American Rescue Plan Act of 2021 (“HR 1319”), a \$1.9 trillion COVID-19 relief package, was enacted. HR 1319 provided approximately \$165.15 billion to education, specifically about \$122.8 billion to public K-12 education, around \$2.75 billion to private K-12 education and about \$39.6 billion to postsecondary institutions. Of the approximately \$122.8 billion in K-12 funding, about \$7.2 billion was set aside for purchasing technology to support digital learning and around \$800 million is set aside for supporting homeless students. HR 1319 allocated K-12 funding to states and school districts according to the proportion of Title I funding received for the then most recent fiscal year. It further stipulated that of the K-12 funds received by states, 90% must be distributed to local educational agencies, 5% must be used to address learning loss, 1% must be used for summer enrichment programs and 1% must be used for comprehensive afterschool programs, and of the K-12 funds received directly by school districts, 20% must be used to address learning loss. [Pursuant to HR 1319, the District expects to receive approximately \$2.6 billion in additional funding from the ESSER (the “ESSER III”) for expenditures obligated through September 30, 2024. As of June 30, 2023, the District has received

approximately \$1.2 billion in ESSER III funding. Pursuant to HR 1319, the District also may receive up to \$281.6 million from the amounts dedicated to technology and digital learning (the “Emergency Connectivity Fund”). As of June 30, 2023, the District has received approximately \$45.5 million of funding from the Emergency Connectivity Fund.]

Pursuant to a grant from the U.S. Department of Health and Human Services, LACOE received funding for COVID testing to allocate to school districts within its jurisdiction. Accordingly, the District was allocated approximately \$82.2 million in funding for COVID testing expenses during fiscal year 2021-22, all of which the District received during fiscal year 2021-22.

State Legislation Relating to School Districts. On March 17, 2020, the Governor signed Senate Bill 117 (“SB 117”) as urgency legislation effective immediately. For purposes of school district funding for fiscal year 2019-20, SB 117 limited the average daily attendance reported to the California Department of Education to include the full school months from July 1, 2019, to February 29, 2020. This condensed ADA period applied to school districts that complied with Executive Order N-26-20. SB 117 further states the intent of the State Legislature is that a school district’s employees and contractors be paid during the period of a school closure due to COVID-19. SB 117 also waived instructional time penalties that would otherwise accrue, as long as the school district superintendent, county superintendent or charter school administrator certify that the closure due to COVID-19 caused the school district to fall below applicable instructional time requirements. SB 117 also included \$100 million in additional funding to school districts for certain costs incurred as a result of COVID-19. The District received approximately \$7.9 million, which includes amounts for Affiliated Charter Schools, from such additional State funding in fiscal year 2019-20.

The Governor signed Assembly Bill 86 (“AB 86”) into law on March 5, 2021. AB 86 provided approximately \$6.6 billion to local educational agencies to encourage a return to in-person education, with a focus on students who are younger (TK-2) and most disproportionately impacted by the COVID-19 pandemic. Funding was distributed as follows: \$725 per student, an additional \$1,000 per homeless student, and funds remaining after these apportionments are distributed proportionally based on LCFF. \$2 billion was set aside as incentive for school districts that return to in-person instruction by March 31, 2021 for at least TK-2 and ramping up to include higher grades if county transmission rates allow. Beginning April 1, 2021, school districts’ apportioned incentive funding was reduced by 1% for every academic calendar day they do not offer in-person education until May 15, 2021, after which school districts forfeit their entire apportionment of incentive funding. AB 86 allocated approximately \$4.6 billion to local educational agencies to support expanded learning opportunities that target learning loss resulting from the COVID-19 pandemic. School districts must implement learning recovery programs that include, at minimum, supplemental instruction, resources for social and emotional well-being and meal programs. AB 86 also established reporting requirements to monitor COVID-19 cases and in-person education status and apportioned \$25 million to the State’s “Safe Schools For All Team” to provide technical assistance, community engagement, oversight and accountability to school districts. AB 86 further set aside 10% of the State’s vaccine supply for childcare and TK-12 education staff. [Pursuant to AB 86, the District expects to receive approximately \$572.5 million in additional funding following its reopening of schools for in-person hybrid instruction throughout April 2021. As of June 30, 2023, the District has received approximately \$525.95 million in such funding.]

The Governor signed Assembly Bill 130 (“AB 130”) into law on July 9, 2021. [Pursuant to AB 130, the District received approximately \$243.2 million in funding in fiscal year 2021-22 and is eligible for \$457.10 million per year thereafter for the operation of afterschool and summer school enrichment programs through the Expanded Learning Opportunities Program.] In addition, pursuant to AB 130, the District received an additional \$45.7 million in funding through the Special Education Learning Recovery Support program and approximately \$10.1 million for dispute prevention and dispute resolution. While

the Expanded Learning Opportunities Program is not a traditional one-time COVID relief funding source like the other COVID relief funding discussed above, it is part of the State's on-going response to educational challenges exacerbated by the COVID-19 pandemic.

[As of June 30, 2023, in aggregate from federal and State funding sources described above from fiscal year 2019-20 through fiscal year 2023-24, the District expects to receive approximately \$5.6 billion in COVID-19 relief funding, which does not include the funding that the District received through the Expanded Learning Opportunities Program in fiscal year 2021-22 or the funds that the District expects to receive through the Expanded Learning Opportunities Program on an ongoing basis. As of June 30, 2023, the District has received approximately \$4.0 billion in such COVID-19 relief funding, which does not include any funds received through the Expanded Learning Opportunities Program.]

District Response. As a result of the outbreak of COVID-19, on March 10, 2020, the District Board declared that emergency conditions exist throughout the District and authorized the Superintendent to take any and all actions necessary to ensure the health and safety of students and staff. Under such authority, the Superintendent closed all schools within the District for in-person instruction effective March 16, 2020. The District implemented a distance learning model for the remainder of the 2019-20 school year.

The District utilized the distance learning model for much of the 2020-21 school year, which commenced on August 18, 2020, given the ongoing COVID-19 pandemic. However, the District began reopening schools for in-person hybrid instruction the week of April 12, 2021, starting with 61 elementary schools and 11 early education centers. The remaining elementary schools and early education centers reopened for in-person hybrid instruction the week of April 19, 2021, and middle schools and high schools reopened for in-person hybrid instruction the week of April 26, 2021. Distance learning also remained available to students throughout the 2020-21 school year. To ensure that the reopening was as safe as possible for students, employees, and the communities, the District published its COVID-19 Containment, Response and Control Plan in February 2021, which details plans, practices and health and safety protocols for reopening schools and is available on the District's website. The District also offered vaccinations to all District employees, administered vaccinations at multiple school sites, and operated a mass vaccination center at Hollywood Park to serve its employees and charter school employees. Baseline COVID-19 testing and subsequent periodic testing on a weekly basis was made available to all students and staff located at school facilities.

[The District fully opened its school facilities to full-time in-person instruction at the outset of the 2021-22 school year. The District operates an independent study program for students who do not want to return to in-person instruction. Beginning in October 2021, the District required all employees to be vaccinated against COVID-19, but on September 26, 2023, the Board of Education rescinded that requirement. During the 2021-22 school year, the District conducted weekly testing of all staff and students for COVID-19. During the 2022-23 school year, the District no longer requires weekly testing, but provides rapid antigen tests for symptomatic and exposed students and staff. The District continues to implement strict health and safety measures to ensure the safety of its staff and students.]

[In response to the COVID-19 pandemic, the District incurred costs totaling approximately \$4.5 billion from March 2020 through June 30, 2023. Such costs were largely attributed to the following priorities:

- **Instructional Connectivity** – The District purchased over 217,000 new devices and provided over 107,800 internet connections for students to support distance learning. The District also developed online learning platforms and provided training to teachers to support online instruction.

- **Learning Loss Mitigation** – The District implemented various program to address the effects of learning loss exacerbated by the COVID-19 pandemic, including additional educational and enrichment opportunities during the summer, as well as tutoring and after school programs.
- **Health and Safety - Meals** – The District established 63 “Grab & Go” food centers across the District to provide breakfast and lunch meals to children and adults in need. In May 2020, the District increased the number of meals provided each weekday from two to three for each child and adult who visited the food centers. The District distributed more than 100 million meals to children and adults from March 2020 until April 2021, when the Grab & Go program ended in conjunction with the District’s return to in-person instruction at the District’s school sites.
- **Health and Safety – Cleaning and Protective Equipment** - The District has incurred significant additional costs associated with the sanitation of schools and other District facilities, the supply of personal protective equipment, upgrades to its ventilation systems to provide additional protection against COVID-19 and other airborne viruses, and to facilitate social distancing and provide additional protective measures against the transmission of COVID-19.
- **Health and Safety – COVID-19 Testing** – The District has implemented a robust COVID-19 testing program, providing access to state-of-the-art COVID-19 tests to its students and staff at locations throughout the District.
- **Business Continuity and Connectivity** – Since the District’s administration and support staff are largely working remotely, the District has provided staff with the tools and training necessary to ensure that operations continue.]

[As a result of the COVID-19 pandemic, the District currently projects approximately \$916.8 million in COVID-19 related costs associated with operating schools during the 2023-24 school year. More specifically, based on the Fiscal Year 2023-24 Budget, the District projects (1) approximately \$67.5 million in costs associated with strategies for continuous and safe in-person learning; (2) approximately \$282.5 million in costs associated with addressing lost instructional time; and (3) approximately \$566.8 million in costs for addressing additional district priorities. For more information on the District’s COVID-19 relief funding expectations for fiscal year 2023-24, see “DISTRICT FINANCIAL INFORMATION – District Budget.”]

While the State and federal one-time COVID-19 relief funding discussed above has provided and will continue to provide some immediate relief to school districts, including the District, the long-term impacts of the COVID-19 outbreak on the District’s operations and finances are not fully known as the situation continues to evolve. The District cannot predict whether similar legislation would be enacted in the event the outbreak severity of COVID-19 returns or a similar or other outbreak of a highly contagious disease or epidemic disease were to occur in the future.

Charter School Funding

A charter school is a public school authorized by a school district, county office of education or the State Board of Education. State law requires that charter petitions be approved if they comply with the statutory criteria. The District has certain fiscal oversight and other responsibilities with respect to both Affiliated Charter Schools and Fiscally Independent Charter Schools located in the District geographic boundaries. However, Fiscally Independent Charter Schools are separate LEAs and receive revenues directly from the State. Affiliated charter schools receive their funding from the District and are included in the District’s budgets and audit reports. Information regarding enrollment, ADA, budgets and other

financial information relating to Fiscally Independent Charter Schools is not included in the District's audit reports or in this Official Statement unless otherwise noted.

Pursuant to the LCFF, Fiscally Independent Charter Schools and Affiliated Charter Schools will receive a Base Grant per ADA and are eligible to receive Supplemental Grants and Concentration Grants. See “ – Local Control Funding Formula” herein. In fiscal year 2023-24, the District operates 51 Affiliated Charter Schools and oversees [221] Fiscally Independent Charter Schools within the District boundaries. The fiscal year 2023-24 funded ADA of the Affiliated Charter Schools and the Fiscally Independent Charter Schools is anticipated to be approximately [34,021] and [98,111], respectively. An increase in the number of Fiscally Independent Charter Schools within the boundaries of a school district or an increase in the number of students transferring to a Fiscally Independent Charter School or an Affiliated Charter School from a traditional school within a school district may cause a net reduction in the District's ADA.

Limitations on School District Reserves

Unless a school district is granted an exemption by its county superintendent of schools, amounts in its reserves may not exceed the limitations set forth in the Education Code once certain conditions precedent are met. Pursuant to Section 42127.01 of the Education Code, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Public School System Stabilization Account is equal to or exceeds 3% of the combined total of State general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised shall not contain a combined assigned or unassigned ending general fund balance that is in excess of 10% of total General Fund expenditures and other financing uses. A county superintendent of schools may grant a school district under its jurisdiction an exemption from the reserves limitation for up to two consecutive fiscal years within a three-year period if the school district provides documentation indicating that extraordinary fiscal circumstances, including, but not limited to, multiyear infrastructure or technology projects, substantiate the need for a combined assigned or unassigned ending general fund balance that is in excess of the reserves limitation. The limitation applies once the Superintendent of Public Instruction notifies school districts and county offices of education that the conditions precedent are met. The Superintendent of Public Instruction is also required to notify school districts and county offices of education when those conditions no longer exist.

The State-imposed minimum recommended reserve for the District is accounted for in the District's reserve for economic uncertainties. Payments allocated to the Public School System Stabilization Account by the State in fiscal years 2021-22 and 2022-23 triggered certain limitations on school district reserves under the Education Code in fiscal years 2022-23 and 2023-24. In fiscal years 2022-23 and 2023-24, the District Board has committed funds comprising portions of the General Fund ending balance to (1) proportionality resources that are allocated to schools to increase or improve services for low income, English language learner, and foster youth students, (2) the primary promise program for elementary school students to build a foundation in literacy, math, and critical thinking skills, (3) inflation protection, and (4) financial obligations pursuant to labor agreements. [At the time of preparation of the 2023-24 Second Interim Report, the District's assigned and unassigned ending General Fund balance for fiscal year 2023-24 does not exceed 10% of the total General Fund expenditures and other financing uses. Thus, the District complies with the limitations on reserves.]

DISTRICT FINANCIAL INFORMATION

District Financial Policies and Related Practices

General. The District has three key financial policies: a budget and finance policy (the “Budget and Finance Policy”), a debt management policy (the “Debt Management Policy”) and an investment policy (the “Investment Policy”).

Budget and Finance Policy. The District has adopted a Budget and Finance Policy pursuant to which the District creates and funds reserves for operating purposes (collectively, the “Operating Reserves”) and liability management purposes (collectively, the “Liability Reserves”). The Budget and Finance Policy reflects reserve categories promulgated by the Government Accounting Standards Board (“GASB”) and incorporates certain reserve categories established by the District. See “STATE FUNDING OF SCHOOL DISTRICTS – Limitations on School District Reserves” herein.

Operating Reserves. The District uses the Operating Reserves to manage its budget for each fiscal year. A portion of the District’s authorized appropriations are set aside in the Operating Reserves. The District generally appropriates amounts from the General Fund based on the amount estimated in its budget. However, the District may appropriate funds from unspent balances within the Operating Reserves, if necessary. Accordingly, the District uses the Operating Reserves to ensure that appropriations reflect the District’s actual General Fund expenditures. The current Operating Reserves include nonspendable reserves, restricted reserves, committed reserves, assigned reserves, and unassigned reserves, the latter of which includes the District’s reserve for economic uncertainties. Pursuant to the California Code of Regulations, school districts with an ADA between 30,001 and 400,000 students, such as the District, must maintain a reserve for economic uncertainties of 2% of General Fund appropriations.

Pursuant to the Budget and Finance Policy, the District’s total General Fund balance may not be less than an amount equal to 5% of total General Fund expenditures and net transfers out during a fiscal year (the “5% Minimum Reserve Threshold”). In addition, the Budget and Finance Policy requires the projected General Fund balance to satisfy the 5% Minimum Reserve Threshold in each of the two subsequent fiscal years which the District includes in its interim financial reports. In the event that the District’s estimates indicate that the total General Fund balance will not satisfy the 5% Minimum Reserve Threshold in any of the current fiscal year or two subsequent fiscal years, the Budget and Finance Policy directs the District to develop and implement budget proposals to restore reserve balances to the 5% Minimum Reserve Threshold.

[Based on the Fiscal Year 2023-24 Second Interim Report, the District’s Operating Reserves are expected to satisfy both the 5% Minimum Reserve Threshold and the 2% statutory reserve requirement for fiscal years 2023-24, 2024-25 and 2025-26]. Unlike the 5% Minimum Reserve Threshold, the 2% statutory reserve requirement is based on the unrestricted and unassigned ending fund balance (including the reserve for economic uncertainties) only and does not take into account the restricted, committed, or assigned ending fund balances. See “– District Budget – *Fiscal Year 2023-24 Second Interim Report*” and “– District Budget – *Revisions to Fiscal Year 2023-24 Budget*” herein.

Liability Reserves. Pursuant to the Budget and Finance Policy, the District must establish several Liability Reserves, including a self-insurance reserve, a workers’ compensation reserve (the “Workers’ Compensation Fund”), a health and welfare reserve (the “Health and Welfare Benefits Fund”), an other-post-employment benefits (“OPEB”) reserve (the “OPEB Trust Fund”), and a pension (CalSTRS and CalPERS) reserve (the “Pension Reserve”).

The amount required to be on deposit in the Workers' Compensation Fund is established with information from an independent actuary. The District determines the annual budget for workers' compensation by reviewing the amount necessary to fund its outstanding workers' compensation liability to the actuarially recommended level based on the central estimate approach and by additionally calculating the amount necessary for claims and operation of the Workers' Compensation Fund. The District uses the difference of the current fiscal year's central estimate versus that from the previous fiscal year to establish the amount necessary to fund projected liabilities. With respect to funding claims activity, the amount required to be on deposit in the Workers' Compensation Fund is based on the anticipated increase in claims cost in the current fiscal year versus the prior fiscal year. Such amount is generally higher than the amount recommended in the actuarial report. See "– Risk Management and Litigation" herein.

The District Board approved the creation of an irrevocable trust for its OPEB liability (the "OPEB Trust Fund") in May 2014. The Budget and Finance Policy directs the District, subject to approval by the District Board, to make annual contributions to the OPEB Trust Fund when the balance in the General Fund exceeds the 5% Minimum Reserve Threshold to the extent possible. In the event that the unrestricted portion of the General Fund is above 5% of the unrestricted revenues (after the annual OPEB contribution has been determined), the Budget and Finance Policy directs the District to make an additional contribution from the assigned OPEB reserve to the OPEB Trust Fund. See "– Other Postemployment Benefits" herein. As of June 30, 2023, the net position of the OPEB Trust Fund was approximately \$[] million. This amount does not reflect the \$33.3 million contribution designated for internal purposes as a fiscal year 2022-23 contribution but not deposited into the OPEB Trust Fund until August 11, 2023.

The Health and Welfare Benefits Fund is used to pay all health and welfare payments for active employees and retirees. The District determines funding of the Health and Welfare Benefits Fund based on the applicable health benefits agreement for each of the applicable years. See "– Employees and Labor Relations – *Negotiations Regarding Labor Contracts*" herein. As of June 30, 2023, the net position of the Health and Welfare Benefits Fund was approximately \$[] million.

Budgeting Practices. Beginning in fiscal year 2022-23, the District implemented new budgeting practices. As part of such new budgeting practices, the District prepares quarterly budget to actuals analysis for various departments to inform internal budget adjustments or reallocations that may occur throughout the fiscal year. Such new budgeting practices also include zero based budgeting that involves developing a new budget each fiscal year, as opposed to starting with the previous fiscal year's budget and making adjustments, in order to ensure that all expenses are justified for the new fiscal year. As part of the development of the Fiscal Year 2023-24 Budget, zero based budgeting was implemented in certain departments, including Information Technology Services, Procurement Services, Maintenance and Operations, and Federal and State Education Programs. The District plans to phase-in zero based budgeting to other departments over time.

Debt Management Policy. The Debt Management Policy establishes formal guidelines for the issuance and management of the District's debt and other financial obligations. The Debt Management Policy establishes targets and ceilings for certificates of participation ("COPs") and unhedged variable rate exposure and sets forth benchmark debt ratios that include both COPs and the District's general obligation bonds. The Debt Management Policy also requires the District to annually publish a comprehensive debt report that, among other things, provides information on tax rates related to the District's general obligation bonds and credit factors that reflect the District's ratings.

The Debt Management Policy is required to be reviewed annually. The current Debt Management Policy was approved by the District Board on June 13, 2023. The District is in compliance with the Debt

Management Policy. The Debt Management Policy establishes a ceiling of 2.0% for the ratio of COPs gross annual debt service to District General Fund expenditures. The District Board may increase the target at the time a new debt issuance is proposed, but such authority is not intended to exceed the ceiling established in the Debt Management Policy. [As of [October 1, 2023], the maximum fiscal year COPs debt service was approximately 0.53% of the District General Fund expenditures during fiscal year 2022-23. As of [October 1, 2023], the District has outstanding COPs in the aggregate principal amount of approximately \$471.6 million.] (See “ – District Debt – *Certificates of Participation*” for more information.) The Debt Management Policy limits unhedged variable rate debt to \$100 million and requires reporting of the debt ratios and benchmarks. The District currently has no variable interest rate exposure.

Investment Policy. The foremost objective of the District’s Investment Policy is safety. In addition, the Investment Policy directs the District to invest public funds in a manner that will maximize the investment return on all of its funds with maximum security while meeting the daily cash flow demands of each portfolio of the District and conforming to all federal, State, and local statutes governing the investment of public funds. Further, the Investment Policy directs that all investments of the District be undertaken to ensure the preservation of capital in the overall portfolio. To attain this objective, the District may diversify its investments by investing funds among a variety of securities offering independent returns. In addition, the Investment Policy requires the District’s investment portfolios remain sufficiently liquid to enable the District to meet its operating requirements and be structured to attain a maximum return commensurate with its investment risk constraints and the cash flow characteristics of each portfolio. The District is in compliance with the Investment Policy.

The District’s operating funds and all of the debt service funds maintained for repayment of general obligation bonds are deposited in the County Treasury Pool in accordance with State law and managed pursuant to the County’s Investment Policy, a copy of which can be found at <http://ttc.lacounty.gov/>. Such website is not incorporated herein by reference and the District, its counsel (including Bond Counsel and Disclosure Counsel), the Municipal Advisor, the Underwriters and their counsel do not make any representation as to the accuracy of the information provided therein. See APPENDIX F – “THE LOS ANGELES COUNTY TREASURY POOL.” However, with the concurrence of the County’s Treasurer and Tax Collector, the District may direct the investment of funds in certain of its operating funds and debt service funds so long as such direction complies with both the County’s investment policy and the District’s Investment Policy. In addition, the District can direct the investment of indentured funds held by third party trustees with regard to certain issuances of COPs pursuant to a prescribed list of permitted investments.

Significant Accounting Policies, System of Accounts and Audited Financial Statements

The CDE imposes by law uniform financial reporting and budgeting requirements for K-12 school districts. Financial transactions are accounted for in accordance with the California School Accounting Manual. The District uses fund accounting and maintains governmental funds, proprietary funds and fiduciary funds. The General Fund is the chief operating fund of the District. For a description of the other major funds of the District, see the description thereof contained in APPENDIX B – “AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023.” Note 1 to such audited financial statements sets forth significant accounting policies that the District follows. Simpson & Simpson Certified Public Accountants (“Simpson”), Los Angeles, California, served as independent auditor to the District for its audited financial statements for fiscal year 2021-22. Simpson has not been requested to consent to the use or to the inclusion of its reports in this Official Statement, and it has not audited or reviewed this Official Statement. The District’s audited financial statements for the fiscal year ended June 30, 2023 are included as Appendix B to this Official

Statement. The complete audited financial statements of the District, including the notes thereto, are an integral part of this Official Statement.

Typically, the District is required to file its audited financial statements for the preceding fiscal year with the State Controller's Office, the CDE and the County Superintendent of Schools by December 15 of each year. During the last five years, the District timely filed its audited financial reports with the State Controller's Office, the CDE, and LACOE pursuant to the Education Code and any applicable legislation amending the filing deadline thereof by the respective deadlines therefor.

The audited financial statements for fiscal year 2022-23 include certain audit findings and questioned costs. With respect to the audited financial statements for fiscal year 2022-23, Simpson identified 13 audit findings and questioned costs totaling approximately \$[] million. For detailed information regarding such findings and questioned costs, see Appendix B. Notably, in fiscal year 2022-23 – like fiscal year 2020-21 and fiscal year 2021-22 – the District did not meet the minimum threshold of General Fund spending on classroom teacher salaries and benefits in accordance with Education Code Section 41372. Under Education Code Section 41372, a unified school district, like the District, is required to spend a minimum of 55% of its General Fund resources on classroom salaries and benefits. In fiscal year 2022-23, the District spent approximately 47.05% of its General Fund resources on classroom salaries and benefits, which is approximately 7.95% or \$687.6 million below such minimum threshold set forth in the Education Code. [Such discrepancy is the result of the COVID-19 pandemic that caused the District to spend significant General Fund revenues on devices, internet connectivity, instructional software licenses, and other necessary expenses to support the return to campus and a safe in-person learning environment as well as expenses resulting from testing, tracing and vaccination efforts.] On August 22, 2023, the District Board approved the submission of a waiver request to the County Superintendent with respect to fiscal year 2021-22, and on October 4, 2023, the waiver was approved by the County Superintendent. The District's waiver with respect to fiscal year 2020-21 was approved by the County Superintendent in October 2022. [The District expects to submit a waiver request to the County Superintendent with respect to fiscal year 2022-23.]

Copies of the District's audited financial statements as well as budgets and interim financial reports may be obtained from the website of the District: www.lausd.org. The website is not incorporated herein by reference and the District, its counsel (including Bond Counsel and Disclosure Counsel), the Municipal Advisor, the Underwriters and their counsel do not make any representation as to the accuracy of the information provided therein.

District Budget

General School District Budget Process and Oversight. State law requires that each school district maintain a balanced budget in each fiscal year. The California Department of Education imposes a uniform budgeting and accounting format for school districts. Under current law, a school district governing board must adopt and file with the county superintendent of schools a budget by July 1 in each fiscal year. The District is under the jurisdiction of the County of Los Angeles Superintendent of Schools.

The county superintendent of schools must approve, conditionally approve, or disapprove the adopted budget for each school district by September 15 in accordance with the Education Code. The county superintendent of schools is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. The county superintendent of schools is also required to determine whether the adopted budget will allow the school district to meet its financial obligations during the fiscal year and is consistent with a financial plan that will enable the school district to satisfy its multiyear financial commitments. The Education Code directs the county

superintendent of schools to disapprove any school district budget if it determines that the budget does not include expenditures necessary to implement an LCAP or an annual update to the LCAP. See “STATE FUNDING OF SCHOOL DISTRICTS – Local Control Funding Formula – *Local Control and Accountability Plan*” herein for more information about LCAP.

In the event that the county superintendent of schools conditionally approves or disapproves the school district’s budget, the county superintendent of schools will submit to the governing board of the school district no later than September 15 of such year recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent of schools can approve that budget. In addition, school districts must make available for public review any revisions to revenues and expenditures that it has made to its budget to reflect the funding made available by the State Budget Act (defined herein) not later than 45 days after the enactment of the State Budget Act.

The governing board of the school district, together with the county superintendent of schools, must review and respond to the recommendations of the county superintendent of schools before October 8 at a regular meeting of the governing board of the school district. The county superintendent of schools will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent of schools disapproves a revised budget, the county superintendent of schools will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the county superintendent of schools may impose a budget and will report such school district to the State Legislature and the Department of Finance. In prior years, LACOE has granted a conditional approval to certain of the District’s budgets pending, among other things, approval of the District’s LCAP, information regarding collective bargaining and other budgetary considerations. However, in the last ten years, LACOE has not disapproved any budget submitted to it by the District. LACOE approved the Fiscal Year 2023-24 Budget, including the District’s revisions to the Fiscal Year 2023-24 Budget approved by the District Board on August 22, 2023. See “– *Fiscal Year 2023-24 Budget*,” “– *Revisions to Fiscal Year 2023-24 Budget*” and “– *LACOE’s Response to Fiscal Year 2023-24 Budget*” below.

Subsequent to approval, the county superintendent of schools will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations. If the county superintendent of schools determines that a school district cannot meet its current or the subsequent year’s obligations, the county superintendent of schools will notify the school district’s governing board, the Superintendent of Public Instruction and the president of the State board (or the president’s designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the Superintendent of Public Instruction and the school district’s governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district’s governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district’s governing board, a budget for the subsequent fiscal year and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent of schools will also make a report to the Superintendent of Public Instruction and the president of the State board or the president’s designee about the financial condition of the school district and the remedial actions proposed by the county superintendent of schools. However, the county superintendent of schools may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent of schools assumed authority.

Fiscal Stabilization Plan. While LACOE and the District will partner to implement actions necessary to stabilize and improve the financial condition of the District as and when needed, LACOE has not required nor has the District implemented a new fiscal stabilization plan since 2019 in light of the District's positive certification on its recent interim reports. In the event that the District's financial condition were to change in future fiscal years, LACOE may require the District to implement a fiscal stabilization plan to stabilize and improve the financial condition of the District.

Fiscal Year 2023-24 Budget. The Fiscal Year 2023-24 Budget was adopted by the District Board on June 20, 2023. The Fiscal Year 2023-24 Budget was developed with the assumptions contained in the Governor's May revision to the proposed fiscal year 2023-24 State Budget, which were revised in the 2023-24 State Budget.

The Fiscal Year 2023-24 Budget projects a General Fund beginning balance of approximately \$5.18 billion, total budgeted revenues of \$10.53 billion, total budgeted expenditures of \$11.64 billion, budgeted other financing sources and uses of \$2.82 million, and a budgeted ending balance of \$4.07 billion. The Fiscal Year 2023-24 Budget projects that its budgeted General Fund ending balance of \$4.07 billion is expected to consist of approximately \$233.45 million for the mandatory reserve for economic uncertainties, \$43.00 million of non-spendable revolving cash, stores, and prepaid expenditures, \$1.26 billion of restricted ending balances, \$1.97 billion of committed ending balances, \$451.87 million of assigned ending balances, and \$113.70 million of undesignated and unassigned ending balances.

The Fiscal Year 2023-24 Budget includes certain assumptions and policies, including:

- a COLA of 8.22% for the LCFF;
- 8.22% statutory COLA for selected categorical programs outside of LCFF and Special Education;
- LCFF-funded ADA of 375,903.74 for non-charter schools, which is based on the average of 3 prior year's ADA, and 34,020.45 for Affiliated Charter Schools, which is based on projected fiscal year 2023-24 ADA; the percentage of ADA to enrollment is 90%;
- estimated unduplicated pupil count and three-year rolling average unduplicated pupil percentage of 325,422 and 85.93%, respectively, for non-charter schools (including County Program students) and 17,663 and 46.93%, respectively, for Affiliated Charter Schools;
- an LCFF allocation of \$1.25 billion from the Education Protection Account (the "Education Protection Account") established by Proposition 30 (defined herein) to be spent for instruction;
- LCFF supplemental and concentration expenditure of \$1.60 billion;
- State Special Education funding reflects increased base rate of \$887 per ADA;
- lottery unrestricted rate per ADA is estimated at \$170 per ADA and restricted rate per ADA is estimated at \$67 per ADA;
- the District is estimated to receive approximately \$1.8 billion in fiscal year 2022-23 from HR 1319 - Elementary and Secondary School Emergency Relief (ESSER) III, which is a one-time COVID-19 resource, and approximately \$579.9 million in fiscal year 2022-23 from Expanded Learning Opportunities Program;

- the District anticipates receiving \$68.9 million from HR 133 - Elementary and Secondary School Emergency Relief (ESSER) II and \$881.6 million from HR 1319 - Elementary and Secondary School Emergency Relief (ESSER) III in fiscal year 2023-24, which the District anticipates using for schools, operations, and continuity of learning in fiscal year 2023-24;
- the District anticipates receiving \$457.1 million from the ELOP in fiscal year 2023-24, which the District anticipates using, together with \$456.4 million in ELOP funds carried over from fiscal year 2022-23, for expanded learning opportunities;
- a net enrollment decline of 8,453 from fiscal year 2022-23 for non-charter and Affiliated Charter Schools;
- an enrollment decrease of approximately 1,759 students for Fiscally Independent Charter Schools;
- certificated and classified salaries include bargaining unit agreements with SEIU Local 99, AALA (Unit J – Classified Managers), and UTLA;
- funding for employee health and medical benefits at the per participant rate set forth in the Health and Welfare Agreement (defined herein);
- a contribution to the OPEB Trust Fund of \$211 million from all funds of the District for fiscal year 2023-24;
- a contribution rate for CalSTRS (defined herein) for fiscal year 2023-24 of 19.10%;
- an increase of 1.31% of the CalPERS (defined herein) employer contribution rate for fiscal year 2023-24 from 25.37% to 26.68%;
- a California consumer price index of 3.54% on other operating expenditures, except utilities which is projected to decline by 5.76% as a result of shifting from 24-hour HVAC to occupancy-based usage;
- ongoing and major maintenance resources of \$310.6 million, which constitutes approximately 3% of the District's budgeted General Fund expenditures and other financing uses, excluding CALSTRS on-behalf payments made by the State and COVID-19 expenditures from certain one-time funds related to ESSER II and ESSER III;
- support to the cafeteria program and child development from the General Fund of \$11.6 million and \$1.5 million, respectively, in fiscal year 2023-24;
- a contribution from all funds of the District of \$120.0 million to the Workers' Compensation Fund and inclusion of the total Workers' Compensation actuarially-determined funded liability of \$463.2 million;
- inclusion of general obligation bonds and COPs (defined herein) proceeds, debt service and other interfund transfer expenditures and revenues in fiscal year 2023-24;
- a reserve for economic uncertainties totaling \$233.5 million, which reflects the statutory 2% budgeted expenditure requirement and other financing uses;

- inclusion of beginning balances in the General Fund and other funds for fiscal year 2023-24, reflecting the updated estimated ending balance as of June 30, 2023, which includes expenditures related to COVID-19;
- estimated ending balances for the General Fund and other funds for fiscal year 2023-24, which reflect the difference between the estimated revenue and expenditure levels for fiscal year 2023-24;
- commitment of portions of the General Fund ending balances to meet the 10% limitation on reserves (calculated based on assigned and unassigned balances) (see “STATE FUNDING OF SCHOOL DISTRICTS – Limitations on School District Reserves” for more information);
- release of committed fund balance of \$300 million originally committed to Student Equity Needs Index (SENI), as approved by the District Board on May 9, 2023. SENI, funded at \$700 million, is intended to be funded with a combination of sources including, but not limited to, supplemental and concentration funds and the proposed equity multiplier;
- authority to transfer amounts, as necessary, to implement technical adjustments related to the Fiscal Year 2023-24 Budget;
- authority to implement new revenues for fiscal year 2023-24, if any, and increase budgeted appropriations accordingly; and
- a transfer from the Community Redevelopment Agency Fund to repay the General Fund in the amount of \$30 million initially paid for the ongoing and major maintenance resources.

Revisions to Fiscal Year 2023-24 Budget. The Fiscal Year 2023-24 Budget was developed with the assumptions contained in the Governor’s May revision to the proposed fiscal year 2023-24 State Budget, which were revised in the 2023-24 State Budget. On August 22, 2023, the District Board approved revisions to the Fiscal Year 2023-24 Budget that reflect the enacted 2023-24 State Budget as well as other significant changes affecting the District’s finances since the adoption of the Fiscal Year 2023-24 Budget, including impacts of certain completed labor negotiations. Significant approved revisions to the Fiscal Year 2023-24 Budget include:

- In June 2023, reopener negotiations concluded with CSEA with respect to employee bargaining Unit D – Technical and Business Services. As a result of such agreement, the District budgeted an increase in fiscal year 2023-24 expenditures of approximately \$67.07 million (all funds), of which approximately \$45.20 million relate to the District’s General Fund. Of such amounts, approximately \$37.14 million (all funds) of such expenditures (\$23.78 million related to the District’s General Fund) reflect expenditures accrued to fiscal year 2022-23 but are to be paid in fiscal year 2023-24. For information regarding the negotiated terms of the agreement reached, see “– Employee and Labor Relations – *Negotiations Regarding Labor Contracts*” below.
- In June 2023, contract negotiations concluded with LASPA with respect to employee bargaining Unit A – School Police. As a result of such agreement, the District budgeted an increase in fiscal year 2023-24 expenditures of approximately \$7.27 million (all funds), of which approximately \$6.60 million relate to the District’s General Fund. Of such amounts, approximately \$2.26 million (all funds) of such expenditures (\$2.09 million related to the District’s General Fund) reflect expenditures accrued to fiscal year 2022-23 but are to be paid in fiscal year 2023-24. For information regarding the negotiated terms of the agreement reached, see “– Employee and Labor Relations – *Negotiations Regarding Labor Contracts*” below.

- In June 2023, contract negotiations concluded with LASPMA with respect to employee bargaining Unit H – School Police Management. As a result of such agreement, the District budgeted an increase in fiscal year 2023-24 expenditures of approximately \$1.98 million (all funds), of which approximately \$1.96 million relate to the District’s General Fund. Of such amounts, approximately \$643,397 (all funds) of such expenditures (\$637,352 related to the District’s General Fund) reflect expenditures accrued to fiscal year 2022-23 but to be paid in fiscal year 2023-24. For information regarding the negotiated terms of the agreement reached, see “– Employee and Labor Relations – *Negotiations Regarding Labor Contracts*” below.
- In June 2023, contract negotiations concluded with “Trades” union with respect to employee bargaining Unit E. As a result of such agreement, the District budgeted an increase in fiscal year 2023-24 expenditures of approximately \$70.23 million (all funds), of which approximately \$65.95 million relate to the District’s General Fund (\$65.83 million of which relate to restricted funds in the District’s General Fund). Of such amounts, approximately \$34.58 million (all funds) of such expenditures (\$32.58 million related to the District’s General Fund) reflect expenditures accrued to fiscal year 2022-23 but are to be paid in fiscal year 2023-24. For information regarding the negotiated terms of the agreement reached, see “– Employee and Labor Relations – *Negotiations Regarding Labor Contracts*” below.
- In June 2023, the District entered into a memorandum of understanding with SEIU and UTLA modifying the three-year tentative instructional calendar approved by the District Board on March 27, 2023, to a two-year instructional calendar (fiscal years 2023-24 and 2024-25). As a result of such agreement, the District budgeted an increase in fiscal year 2023-24 expenditures of approximately \$93.15 million (all funds), of which approximately \$85.70 million relate to the District’s General Fund. For information regarding the negotiated terms of the agreement reached, see “– Employee and Labor Relations – *Negotiations Regarding Labor Contracts*” below.
- The 2023-24 State Budget provides approximately \$300.00 million ongoing Proposition 98 State general fund resources to establish an Equity Multiplier as an add-on to the LCFF to accelerate gains in closing opportunity and outcome gaps. As a result, the District budgeted approximately \$26.9 million of additional general fund revenue in fiscal year 2023-24 to be placed in assigned ending balance.
- The 2023-24 State Budget decreases or delays one-time Proposition 98 general fund support for the Arts, Music, and Instructional Materials Block Grant and the Learning Recovery Emergency Block Grant. However, the reductions to these grants are lower compared to the reductions proposed in the Governor’s May revision to the proposed fiscal year 2023-24 State Budget, which provides the District with amounts of approximately \$114 million and \$86 million, respectively, to be used as a budget balancing solution in fiscal year 2025-26 and help fund existing labor costs.
- Consistent with State law requirements, the amounts required to be budgeted for the District’s Routine Restricted Maintenance Account (3% of General Fund expenditures) and the District’s reserve for economic uncertainties (2% of General Fund appropriations for school districts, such as the District, with ADA between 30,001 and 400,000 students) are adjusted to reflect the revisions to the Fiscal Year 2023-24 Budget, which, as so adjusted, are budgeted at \$314.72 million (originally budgeted at \$310.55 million) and \$236.23 million (originally budgeted at \$233.45 million), respectfully.

[The District continues to have a structural deficit whereby in-year expenditures exceed in-year revenues. Revenues continue to be impacted by declining enrollment and expenditures have not been reduced commensurately. As a result, the Fiscal Year 2023-24 Budget revisions include the use of one-time State funding as well as the draw down of one-time committed ending fund balances over the multi-year projections as balancing solutions. The draw down of one-time committed ending fund balances consist of (i) for fiscal year 2023-24, the draw down of \$77 million committed unrestricted General Fund amounts previously designated to be contributed to the OPEB Trust Fund in fiscal year 2023-24 but released when restricted General Fund dollars and other District funds were allocated to contribute their respective shares to the District's \$211 million fiscal year 2023-24 budgeted contribution to the OPEB Trust Fund (see "DISTRICT FINANCIAL INFORMATION – Other Postemployment Benefits"), and (ii) for fiscal year 2024-25, the draw down of \$211 million committed unrestricted General Fund amounts previously designated to be contributed to the OPEB Trust Fund in fiscal year 2024-25. As a result of the Fiscal Year 2023-24 Budget revisions, the District's unrestricted/unassigned General Fund ending balance reserve percentage is estimated to drop from 4.44% in fiscal year 2022-23 (the same as originally projected at the time of preparation of the Fiscal Year 2023-24 Budget) to 2.21% in fiscal year 2025-26 (originally projected at 2.19% at the time of preparation of the Fiscal Year 2023-24 Budget). In the absence of further balancing solutions, the cost of agreements with bargaining units that have yet to settle or be reflected in the Fiscal Year 2023-24 Budget shall further lower the unrestricted/unassigned General Fund ending balances. Moreover, the uncertainty with the national and state economy brought about by the delayed tax receipts due to the postponement of federal and California tax filings until October 2023, interest rate hikes, and the prospect of a potential recession are risk factors that could affect the District's financial condition. For a discussion of pending labor agreements not reflected in the Fiscal Year 2023-24 Budget and not included in the Fiscal Year 2023-24 Budget revisions approved by the District Board on August 22, 2023, see "– Employee and Labor Relations – *Negotiations Regarding Labor Contracts*" below.]

LACOE's Response to Fiscal Year 2023-24 Budget. In its September 2023 letter to the District, LACOE approved the Fiscal Year 2023-24 Budget. LACOE noted that the District projected an operating deficit in its unrestricted General Fund in fiscal year 2023-24 and projected ongoing unrestricted General Fund operating deficits in fiscal years 2024-25 and 2025-26 primarily due to declining enrollment and ADA, resulting in reduced LCFF revenues, increased salary and health and welfare contributions as a result of recently settled multi-year bargaining unit agreements and increased contributions to restricted programs. As LACOE explained more specifically, the Fiscal Year 2023-24 Budget reflected a loss in funded ADA of approximately 42,306 from fiscal year 2023-24 to fiscal year 2025-26, which will impact the LCFF revenue received by the District (even with the change in the LCFF to allow for a calculation based on the average of three prior years' ADA). LACOE also pointed out that as of the preparation of the Fiscal Year 2023-24 Budget, some labor negotiations for fiscal year 2023-24 were unsettled and some labor agreements had not yet been calculated and incorporated into projected salary and benefit expenditures, so any potential financial impacts as a result of such labor negotiations were not reflected in the Fiscal Year 2023-24 Budget. [For more information on revisions to the Fiscal Year 2023-24 Budget relating to labor negotiations, see "– *Revisions to Fiscal Year 2023-24 Budget.*" For more information on recent bargaining unit agreements, see "– *Employees and Labor Relations.*"]

District General Fund Budgets and Audited Actuals. The following Table A-4 sets forth the District's Final Adopted Budgets for the District General Fund, inclusive of regular and specially funded programs, for fiscal years 2019-20 through 2023-24 and the actual results for fiscal years 2019-20 through 2022-23. The budgeted beginning balance for each fiscal year reflects the estimated ending balance for the prior fiscal year based upon information as of the budget adoption date. Accordingly, the budgeted ending balance for a fiscal year and the subsequent budgeted beginning balance may differ from the actual ending balance and actual beginning balance.

TABLE A-4

LOS ANGELES UNIFIED SCHOOL DISTRICT
District General Fund Budget for Fiscal Years 2019-20 through 2023-24
Audited Actuals for Fiscal Years 2019-20 through 2022-23⁽¹⁾⁽²⁾⁽³⁾
(\$ in millions)

	Final Adopted Budget <u>2019-20</u>	Audited Actuals <u>2019-20</u>	Revised Adopted Budget <u>2020-21⁽⁴⁾</u>	Audited Actuals <u>2020-21</u>	Final Adopted Budget <u>2021-22</u>	Audited Actuals <u>2021-22</u>	Final Adopted Budget <u>2022-23</u>	Audited Actuals <u>2022-23</u>	Final Adopted Budget <u>2023-24⁽⁶⁾</u>
Beginning Balance	\$2,010.8	\$2,216.9	\$1,866.7	\$2,049.5	\$2,714.4	\$2,855.3	\$3,567.6	\$3,328.3 ⁽⁵⁾	\$5,179.3
Revenue									
State Apportionment	\$4,364.8	\$4,264.8	\$4,122.2	\$4,133.6	\$4,357.5	\$4,487.2	\$4,573.8	\$4,844.3	\$5,080.1
Property Taxes	<u>1,222.5</u>	<u>1,388.6</u>	<u>1,407.7</u>	<u>1,522.3</u>	<u>1,466.2</u>	<u>1,551.0</u>	<u>1,511.6</u>	<u>1,749.9</u>	<u>1,658.2</u>
Total LCFF	<u>5,587.4</u>	<u>5,653.4</u>	<u>5,529.9</u>	<u>5,655.9</u>	<u>5,823.7</u>	<u>6,038.2</u>	<u>6,085.4</u>	<u>6,594.2</u>	<u>6,738.3</u>
Federal	767.8	631.1	1,576.6	1,674.4	4,446.0	1,850.5	2,823.3	2,304.2	1,840.5
Other State	873.5	1,137.0	963.1	1,223.8	1,374.3	1,748.8	1,717.9	2,681.9	1,678.0
Other Local	<u>142.4</u>	<u>170.1</u>	<u>142.5</u>	<u>190.8</u>	<u>132.5</u>	<u>35.5</u>	<u>168.1</u>	<u>196.2</u>	<u>274.2</u>
Total Revenue	<u>\$7,371.0</u>	<u>\$7,591.6</u>	<u>\$8,212.1</u>	<u>\$8,745.0</u>	<u>\$11,776.5</u>	<u>\$9,672.9</u>	<u>\$10,794.7</u>	<u>\$11,776.5</u>	<u>\$10,531.0</u>
Total Beginning Balance and Revenue	<u>\$9,381.8</u>	<u>\$9,808.5</u>	<u>\$10,078.8</u>	<u>\$10,794.5</u>	<u>\$14,490.9</u>	<u>\$12,528.2</u>	<u>\$14,362.3</u>	<u>\$15,104.8</u>	<u>\$15,710.3</u>
Expenditures									
Certificated Salaries	\$3,008.7	\$2,998.9	\$3,252.1	\$3,086.7	\$3,411.4	\$3,379.8	\$3,772.5	\$3,474.9	\$3,730.4
Classified Salaries	986.1	1,077.6	1,073.5	1,159.8	1,107.2	1,257.2	1,260.8	1,346.1	1,434.0
Employee Benefits	2,172.6	2,300.9	2,169.1	2,151.4	2,437.6	2,370.1	2,798.4	2,592.9	2,820.2
Books and Supplies	698.5	267.0	1,001.9	621.3	1,638.0	479.4	2,793.8	670.5	1,893.1
Other Operating Expenses	862.0	975.0	893.4	1,067.8	1,076.5	1,726.4	1,045.9	1,272.1	1,718.5
Capital Outlay	101.4	128.1	81.5	95.7	54.3	94.9	17.9	111.1	53.6
Debt Service	0.5	0.3	0.4	0.1	0.3	5.7	0.1	22.4	4.8
Other Outgo	7.7	5.6	7.7	5.5	7.7	5.5	5.3	6.9	5.8
Transfers of Indirect Cost	<u>(27.3)</u>	<u>(23.2)</u>	<u>(27.0)</u>	<u>(22.3)</u>	<u>(31.6)</u>	<u>(24.9)</u>	<u>(30.4)</u>	<u>(24.0)</u>	<u>(20.0)</u>
Total Expenditures	<u>\$7,810.3</u>	<u>\$7,730.3</u>	<u>\$8,452.7</u>	<u>\$8,166.0</u>	<u>\$9,701.5</u>	<u>\$9,294.1</u>	<u>\$11,664.3</u>	<u>\$9,472.9</u>	<u>\$11,640.2</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	(439.3)	(138.7)	(240.6)	579.0	2,075.0	378.9	(869.6)	2,303.6	(1,109.2)
Total Other Financing Sources (Uses)	(36.5)	(28.7)	286.6	226.8	(25.1)	94.2	4.6	76.3	2.8
Change in Fund Balance	(475.7)	(167.4)	46.0	805.8	2,049.9	473.0	(865.0)	2,379.9	(1,106.4)
Ending Balance	<u>\$1,535.1</u>	<u>\$2,049.5</u>	<u>\$1,912.7</u>	<u>\$2,855.3</u>	<u>\$4,764.3</u>	<u>\$3,328.3</u>	<u>\$2,702.6</u>	<u>\$5,708.2</u>	<u>\$4,072.9</u>

TABLE A-4

LOS ANGELES UNIFIED SCHOOL DISTRICT
District General Fund Budget for Fiscal Years 2019-20 through 2023-24
Audited Actuals for Fiscal Years 2019-20 through 2022-23⁽¹⁾⁽²⁾⁽³⁾

(Continued)
(\$ in millions)

Fund Balance⁽⁷⁾

Nonspendable	\$ 27.6	\$ 37.7	\$ 27.3	\$ 58.0	\$ 37.7	\$ 48.0	\$ 46.6	\$ 47.5	\$ 43.0
Restricted	56.7	103.9	55.2	200.0	2,731.6	544.3	208.6	1,843.0	1,258.0
Committed	87.6	87.6	--	--	--	--	1,491.3	2,920.9	1,972.8
Assigned	618.0	1,248.9	568.2	1,064.1	592.1	1,596.0	351.6	510.9	451.9
Reserved for Economic Uncertainties	79.0	79.0	85.2	92.0	97.7	199.9	234.1	238.8	233.5
Undesignated/Unassigned	<u>666.3</u>	<u>492.4</u>	<u>1,176.8</u>	<u>1,441.3</u>	<u>1,305.3</u>	<u>940.2</u>	<u>370.4</u>	<u>147.1</u>	<u>113.7</u>
	<u>\$1,535.1</u>	<u>\$2,049.5</u>	<u>\$1,912.7</u>	<u>\$2,855.3</u>	<u>\$4,764.3</u>	<u>\$3,328.3</u>	<u>\$2,702.6</u>	<u>\$5,708.2</u>	<u>\$4,072.9</u>

⁽¹⁾ Totals may not equal sum of component parts due to rounding.

⁽²⁾ Includes the Regular Program and the Specially-Funded Programs.

⁽³⁾ Amounts set forth in Table A-4 reflect the "Estimated Amounts" in the District's budget for the respective fiscal year rather than the "Authorized Amount." Pursuant to the Education Code, school districts may not spend more than Authorized Amount in the Final Adopted Budget as adjusted during the fiscal year.

⁽⁴⁾ [The District's original budget for fiscal year 2020-21 was adopted by the District Board on June 30, 2020. On August 25, 2020, the District Board adopted a revised budget for fiscal year 2020-21, which reflects the revised assumptions contained in the Governor's fiscal year 2020-21 State budget. Figures are based on the revised budget for fiscal year 2020-21.]

⁽⁵⁾ The District's fiscal year 2022-23 beginning fund balance is less than the District's fiscal year 2021-22 ending fund balance because the District anticipates a downward audit adjustment of approximately \$4.2 million to the fiscal year 2021-22 general fund ending balance as a result of the late receipt of an election cost invoice applicable to fiscal year 2021-22.

⁽⁶⁾ For significant revisions to the Fiscal Year 2023-24 Budget approved by the District Board on August 22, 2023, see "-- District Budget -- *Revisions to Fiscal Year 2023-24 Budget*" above. In addition, for a discussion of pending labor agreements not reflected in the Fiscal Year 2023-24 Budget and not included in Fiscal Year 2023-24 Budget revisions approved by the District Board on August 22, 2023, see "-- Employee and Labor Relations -- *Negotiations Regarding Labor Contracts*" below.

⁽⁷⁾ The nonspendable, restricted, committed, assigned, reserved for economic uncertainties and undesignated/unassigned general fund balances in millions of dollars for fiscal years 2010-11 through 2018-19 are as follows: \$10.4, 266.4, --, 147.0, 65.4, and 414.3, respectively, for fiscal year 2010-11; \$11.2, 186.6, --, 465.3, 65.4 and 96.4, respectively, for fiscal year 2011-12; \$18.5, 138.5, --, 370.4, 65.4 and --, respectively, for fiscal year 2012-13; \$19.6, 192.9, --, 336.4, 65.4 and 85.9, respectively, for fiscal year 2013-14; \$20.7, 126.5, --, 418.4, 65.4 and 188.8, respectively, for fiscal year 2014-15; \$31.1, 182.8, 218.3, 558.7, 72.4 and 247.0, respectively, for fiscal year 2015-16; \$23.5, 163.1, --, 783.9, 73.4, and 721.3, respectively, for fiscal year 2016-17; \$27.6, 135.8, --, 1,057.4, 75.4, and 714.7, respectively, for fiscal year 2017-18; and \$27.3, 114.6, 174.6, 916.1, 75.6, and 908.6, respectively, for fiscal year 2018-19.

Sources: Los Angeles Unified School District's Final Adopted Budgets for fiscal years 2019-20 through 2023-24; Audited Annual Financial Report for fiscal years 2019-20 through 2022-23.

Historical Review of District General Fund Actual Revenues and Expenditures. The following Table A-5 sets forth the District's total revenues, total expenditures and the difference reflected in the actual results for fiscal years 1999-00 through 2022-23.

TABLE A-5

LOS ANGELES UNIFIED SCHOOL DISTRICT
Historical Review of District General Fund Audited Revenues and Expenditures for
Fiscal Years 1999-00 through 2022-23
(\$ in millions)

Fiscal Year	Total Revenues⁽¹⁾	Total Expenditures⁽²⁾	Difference
1999-00	\$ 5,076.21	\$ 5,124.65	\$ (48.44)
2000-01	5,686.88	5,680.87	6.01
2001-02	5,782.00	5,931.96	(149.96)
2002-03	6,090.76	6,094.08	(3.32)
2003-04	5,881.69	6,136.75	(255.06)
2004-05	6,461.93	6,436.35	25.58
2005-06	6,572.70	6,487.75	84.95
2006-07	6,994.08	6,733.36	260.72
2007-08	6,954.29	6,992.29	(38.00)
2008-09	6,764.50	6,671.80	92.70
2009-10	6,302.12	6,389.17	(87.05)
2010-11	6,428.93	6,193.37	235.56
2011-12	5,919.59	5,998.31	(78.72)
2012-13	5,722.96	5,955.05	(232.09)
2013-14	5,896.35	5,788.82	107.53
2014-15	6,452.84	6,333.28	119.56
2015-16	7,213.53	6,723.15	490.38
2016-17	7,292.27	6,837.31	454.96
2017-18	7,308.08	7,062.45	245.63
2018-19	7,788.71	7,582.63	206.08
2019-20	7,613.72	7,781.09	(167.37)
2020-21	9,010.00	8,204.19	805.82
2021-22	9,719.50	9,308.46	411.04
2022-23	11,817.57	9,488.47	2,329.11

⁽¹⁾ Includes Other Financing Sources.

⁽²⁾ Includes Other Financing Uses.

Sources: Audited Annual Financial Report for fiscal years 1999-00 through 2022-23.

District Interim Financial Reports. A State law adopted in 1991 (known as "A.B. 1200") imposed financial reporting requirements on school districts and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the Education Code (Section 42100 *et. seq.*), each school district is required to file two interim certifications with the county superintendent of schools (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent of schools reviews the certification and issues either a positive, negative or qualified certification. In the past five fiscal years, the District has received a qualified certification for its first and second interim reports for fiscal year 2018-19 and its first interim report for fiscal year 2021-22.

A positive certification is assigned to any school district that, based on then current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A

qualified certification is assigned to any school district that, based on then current projections, may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent of schools, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent of schools, the State Controller and the Superintendent no later than June 1, financial statement projections of the school district's fund and cash balances through June 30 for the period ending April 30. Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent of schools determines that the school district's repayment of indebtedness is probable.

For school districts under fiscal distress, the county superintendent of schools is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent of schools is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent of schools, request an emergency appropriation from the State, in which case the county superintendent of schools, the Superintendent of Public Instruction and the president of the State board or the president's designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent of schools will assume control of the school district in order to ensure the school district's return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the Superintendent of Public Instruction will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

[Second Interim Financial Report for Fiscal Year 2023-24. Like the District's First Interim report for fiscal year 2023-24 (the "Fiscal Year 2023-24 First Interim Report"), the District submitted the Fiscal Year 2023-24 Second Interim Report to LACOE with a positive certification. Based on the Fiscal Year 2023-24 Second Interim Report, the District expects to meet its financial commitments and satisfy the 5% Minimum Reserve Threshold and the 1% statutory reserve requirement for fiscal years 2023-24, 2024-25 and 2025-26. The Fiscal Year 2023-24 Second Interim Report estimates an unrestricted General Fund ending balance of \$[] million of which the unrestricted/unassigned General Fund ending balance is \$[] million for fiscal year 2023-24; such unrestricted/unassigned General Fund ending balance is \$[] million [higher/lower] than the unrestricted/unassigned General Fund ending balance estimate in the Fiscal Year 2023-24 First Interim Report. The changes in multi-year projections from the

Fiscal Year 2023-24 First Interim Report to the Fiscal Year 2023-24 Second Interim Report are mostly due to _____.]

Employees and Labor Relations

General. The District has twelve bargaining units with existing contracts. The largest bargaining unit among the District’s employees is United Teachers Los Angeles (“UTLA”), which is comprised of among other employees, teachers, counselors, adviser, nurses, psychologists, and social workers. In addition, certain employees are not represented by a formal bargaining unit (the “District Represented Employees”). The following Table A-6 sets forth the number of members of each bargaining unit as of [January 18, 2024], and the expiration dates of the existing or successor labor agreements with each of the District’s employee bargaining units.

TABLE A-6

**LOS ANGELES UNIFIED SCHOOL DISTRICT
Employee Bargaining Units and Contract Expiration Dates
As of [January 18, 2024]**

Employee Bargaining Unit	Members	Contract Expiration Date (June 30)
Associated Administrators of Los Angeles (“AALA”) (Certificated)	[3,073]	2025
Unit A (School Police)	[228]	2025
Unit B (Instructional Aides)	[13,142]	2024
Unit C (Operations – Support Services)	[8,521]	2024
Unit D (Office – Technical and Business Services)	[4,596]	2026
Unit E (Skilled Crafts)	[1,360]	2025
Unit F (Teacher Assistants)	[1,808]	2024
Unit G (Playground Aides)	[6,538]	2024
Unit H (Sergeants and Lieutenants)	[53]	2025
Unit J (Classified Management)	[410]	2025
Unit S (Classified Supervisors)	[3,252]	2024
United Teachers Los Angeles	[36,443]	2025
District Represented Employees ⁽¹⁾	[536]	N/A

⁽¹⁾ District-represented employees include employees that are not represented by a union due to their designation as management, confidential or unrepresented employees. Does not include unrepresented seasonal employees or employees in positions not yet assigned to a union.

Source: Los Angeles Unified School District Office of Labor Relations.

Negotiations Regarding Labor Contracts. The United Teachers Los Angeles (“UTLA”) and the District reached a three-year agreement for fiscal years 2022-23 through 2024-25 (the “UTLA Agreement”). For fiscal year 2022-23, the UTLA Agreement provides for a 3% on schedule retroactive wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2022, and a 4% on schedule retroactive wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2023. For fiscal year 2023-24, the UTLA Agreement provides for a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2023, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2024. For fiscal year 2024-25, the UTLA Agreement provides for a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2024, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2025. In addition, the UTLA Agreement (a) provides for certain on schedule salary increases for certain employee groups, including special and early education teachers, nurses and table employees, (b) provides for academic class size reduction in certain schools, (c) for adjustments in staffing ratios for counselors, pupil services and attendance counselors (PSA) and

psychiatric social workers (PSW), (d) provides for additional funding for certain community schools, (e) for additional community school coach positions, and (f) includes differential pay increases for certain positions and programs. There are no reopeners provided for in the UTLA Agreement. The financial impacts of the UTLA Agreement are incorporated as expenditures in the Fiscal Year 2023-24 Budget.

SEIU Local 99 (Units B, C, F and G) and the District reached a one-year agreement for fiscal year 2020-21, and a three-year agreement for fiscal years 2021-22 through 2023-24 (collectively, the “SEIU Agreements”). Under the SEIU Agreements, (a) based on the salary table effective July 1, 2021, all SEIU bargaining unit members will receive a 6% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables; (b) based on the salary table effective July 1, 2022, all SEIU bargaining unit members will receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables; (c) based on the salary table effective July 1, 2023, all SEIU bargaining unit members will receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables, and (d) based on the salary table effective January 1, 2024, there will be a \$2.00 per hour on-schedule wage increase applied to all pay scale groups and levels of the base salary table. In addition, the SEIU Agreements (a) provide for the funding an Education and Professional Development Fund in the amount of \$3 million, (b) effective January 1, 2024, make employees assigned 4 hours per day or 80 hours per month, with respect to Units F and G, eligible (along with eligible dependents) to enroll in certain low cost health insurance plans or receive a cash amount if the employee opts out, and (c) include certain pay differentials and one-time pay increases. There are no reopeners provided for in the SEIU Agreements. The financial impacts of the SEIU Agreements are incorporated as expenditures in the Fiscal Year 2023-24 Budget.

AALA (Certificated Administrators) and the District reached a three-year agreement for fiscal years 2022-23 through 2024-25 (the “AALA (Certificated Administrators) Agreement”) with on schedule salary increases to be applied to the AALA (Certificated Administrators) master salary table comparable to the increases provided to UTLA in the UTLA Agreement. There are no reopeners provided for in the AALA (Certificated Administrators) Agreement. As a result of such agreement, the District anticipates an increase in fiscal year 2023-24 expenditures of approximately \$87.07 million (all funds), of which approximately \$81.10 million relate to the District’s general fund. Of such amounts, approximately \$25.07 million (all funds) of such expenditures (\$23.36 million related to the District’s general fund) reflect expenditures attributable to fiscal year 2022-23 and are to be paid in fiscal year 2023-24. Due to the timing of such agreement, the financial impacts of the agreement are not incorporated into the Fiscal Year 2023-24 Budget. [The additional expenditures associated with the AALA (Certificated Administrators) Agreement are reflected in the Fiscal Year 2023-24 Second Interim Report.]

[CSEA (Unit D – Technical and Business Services) and the District have a three-year agreement for fiscal years 2023 through 2026 (the “CSEA Agreement”). The CSEA Agreement provided for one reopener for the 2024-2025 fiscal year and the 2025-2026 fiscal year. Based on the salary table effective July 1, 2023, all CSEA bargaining unit members will receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables, and based on the salary table effective January 1, 2024, there will be a \$2.00 per hour on-schedule wage increase applied to all pay scale groups and levels of the base salary table. Also, the agreement provides for an increase to \$22.52 effective January 1, 2024, for the classifications of Office Technician, Parent Education Support Assistant, Parent Resource Assistant, Microfilm Operator, Clerk, and Student Integration Helper. [Due to the timing of such agreement, the financial impacts of the reopener agreement are not incorporated into the Fiscal Year 2023-24 Budget. Such impacts were incorporated as expenditures in revisions to the Fiscal Year 2023-24 Budget approved by the District Board on January __, 2023.] For information regarding the expected impacts to the Fiscal Year 2023-24 Budget, see “– District Budget – *Revisions to Fiscal Year 2023-24 Budget*” above.]

Teamsters (Unit S – Classified Supervisors) and the District reached a three-year agreement for fiscal years 2021-22 through 2023-24 (the “Teamsters Agreement”). Under the Teamsters Agreement

(a) based on the salary table effective July 1, 2021, all Teamsters bargaining unit members will receive a 1% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables (which is in addition to the 5% increase previously agreed to and applied); (b) based on the salary table effective July 1, 2022, all Teamsters bargaining unit members will receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables; (c) based on the salary table effective July 1, 2023, all Teamsters bargaining unit members will receive a 7% on-schedule wage increase applied to all pay scale groups and levels of the base salary tables, and (d) based on the salary table effective January 1, 2024, there will be a \$2.00 per hour on-schedule wage increase applied to all pay scale groups and levels of the base salary table. As a result of such agreement, the District anticipates an increase in fiscal year 2023-24 expenditures of approximately \$90.43 million (all funds), of which approximately \$61.51 million relate to the District's general fund. Of such amounts, approximately \$31.61 million (all funds) of such expenditures (\$21.38 million related to the District's general fund) reflect expenditures attributable to fiscal year 2022-23 and are to be paid in fiscal year 2023-24. Due to the timing of such agreement, the financial impacts of the agreement are not incorporated into the Fiscal Year 2023-24 Budget. [The additional expenditures associated with the Teamsters Agreement are reflected in the Fiscal Year 2023-24 Second Interim Report.]

LASPA (Unit A – School Police) and the District reached a three-year agreement for fiscal years 2022-23 through 2024-25 (the “LASPA Agreement”). The LASPA Agreement provides, with respect to sworn officers, (a) for fiscal year 2022-23, a 3% retroactive on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2022, and a 4% retroactive on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2023; (b) for fiscal year 2023-24, a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2023, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2024; and (c) for fiscal year 2024-25, a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2024, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2025. The LASPA Agreement provides, with respect to school safety officers, (a) for fiscal year 2022-23, a 7% retroactive on schedule wage increase applied to the base salary tables effective July 1, 2022; (b) for fiscal year 2023-24, a 7% on schedule wage increase applied to the base salary tables effective July 1, 2023; and (b) for a Step 1 an increase to \$22.53 effective January 1, 2024, with the subsequent Steps applied accordingly. The classification of school safety officer is not included in the on-schedule fiscal year 2024-25 wage increase as the additional increase is being provided on January 1, 2024. There are no reopeners provided for in the LASPA Agreement. The financial impacts of the LASPA Agreement are not incorporated into the Fiscal Year 2023-24 Budget. Such impacts were incorporated as expenditures in revisions to the Fiscal Year 2023-24 Budget approved by the District Board on August 22, 2023. For information regarding the expected impacts to the Fiscal Year 2023-24 Budget, see “– District Budget – *Revisions to Fiscal Year 2023-24 Budget*” above. [LASPA and the District are currently in dispute over LASPA's assertion that they are entitled to a \$1.00 per hour increase for fiscal year 2019-20.]

LASPMA (Unit H – School Police Management) and the District reached a three-year agreement for fiscal years 2022-23 through 2024-25 (the “LASPMA Agreement”). For fiscal year 2022-23, the LASPMA Agreement provides for a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2022, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2023. For fiscal year 2023-24, the LASPMA Agreement provides for a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2023, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2024. For fiscal year 2024-25, the LASPMA Agreement provides for a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2024 and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2025. There are no reopeners provided for in the LASPMA Agreement. The financial impacts of the LASPMA Agreement are not

incorporated into the Fiscal Year 2023-24 Budget. Such impacts were incorporated as expenditures in revisions to the Fiscal Year 2023-24 Budget approved by the District Board on August 22, 2023. For information regarding the expected impacts to the Fiscal Year 2023-24 Budget, see “– District Budget – Revisions to Fiscal Year 2023-24 Budget” above.

“Trades” (Unit E) and the District reached agreements for fiscal years 2020-21 and 2021-22 and for fiscal years 2022-23 through 2024-25 (the “Trades Agreements”). With respect to fiscal years 2020-21 and 2021-22, the Trades Agreements provide for a 5% on schedule retroactive wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2021. The Trades Agreements also provide for (a) one-time payments to certain employees that were employed during fiscal years 2020-21 and 2021-22 and did not receive an increase to their base salary in the fiscal year 2019-20 reopener, and (b) retention and appreciation bonuses for fiscal year 2021-22. With respect to fiscal years 2022-23 through 2024-25, the Trades Agreements provide (a) for fiscal year 2022-23, a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2022, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2023; (b) for fiscal year 2023-24, a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2023, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2024; and (c) for fiscal year 2024-25, a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2024, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2025. There are no reopeners provided for in the Trades Agreements. During the term of the Trades Agreements for fiscal years 2022-23 through 2024-25, the District and Trades have agreed to reopen on two items – health and welfare and deferred compensation, but have not begun negotiations. The financial impacts of the Trades Agreements are not incorporated into the Fiscal Year 2023-24 Budget. Such impacts (other than agreed upon reopeners to be negotiated) were incorporated as expenditures in revisions to the Fiscal Year 2023-24 Budget approved by the District Board on August 22, 2023. For information regarding the expected impacts to the Fiscal Year 2023-24 Budget, see “– District Budget – Revisions to Fiscal Year 2023-24 Budget” above.

AALA (Unit J – Classified Managers) and the District reached a three-year agreement for fiscal years 2022-23 through 2024-25 (the “AALA Agreement”). The AALA Agreement provides (a) for fiscal year 2022-23, a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2022, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2023; (b) for fiscal year 2023-24, a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2023, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2024; and (c) for fiscal year 2024-25, a 3% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective July 1, 2024, and a 4% on schedule wage increase applied to all pay scale groups and levels of the base salary tables effective January 1, 2025. There are no reopeners provided for in the AALA Agreement. The financial impacts of the AALA Agreement are incorporated as expenditures in the Fiscal Year 2023-24 Budget.

Employees that are classified as “District-represented” are not in a formal bargaining unit. In alignment with District Board-approved labor agreements discussed above, District-represented employees will receive comparable compensation adjustments. District-represented employees as well as employees in positions that have not yet been assigned a union, totaling approximately 2,200 positions, with salaries within the range of union-represented classifications, will receive a 21% wage increase, beginning with 3% effective July 1, 2022; 4% on January 1, 2023; 3% on July 1, 2023; 4% on Jan. 1, 2024; 3% on July 1, 2024; and 4% on Jan. 1, 2025. District-represented employees, totaling approximately 87 positions, with salaries outside of the range of union-represented classifications, will receive a 15% wage increase, beginning with 3% effective July 1, 2022; 4% on January 1, 2023; 2% on July 1, 2023; 2% on Jan. 1, 2024; 2% on July 1, 2024; and 2% on Jan. 1, 2025. As a result of such agreement, the District anticipates an increase in fiscal year 2023-24 expenditures of approximately \$30.0

million (all funds), of which approximately \$25.6 million relate to the District's general fund. Of such amounts, approximately \$8.6 million (all funds) of such expenditures (\$7.3 million related to the District's general fund) reflect expenditures attributable to fiscal year 2022-23 and are to be paid in fiscal year 2023-24. Due to the timing of such agreement, the financial impacts of the agreement are not incorporated into the Fiscal Year 2023-24 Budget. [The additional expenditures associated with the District-represented agreement are reflected in the Fiscal Year 2023-24 Second Interim Report.]

The District entered into a memorandum of understanding with SEIU and UTLA modifying the three-year tentative instructional calendar approved by the District Board on March 27, 2023, to a two-year instructional calendar (fiscal years 2023-24 and 2024-25). The memorandum of understanding maintains a three-week (15 days) winter break, provides for three additional instructional days to make up for lost instructional days in March 2023, and provides for instruction, enrichment, nutrition and child supervision through a voluntary winter recess academy in each such fiscal year. [In addition, the District entered into a memorandum of understanding with CSEA on December 11, 2023, with the same provisions outlined above in the SEIU and UTLA instructional calendar agreement. The financial impacts of the memorandum of understanding are not incorporated into the Fiscal Year 2023-24 Budget. Such impacts were incorporated as expenditures in revisions to the Fiscal Year 2023-24 Budget approved by the District Board on August 22, 2023.] For information regarding the expected impacts to the Fiscal Year 2023-24 Budget, see “– District Budget – *Revisions to Fiscal Year 2023-24 Budget*” above.

Health and Welfare Agreement. On October 5, 2023, the District reached a two-year agreement (the “Health and Welfare Agreement”) with all of its bargaining units for calendar years 2024 and 2025 to continue providing health and welfare benefits for active employees and retirees at no additional cost to participants. Under the Health and Welfare Agreement, the District will make contributions to fully fund the per-participant actual costs of current health and welfare benefits, including administrative cost, for the 2024 and 2025 calendar years. This is exclusive of any plan design changes that increase benefit costs and is different than previous agreements where the District's obligation was to pay a fixed dollar amount for each participant category. The Health and Welfare Agreement also provides that any unspent health care reserve funds held pursuant to the District's prior health and welfare agreements will be maintained as reserves for the term of the Health and Welfare Agreement and used to improve or adjust health care plan designs as agreed to from time to time by the parties and approved by the District Board. As of June 30, 2022 and June 30, 2023, the District had \$64.6 million and \$107.7 million (unaudited), respectively, in health care reserves. Future District health and welfare contributions are subject to negotiations for a successor agreement. [It is anticipated that such negotiations will commence in January 2024, with a facilitator mutually agreeable to the parties.]

The District anticipates an increase in fiscal year 2023-24 expenditures related to the Health and Welfare Agreement of approximately \$106.4 million (all funds), of which approximately \$94.2 million relate to the District's general fund. Due to the timing of such agreement, the financial impacts of the agreement are not incorporated into the Fiscal Year 2023-24 Budget. [The additional expenditures associated with the Health and Welfare Agreement are reflected in the Fiscal Year 2023-24 Second Interim Report.]

Reduction in Force and Release Notices. In general, pursuant to Sections 44949 and 44951 of the Education Code, the District must give written notice to a certificated employee no later than March 15 if such certificated employee is to be released or reassigned for the ensuing school year. Similarly, pursuant to Section 45117 of the Education Code, the District must give written notice to a classified employee no later than March 15 if such classified employee is to be laid off for the ensuing school year. Further, pursuant to Sections 44955.5 and 45117(d) of the Education Code (as applicable), the District Board has the authority to terminate the services of certificated and classified employees between the period commencing five days after the enactment of the annual State Budget Act and August 15 of the fiscal year to which the State Budget Act applies if the District's LCFF apportionment per unit of ADA has not increased by at least 2% for such fiscal year.

[To be updated to reflect any 2024 actions.] [In order to provide flexibility in the event budget reductions are necessary in a given fiscal year, the District Board may approve the use of Reduction in Force and Release Notices for a portion of its certificated and classified employees. On February 7, 2023, the District Board authorized Reduction in Force and Release Notices to be sent no later than March 15, 2023 for all certificated contract level management, senior management employees of the classified service with expiring contracts, all non-permanent and selected permanent certificated administrators, supervisory employees, confidential employees and all non-school based administrators in specified positions and at least 45 days prior to June 30, 2023 to senior management employees of the classified service with expiring contracts informing them that they may be released or reassigned for fiscal year 2023-24, and authorizing staff to send subsequent notices by June 30, 2023, to employees who were sent notices on March 15, 2023 and have been identified for actual release. While notices of release and reassignment were sent to certain certificated and classified personnel in 2023, no layoffs of certificated or classified personnel are expected to occur for fiscal year 2023-24.]

Retirement Systems

General. The District currently participates in CalSTRS, CalPERS and PARS (defined herein). The amounts of the District's contributions to CalSTRS, CalPERS and PARS are subject to, among other things, modifications to or approvals of collective bargaining agreements and any changes in actuarial assumptions used by CalSTRS, CalPERS and PARS.

The information set forth below regarding CalSTRS and CalPERS and their respective actuarial valuations and comprehensive annual financial reports has been obtained from publicly available sources and has not been independently verified by the District and is not guaranteed as to the accuracy or completeness thereof by or to be construed as a representation by the District. Furthermore, the summary data below should not be read as current or definitive, as recent gains or losses on investments made by the retirement systems generally may have changed the unfunded actuarial accrued liabilities stated below.

The following Table A-7 sets forth the District's aggregate contributions to CalSTRS, CalPERS and PARS, inclusive of employee contributions to CalPERS paid by the District, for fiscal years 2019-20 through 2022-23 and the [projected] contribution for fiscal year 2023-24 and these contributions as a percentage of the District's Total Governmental Funds expenditures for fiscal years 2019-20 through 2023-24. See Table A-8 "Annual Regular CalSTRS Contributions," Table A-10 "Annual CalPERS Regular Contributions" and Table A-13 "Annual PARS Contribution." See also the District's financial statements for fiscal year 2021-22 contained in APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023."

TABLE A-7

LOS ANGELES UNIFIED SCHOOL DISTRICT
Aggregate Employer Contributions to CalSTRS, CalPERS and PARS
Fiscal Years 2019-20 through 2023-24
(\$ in millions)

Fiscal Year	District Contributions⁽¹⁾	District Contribution as Percentage of Total Governmental Funds Expenditures
2019-20	\$755.33	7.35%
2020-21	762.30	7.06
2021-22	869.20	7.12
2022-23	1,040.37	8.36
2023-24 ⁽²⁾	[1,174.30]	[7.83]

⁽¹⁾ Reflects data for all District Funds, including the District's General Fund. Excludes on-behalf payments from the State to CalSTRS and CalPERS.

⁽²⁾ [Projected.]

Sources: Audited Annual Financial Report for fiscal years 2019-20 through 2022-23; [Fiscal Year 2023-24 Second Interim Report for fiscal year 2023-24]; and the District for the percentage of Total Governmental Funds Expenditures.

California State Teachers' Retirement System. CalSTRS is a defined benefit plan that covers all full-time certificated District employees and some classified District employees, which are District employees employed in a position that does not require a teaching credential from the State. Benefit provisions are established by State legislation in accordance with the State Teachers' Retirement Law. CalSTRS is operated on a Statewide basis and, based on publicly available information, has substantial unfunded liabilities. Additional funding of CalSTRS by the State and the inclusion of adjustments to such State contributions based on consumer price changes were provided for in 1979 Statutes, Chapter 282. Copies of the CalSTRS' comprehensive annual financial report may be obtained from CalSTRS, P.O. Box 15275, Sacramento, California 95851-0275. The information presented in these reports is not incorporated by reference in this Official Statement.

Member benefits are determined pursuant to the Education Code and are generally based on a member's age, final compensation and years of credited service. Members are 100% vested in retirement benefits after five years of credited service and are eligible for "normal" retirement at age 60 and for early retirement at age 55 or at age 50 with 30 years of credited service. The normal retirement benefit is 2% of final compensation (as defined in the Education Code) for each year of credited service (up to 2.4% of final compensation for members retiring after age 60), and members who retire on or after January 1, 2011 with 30 or more years of service by December 31, 2010 receive monthly bonus payments of up to \$400 per month. Members hired on or after January 1, 2013 who retire at age 62 are eligible for a benefit equal to 2% of final compensation for each year of credited service (up to 2.4% of final compensation for members retiring after age 62). Benefits include a 2% cost of living increase (computed on a simple, non-compounded, basis based on the initial allowance) on each September 1 following the first anniversary of the effective date of the benefit. See "– *California Public Employees' Pension Reform Act of 2013*" herein and Note 9 set forth in APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023."

Funding; Contributions. The CalSTRS defined benefit plan (the "DB Plan") is funded through a combination of investment earnings and statutorily set contributions from members of CalSTRS, the participating employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily-set rate did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employer, employee and State contributions to the DB Plan were not sufficient to pay actuarially required amounts. To address the shortfall, Assembly Bill 1469 ("AB 1469"), signed into law by the Governor as part of the State budget for fiscal year 2014-15, increased member, employer and

State contributions as part of a plan to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014.

Pursuant to AB 1469, since fiscal year 2021-22, the State Teachers' Retirement Board is authorized to modify the percentages paid by employers and employees to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations and subject to certain limitations. The State Teachers' Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers' Retirement Board may also adjust the State's contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations. The District cannot predict the impact of State, national, and international events on investment earnings and contribution rates or the amount the District will be required to pay for pension related costs in future fiscal years.

The State is not an employer (with certain limited exceptions) in any of the CalSTRS programs but contributes to the DB Plan and a supplemental benefits maintenance account pursuant to provisions of the Education Code. For fiscal year 2022-23, the State contributed 8.328% of members' annual earnings to the DB Plan and an additional 2.5% of member earnings into the CalSTRS supplemental benefit maintenance account, which is used to maintain the purchasing power of benefits. The State's contribution rate for fiscal year 2023-24 will remain at 8.328% of members' annual earnings to the DB Plan and an additional payment of 2.5% of member earnings into the CalSTRS supplemental benefit maintenance account.

The District's employer contribution rate for fiscal year 2022-23 was 19.10% of covered payroll. The District's employer contribution rate for fiscal year 2023-24 will remain at 19.10% of covered payroll. The District's employer contribution rate is inclusive of the employer base contribution of 8.25% of payroll provided by the Education Code.

The employee contribution rate for CalSTRS members first hired on or before December 31, 2012 to perform CalSTRS creditable activities (i.e., CalSTRS 2% at 60 members) was 10.25% for fiscal years 2016-17 through 2022-23 and will remain at 10.25% for fiscal year 2023-24. The employee contribution rate for CalSTRS members first hired on or after January 1, 2013 to perform CalSTRS creditable activities (i.e., CalSTRS 2% at 62 members) was 9.205% for fiscal years 2016-17 and 2017-18, 10.205% for fiscal years 2018-19 through 2022-23, and will remain at 10.205% for fiscal year 2023-24.

The following Table A-8 sets forth the District's regular annual contributions to CalSTRS for fiscal years 2019-20 through 2022-23 and the [projected] contribution for fiscal year 2023-24 and such contributions as a percentage of the District's Total Governmental Funds expenditures for fiscal years 2019-20 through 2023-24. The District has always paid all required CalSTRS annual contributions. As of June 30, 2023, [37,684] District employees were members of CalSTRS.

TABLE A-8

LOS ANGELES UNIFIED SCHOOL DISTRICT
Annual Regular CalSTRS Contributions
Fiscal Years 2019-20 through 2023-24
(\$ in millions)

Fiscal Year	CalSTRS Employer Rate	District Contributions⁽¹⁾	District Contribution as Percentage of Total Governmental Funds Expenditures
2019-20	17.10%	\$509.0	4.95%
2020-21	16.15	497.7	4.61
2021-22	16.92	563.9	4.62
2022-23	19.10	663.9	5.33
2023-24 ⁽²⁾	19.10	[728.3]	[4.86]

⁽¹⁾ Reflects data for all District Funds, including the District's General Fund. Excludes on-behalf payments from the State to CalSTRS.

⁽²⁾ Unaudited.

⁽³⁾ [Projected.]

Sources: Audited Annual Financial Report for fiscal years 2019-20 through 2022-23; [Fiscal Year 2023-24 Second Interim Report for fiscal year 2023-24]; and the District for the percentage of Total Governmental Funds Expenditures.

Actuarial Valuation. The State Teachers' Retirement Board has sole authority to determine the actuarial assumptions and methods used for the valuation of the DB Plan. CalSTRS actuarial consultant (the "Actuarial Consultant") determines the actuarial value of the DB Plan's assets by using a one-third smoothed recognition method of the difference between the actual market value of assets to the expected actuarial value of assets. Accordingly, the actuarial value of assets will not reflect the entire impact of certain investment gains or losses on an actuarial basis as of the date of the valuation or legislation enacted subsequent to the date of the valuation.

The actuarial valuation for the entire CalSTRS defined benefit program as of June 30, 2022 (the "2022 CalSTRS Actuarial Valuation") showed an estimated unfunded actuarial liability of \$88.6 billion, a decrease of approximately \$1.2 billion from the June 30, 2021 valuation. Such estimated unfunded actuarial liability was projected to increase in the June 30, 2021 valuation, which projected an unfunded actuarial liability of \$89.8 billion as of June 30, 2022. The actual unfunded actuarial liability as of June 30, 2022 represents a net actuarial gain of approximately \$1.3 billion. Such net actuarial gain is due primarily to member salary increases being more than assumed and market value returns (estimated at negative 2.4%) being less than assumed (7.0%). The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2022 and June 30, 2021, based on the actuarial assumptions, were approximately 74.4% and 73.0%, respectively. According to the 2022 CalSTRS Actuarial Valuation, the funded ratio increased by 1.4% during the past year. As described in the 2022 CalSTRS Actuarial Valuation, the increase in the funded ratio is primarily due to the recognition of deferred investment gains from prior fiscal years that were used to offset the reported negative 2.4% return on investments on the market value of assets for fiscal year 2021-22, which is CalSTRS' first negative return on investments since fiscal year 2008-09. Other factors contributing to such increase include the additional State contributions made in the prior fiscal years and contributions to pay down the unfunded actuarial liability under the State Teachers' Retirement Board's valuation policy. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District's required contributions to CalSTRS will not increase in the future, subject to the limitations of AB 1469.

The following are certain of the actuarial assumptions set forth in the 2022 CalSTRS Actuarial Valuation: measurement of accruing costs by the “Entry Age Normal Actuarial Cost Method,” an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The 2022 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPRA (as defined herein). See “– *California Public Employees’ Pension Reform Act of 2013*” below for a discussion of the pension reform measure signed by the Governor in September 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

The CalSTRS Comprehensive Annual Financial Report for fiscal year 2021-22 (the “2021-22 CalSTRS CAFR”) states that during fiscal year 2021-22, CalSTRS included 38,528 covered employees of the District in its State Teachers’ Retirement Program and 3,485 covered employees of the District in its tax-deferred defined contribution plans under Sections 403(b) and 457 of the Internal Revenue Code (the “Pension2 Program”). Accordingly, covered employees of the District represented approximately 7.60% and 11.80% of covered employees in the State Teachers’ Retirement Program and Pension2 Program, respectively.

The UAAL and funded status of the CalSTRS pension fund as of June 30 of fiscal years ended June 30, 2018 through June 30, 2022 are set forth in the following Table A-9. The fair market value of the CalSTRS pension fund as of June 30, 2021 and June 30, 2022 was approximately \$271.95 billion and \$260.29 billion, respectively, based on total system assets less amounts allocable to the CalSTRS Supplemental Benefits Maintenance Account Reserve. The individual funding progress for the District and the District’s proportionate share of CalSTRS’ net pension liability is set forth in the District’s audited financial statements. See “– *Pension Accounting and Financial Reporting Standards*” herein and APPENDIX B – “AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023.”

TABLE A-9

**Actuarial Value of CalSTRS Defined Benefit Program
Valuation Dates June 30, 2018 through June 30, 2022
(\$ in billions)**

Valuation Date (June 30)	Actuarial Obligation	Actuarial Value of Assets⁽¹⁾	Market Value of Assets	Unfunded Actuarial Obligation	Funded Ratio (Actuarial Value)	Funded Ratio (Fair Market Value)
2018	\$297.603	\$190.451	\$211.367	\$107.2	64.0%	65.7%
2019	310.719	205.016	225.466	105.7	66.0	67.0
2020	322.127	216.252	233.253	105.9	67.1	66.5
2021	332.082	242.363	292.980	89.7	73.0	81.9
2022	346.089	257.537	283.340	88.6	74.4	75.2

⁽¹⁾ Actuarial Value of Assets does not include amounts allocable to the CalSTRS Supplemental Benefits Maintenance Account Reserve which was approximately \$15.76 billion as of June 30, 2018, \$17.38 billion as of June 30, 2019, \$19.13 billion as of June 30, 2020, \$21.03 billion as of June 30, 2021, and \$23.05 billion as of June 30, 2022.

Sources: California State Teachers’ Retirement System Defined Benefit Program Actuarial Valuations as of June 30, 2018 through June 30, 2022.

District Proportionate Share. As of June 30, 2023, the District’s proportionate share of CalSTRS’ net pension liability was approximately \$3.9 billion, based on a discount rate of 7.10%. The net pension

liability was measured as of June 30, 2022, 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 fiscal year 2021-22 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 non-employer contributing entities. At June 30, 2022, the District's proportionate rate was 5.497%. The District's proportionate share of the CalSTRS net pension liability was projected to be approximately \$1.60 billion if the discount rate was increased to 8.1% and approximately \$6.5 billion if the discount rate was decreased to 6.1%. See Note 9(b) of the District's financial statements in APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023."

California Public Employees' Retirement System. CalPERS is a defined benefit plan that covers classified personnel who work four or more hours per day. CalPERS is operated on a Statewide basis and, based on publicly available information, has significant unfunded liabilities. CalPERS issues a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS CAFR and actuarial valuations may be obtained from the CalPERS Financial Services Division, P.O. Box 942703, Sacramento, California 94229-2703. The information set forth therein is not incorporated by reference in this Official Statement. Benefit provisions are established by State legislation in accordance with the Public Employees' Retirement Law and are generally based on a member's age, final compensation, and years of credited service. For a description of member benefits for both the Safety Plan and Miscellaneous Plan of the District administered by CalPERS, see Note 9(a) set forth in APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023."

Funding; Contributions. All qualifying classified employees of K-12 school districts in the State are members in CalPERS. All school districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. However, unlike contributions to CalSTRS, which incrementally increase at statutorily set rates, school districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. School districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings may result in substantial increases in school district contributions. The District cannot make any predictions as to the effect of State, national or international events on investment earnings and school district contributions. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 8.00% in fiscal year 2022-23, which will remain at 8.00% in fiscal year 2023-24. School districts are required to contribute to CalPERS at an actuarially determined rate, which was originally 20.733% and 22.68% of eligible salary expenditures for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.721% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the fiscal year 2020-21 State budget allocated funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to approximately 20.70% and 22.91%, respectively. The actuarially determined rate for employer contributions was 25.37% for fiscal year 2022-23 and is 26.68% for fiscal year 2023-24. For a description of employer and member contribution rates, see Note 9(a) set forth in APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023."

The following Table A-10 sets forth the District's employer contribution rates, regular annual contributions, inclusive of employee contributions paid by the District to CalPERS for fiscal years 2019-20 through 2022-23 and the [projected] contribution for fiscal year 2023-24 and such contributions as a percentage of the District's Total Governmental Funds expenditures for fiscal years 2019-20 through 2023-24. The District has always paid all required CalPERS annual contributions. As of June 30, 2023, [29,689] District employees were members of CalPERS.

TABLE A-10

LOS ANGELES UNIFIED SCHOOL DISTRICT
Annual CalPERS Regular Contributions
Fiscal Years 2019-20 through 2023-24
(\$ in millions)

Fiscal Year	CalPERS Employer Rate (Miscellaneous)	CalPERS Employer Rate (Safety)	District Contributions⁽¹⁾	District Contribution as Percentage of Total Governmental Funds Expenditures
2019-20	19.721%	43.059%	\$239.1	2.33%
2020-21	20.700	47.268	257.3	2.38
2021-22	22.910	48.900	298.4	2.44
2022-23	25.370	50.130	370.3	2.98
2023-24 ⁽²⁾	26.680	53.680	[436.9]	[2.91]

⁽¹⁾ Reflects data for all District Funds, including the District's General Fund.

⁽²⁾ [Projected.]

Sources: Audited Annual Financial Report for fiscal years 2019-20 through 2022-23; [Fiscal Year 2023-24 Second Interim Report for fiscal year 2023-24]; and the District for the percentage of Total Governmental Funds Expenditures.

Actuarial Valuation. Since the June 30, 2015 valuation, CalPERS has employed an amortization and smoothing policy that apportions all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a five-year period. In contrast, the previous policy spread investment returns over a 15-year period with experience gains and losses spread over a rolling 30-year period. The amounts of the pension/award benefit obligation or UAAL will vary from time to time depending upon actuarial assumptions, and actual rates of return on investments, salary scales, and levels of contribution. See Table A-11 – “Actuarial Value of Schools Portion of CalPERS – Historical Funding Status” herein.

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2022 (the “2022 CalPERS Schools Pool Actuarial Valuation”), which has not been released in full, was presented in summary form to the CalPERS Board on April 17, 2023. Such summary reported an actuarial accrued liability of approximately \$117.0 billion with the market value of assets at approximately \$79.4 billion, and a funded status of approximately 67.9%. From June 30, 2021 to June 30, 2022, the funded status of the CalPERS Schools Pool decreased by approximately 10.4%, and the unfunded accrued liability increased by approximately \$13.6 billion, largely due to the difference between the expected and actual rate of return on investments.

CalPERS reported a negative 7.50% (before recognition of administrative expenses) return on investments for fiscal year 2021-22, which is CalPERS' first negative return on investments since fiscal year 2008-09. The negative 7.50% return on investments was less than the assumed annual rate of return on investments of 6.80%. Such negative return generated an actuarial investment loss of approximately \$12.40 billion, which will be amortized over 20 years with a five-year phase in, increasing the component of the expected employer contribution rate related to the unfunded liability contribution in fiscal year 2023-24 by 1.69% of payroll. Due to the five-year phase in, the component of the employer contribution

rate related to the unfunded liability contribution will increase each year until it reaches an estimated 7.60% of payroll in fiscal year 2027-28. CalPERS, however, does not currently project that the total expected employer contribution rate will increase by 7.60% over the next five years, because the employer contribution rate consists of other components, which are affected by investment and non-investment factors, that are currently expected to offset, to some extent, the impact of the five-year phase in. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases reflected in the 2022 CalPERS Schools Pool Actuarial Valuation. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District's required contributions to CalPERS will not significantly increase in the future.

The 2022 CalPERS Schools Pool Actuarial Valuation as summarized assumes, among other things, 2.30% inflation and payroll growth of 2.80% compounded annually. The 2022 CalPERS Schools Pool Actuarial Valuation as summarized reflects a discount rate of 6.80% compounded annually (net of administrative expenses) as of June 30, 2022. The CalPERS Board adopted new demographic assumptions on November 17, 2021, including a reduction in the discount rate from 7.00% as of June 30, 2020 to 6.80% as of June 30, 2021, a reduction in the inflation assumption from 2.50% as of June 30, 2020 to 2.30% as of June 30, 2021, and an increase in payroll growth from 2.75% as of June 30, 2020 to 2.80% as of June 30, 2021. Such assumption changes result in increases in both the normal cost and unfunded liabilities contributions to be paid in the future. The actuarial funding method used in the 2022 CalPERS Schools Pool Actuarial Valuation is the "Entry Age Normal Cost Method." The UAAL and funded status of the Schools portion of CalPERS as of June 30 of fiscal years ended June 30, 2018 through June 30, 2022 are set forth in the following Table A-11.

TABLE A-11

**Actuarial Value of Schools Portion of CalPERS
Historical Funding Status
Valuation Dates June 30, 2018 through June 30, 2022
(\$ in millions)**

Valuation Date (June 30)	Actuarial Accrued Liabilities	Market Value of Assets (MVA)	Funded Status (MVA)	Unfunded Liabilities/ (Surplus) (MVA)	Projected Payroll for Determining Contributions	Unfunded Liability/ (Surplus) as a % of Payroll
2018	\$92,071	\$64,846	70.4%	\$27,225	\$14,234	191.3%
2019	99,528	68,177	68.5	31,351	14,844	211.2
2020	104,062	71,400	68.6	32,662	15,295	213.6
2021	110,507	86,519	78.3	23,988	15,181	158.0
2022	116,982	79,386	67.9	37,596	16,731	224.7

Source: CalPERS Schools Pool Actuarial Valuation as of June 30, 2022.

District Proportionate Share. As of June 30, 2022, the District reported a net pension liability of \$1.6 billion for its proportionate share of the net pension liability of the Miscellaneous Plan. The net pension liability of the Miscellaneous Plan was measured by CalPERS as of June 30, 2021, and the total pension liability for the Miscellaneous Plan used to calculate the net pension liability was determined by CalPERS pursuant to an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The District's proportion of the net pension liability was based on the fiscal year 2020-21 employer contributions calculated by CalPERS. As of June 30, 2022, the District's proportion of the CalPERS net pension liability was approximately 7.85%. See "– Pension Accounting and Financial Reporting Standards" herein and Note 9(a) to the audited financial statements of the

District contained in APPENDIX B – “AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023.”

Safety Plan Actuarial Valuation; Net Pension Liability. The CalPERS Safety Plan of the Los Angeles Unified School District (Employer # 3614620780) Annual Valuation Report as of June 30, 2022 uses the “Entry Age Normal Cost Method” as the actuarial funding method and assumes, among other things, a 6.8% investment rate of return (net of administrative expenses), projected annual salary increases based on category, entry age, and duration of service, projected inflation of 2.30% and projected payroll growth of 2.80%. The UAAL and funded status of the District’s Safety Plan, which is an individual component of CalPERS, as of June 30 of fiscal years ended June 30, 2018 through June 30, 2022, are set forth in the following Table A-12. As of June 30, 2023, the District’s net pension liability under the CalPERS Safety plan was \$118.2 million.

TABLE A-12

CalPERS Actuarial Value of LAUSD Safety Plan⁽¹⁾
Historical Funding Status
Valuation Dates June 30, 2018 through June 30, 2022
(\$ in millions)

Valuation Date (June 30)	Accrued Liability	Market Value of Assets⁽²⁾	Unfunded Liability	Funded Ratio	Annual Covered Payroll
2018	\$414.6	\$301.3	\$113.3	72.7%	\$32.2
2019	438.7	320.7	118.0	73.1	33.7
2020	459.1	335.9	123.2	73.2	33.3
2021	479.3	412.9	66.4	86.1	26.2
2022	508.4	377.1	131.3	74.2	23.5

⁽¹⁾ Reflects information relating to the District’s Safety Plan and does not include information relating to the Miscellaneous Plan. Actuarial information relating to the historical funding status of the District’s Miscellaneous Plan is not available from CalPERS as a separate report but is incorporated in the combined schools portion of CalPERS’ pension fund as set forth in Table A-11 above.

⁽²⁾ CalPERS no longer uses an actuarial value of assets and only uses the market value of assets.

Source: CalPERS Safety Plan of the Los Angeles Unified School District (Employer # 3614620780) Annual Valuation Report as of June 30, 2022.

Public Agency Retirement System. On July 1, 1992, the District joined the Public Agency Retirement System (“PARS”), a multiple-employer retirement trust. This defined contribution plan covers the District’s part-time, seasonal, temporary and other employees not otherwise covered by CalPERS or CalSTRS, but whose salaries would otherwise be subject to Social Security tax. Benefit provisions and other requirements are established by District management based on agreements with various bargaining units. The District is unable to predict the amount of the contributions which the District may be required to make to PARS in the future. Accordingly, there can be no assurances that the District’s required contributions to PARS will not significantly increase in the future above current levels. The District has always paid all required PARS annual contributions.

The following Table A-13 sets forth the District's annual contributions to PARS for fiscal years 2019-20 through 2022-23 and the [projected] annual contribution to PARS for fiscal year 2023-24, and the contributions as a percentage of the District's Total Governmental Funds expenditures for fiscal years 2019-20 through 2023-24. As of June 30, 2023, [55,381] active District employees were members of PARS.

TABLE A-13
LOS ANGELES UNIFIED SCHOOL DISTRICT
Annual PARS Contribution
Fiscal Years 2019-20 through 2023-24
(\$ in millions)

Fiscal Year	District Contributions⁽¹⁾⁽²⁾	District Contribution as Percentage of Total Governmental Funds Expenditures
2019-20	\$7.2	0.07%
2020-21	7.3	0.07
2021-22	6.9	0.06
2022-23	[6.2]	[0.05]
2023-24 ⁽⁴⁾	[9.1]	[0.06]

⁽¹⁾ Reflects payments to PARS for pension costs associated with the District's regular and specially funded programs.

⁽²⁾ Includes amounts related to prior years' PARS contributions.

⁽³⁾ [Projected.]

Sources: Audited Annual Financial Report for fiscal years 2019-20 through 2022-23; [Fiscal Year 2023-24 Second Interim Report for fiscal year 2023-24]; and the District for the percentage of Total Governmental Funds Expenditures.

California Public Employees' Pension Reform Act of 2013. In September 2012, the Governor approved Assembly Bill 340, the California Public Employees' Pension Reform Act of 2013 ("PEPRA"). Among other things, PEPRA establishes new retirement formulas for employees hired on or after January 1, 2013 ("PEPRA Employees") and prohibits public employers from offering defined benefit pension plans to PEPRA Employees that exceed the benefits provided thereunder. PEPRA increases the retirement age for new State, school, city and local agency employees depending on job function and limits the annual CalPERS and CalSTRS pension benefit payouts. PEPRA applies to all public employers except the University of California, charter cities and charter counties. However, PEPRA is applicable to those entities which contract with CalPERS.

PEPRA mandates equal sharing of normal costs between a contracting agency or school employer and their employees and that employers not pay any of the required employee contribution. However, PEPRA limits the contribution to an amount not in excess of 8% of pay for local miscellaneous or school members, not more than 12% of pay for local police officers, local firefighters, and county peace officers, and not more than 11% of pay for all local safety members. PEPRA requires employers to complete a good faith bargaining process as required by law prior to implementing changes regarding the contribution requirements. The contribution requirements of PEPRA went into effect on January 1, 2018. See "*California State Teachers' Retirement System*" and "*California Public Employees' Retirement System*" herein.

In addition, PEPRA amends existing laws to redefine final compensation for purposes of pension benefits for PEPRA Employees. Further, PEPRA permits certain public employers who have offered a lower defined benefit retirement plan before January 1, 2013 to continue to offer such plan to PEPRA Employees. However, if a public employer adopts a new defined benefit plan on or after January 1, 2013, such plan will be subject to PEPRA requirements unless, among other things, its retirement system's chief

actuary and retirement board certify that the new plan is not riskier or costlier to the public employer than the defined benefit formula required under PEPRRA.

Pension Accounting and Financial Reporting Standards. In 2012, the Governmental Accounting Standards Board issued Governmental Accounting Standards Board Statement No. 68 – “Accounting And Financial Reporting For Pensions” (“GASB 68”), which revises and establishes new financial reporting requirements for most public employers, such as the District, that provide pension benefits to their employees. GASB 68, among other things, requires public employers providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability and provides greater guidance on measuring the annual costs of pension benefits, including thorough guidelines on projecting benefit payments, use of discount rates and use of the “entry age” actuarial cost allocation method. GASB 68 also enhances accountability and transparency through revised and new note disclosures and required supplementary information. GASB 68 became effective for the financial statements of plan employers, including the District’s financial statements, commencing the fiscal year ended June 30, 2015.

Pursuant to GASB 68, CalSTRS and CalPERS will use a new blended rate that reflects a long-term rate of return on plan assets, which reflects a pension fund’s long-term investment strategy, and a high-quality, non-taxable municipal bond index rate, to account for the potential need to borrow funds to pay pension benefits after net assets have been fully depleted. CalSTRS has cautioned that use of the new, blended discount rate may cause the financial statements of plans, such as CalSTRS, to reflect an increased unfunded liability.

Other Postemployment Benefits

General. [In addition to employee health care costs, the District provides post-employment health care benefits (“OPEB”) in accordance with collective bargaining agreements and the health benefits agreement. The District’s OPEB consists of post-employment benefits for health, prescription drug, dental, and vision coverage for retirees and their dependents. As of June 30, 2023, there were approximately 59,010 active employees who meet the eligibility requirements for OPEB benefits, 40,013 inactive employees or beneficiaries currently receiving benefits, and 139 inactive employees entitled to but not yet receiving benefits, for a total of 99,162 current and former employees entitled to receive benefits under the District’s OPEB plan. Historically, the District has funded these benefits on a pay-as-you-go basis, paying an amount in each fiscal year equal to the benefits distributed or disbursed in that fiscal year. Beginning in fiscal year 2013-14, the District’s policy, subject to District Board approval, is to prefund a portion of its OPEB costs for employees, retirees and their beneficiaries by allocating funds for the express purpose of funding future other postemployment benefit costs to the extent possible. See “– District Financial Policies and Related Practices – *Budget and Finance Policy* – Liability Reserves” herein. The District Board approved the creation of the OPEB Trust Fund in May 2014. As of October 1, 2023, the District has contributed approximately \$372.3 million to the OPEB Trust Fund, inclusive of the District’s contributions of \$60 million in July 2014, \$30 million in September 2014, \$45 million in September 2015, \$6 million in March 2016, \$78 million in October 2016, \$120 million in October 2017, and \$33.3 million in August 2023. The District did not contribute to the OPEB Trust Fund in fiscal years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23. At the time of preparation of the District’s Fiscal Year 2023-24 Second Interim Report, it was expected that the District would contribute \$[] million to the OPEB Trust Fund in fiscal year 2023-24. [However, after the preparation of the 2022-23 Estimated Actuals in connection with the approval of the Fiscal Year 2023-24 Budget, the fiscal year 2022-23 contribution was reduced by \$107.7 million and the transfer of the remaining \$33.3 million contribution was delayed until fiscal year 2023-24. Thus, although the District is designating the \$33.3 million contribution as a fiscal year 2022-23 contribution for internal purposes, there was no transfer of funds to the OPEB Trust Fund in fiscal year 2022-23. As indicated above, the \$33.3 million was deposited in the OPEB Trust Fund in August 2023.] [Based on the Fiscal Year 2023-24 Budget, the District has budgeted to contribute \$244.3 million from all funds of the District (not just the General Fund) to the OPEB Trust

Fund in fiscal year 2023-24, \$33.3 million of which was the amount deposited in the OPEB Trust Fund in August 2023. In the June 2023 Actuarial Valuation Report Postretirement Health Benefits as of the June 30, 2022 measurement date for fiscal year 2022-23 (the “2022 Actuarial Valuation”), Aon Hewitt indicated that based on the District’s current funding policy, projected cash flows, and the assumed asset return, the assets in the OPEB Trust Fund are projected to be depleted in fiscal year 2035-36 if such assets were drawn upon to pay benefits as they come due without the District funding such benefits on a pay-as-you-go basis.]]

[The following Table A-14 sets forth the District’s funding of other postemployment benefits for fiscal years 2019-20 through 2022-23, the budgeted contribution for fiscal year 2023-24, and the contributions as a percentage of the District’s Total Governmental Funds expenditures for fiscal years 2019-20 through 2023-24. In addition, Table A-14 sets forth the District’s contribution to the OPEB Trust for fiscal years 2019-20 through 2023-24.]

TABLE A-14

LOS ANGELES UNIFIED SCHOOL DISTRICT
Expenditures for Other Postemployment Benefits
Fiscal Years 2019-20 through 2023-24
(\$ in millions)

Fiscal Year	Pay-as-You-Go Amount	OPEB Trust Fund Contribution⁽²⁾	Total Amount	Expenditure as Percentage of Total Governmental Funds Expenditures
2019-20	\$221.2	\$0.0	\$221.2	2.15%
2020-21	231.2	0.0	231.2	2.14
2021-22	231.1	0.0	231.1	1.89
2022-23	235.9	0.0 ⁽³⁾	235.9	1.91
2023-24 ⁽¹⁾	198.0	244.3 ⁽⁴⁾	442.3	2.95

⁽¹⁾ Budgeted.

⁽²⁾ As of October 1, 2023, the District has contributed approximately \$372.3 million to the OPEB Trust Fund, inclusive of the District’s contributions of \$60 million in July 2014, \$30 million in September 2014, \$45 million in September 2015, \$6 million in March 2016, \$78 million in October 2016, \$120 million in October 2017, and \$33.3 million in August 2023.

⁽³⁾ At the time of preparation of the Fiscal Year 2022-23 Estimated Actuals, the net position of the OPEB Trust Fund for fiscal year 2022-23 was estimated at approximately \$628.8 million. This amount reflected a District fiscal year 2022-23 contribution of \$141.0 million to the OPEB Trust Fund. However, after the preparation of the 2022-23 Estimated Actuals in connection with the approval of the Fiscal Year 2023-24 Budget, the fiscal year 2022-23 contribution was reduced by \$107.7 million and the transfer of the remaining \$33.3 million contribution was delayed until fiscal year 2023-24. Thus, although the District is designating the \$33.3 million contribution as a fiscal year 2022-23 contribution for internal purposes, there was no transfer of funds to the OPEB Trust Fund in fiscal year 2022-23. As of June 30, 2023, the adjusted net position of the OPEB Trust Fund for fiscal year 2022-23 is \$[499.9] million, which reflects the changes described above as well as unrealized gains/losses due to market fluctuations.

⁽⁴⁾ The \$244.3 million includes \$33.3 million the District, for internal purposes, is designating as a fiscal year 2022-23 contribution. The \$33.3 million designated as a fiscal year 2022-23 contribution was deposited in the OPEB Trust Fund in August 2023.

Sources: Audited Annual Financial Reports for fiscal years 2019-20 through 2021-22; Fiscal Year 2022-23 Unaudited Actuals; Fiscal Year 2023-24 Budget; and the District for the percentage of Total Governmental Funds Expenditures.

Postemployment Benefits Other Than Pensions Accounting and Financial Reporting Standards. In June 2015, the GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (“GASB 75”), which revised and established new accounting and financial reporting requirements for state and local governments, such as the District, that offer OPEB to employees. Pursuant to GASB 75, net OPEB liabilities are required to be recognized in the financial statements for such state and local governments. In addition, GASB 75 provides additional guidance with respect to recognizing and measuring liabilities, deferred outflows and inflows of resources, and expense/expenditures. GASB 75 directs the use of “entry age normal” as the actuarial cost allocation method to be used and the various procedures, assumptions and discount rates to be used in connection with the calculation of liabilities. In connection therewith, states and local governments that do not pre-fund their respective OPEB obligations may report increased liabilities. GASB 75, among other things, requires additional note disclosures and the presentation of required supplementary information in financial statements. GASB 75 was implemented in the District’s audited financial statements beginning in fiscal year 2017-18.

The District’s net OPEB liability takes into consideration the adoption of GASB 75, under which the District is required to recognize in full its total net OPEB liability rather than on an incremental basis. Over the past few years, the District has taken steps to (i) reduce its OPEB liability through a more cost-effective healthcare plan and (ii) pre-fund its OPEB liability by making deposits from time to time to an irrevocable trust when its reserves exceed the 5% Minimum Reserve Threshold, subject to District Board approval.

Changes in Net OPEB Liability. The District’s net OPEB liability has fluctuated over time based on a variety of factors, including changes in healthcare plans and actuarial assumptions and the funded status of the OPEB Trust. In the 2022 Actuarial Valuation, the District’s actuary, Aon Hewitt, points out that a byproduct of the GASB 75 standards is the potential for increased volatility of results from year to year, which the District has experienced since the implementation of GASB 75. In January 2019, the District implemented a less costly healthcare plan, the Anthem Preferred PPO (50 state Medicare Advantage Plan) (the “Anthem PPO”), which replaced the United HealthCare Group Medicare Advantage Plan and the Anthem Blue Cross Medicare (EPO) plan. The implementation of the Anthem PPO together with certain updated actuarial assumptions resulted in a significant reduction in the District’s net OPEB liability from \$14.97 billion as of June 30, 2018 (prior to the Anthem PPO implementation) to \$11.18 billion as of June 30, 2019 (after the Anthem PPO implementation) to \$8.58 billion as of June 30, 2020 (based on further revised actuarial assumptions). However, the District’s net OPEB liability as of June 30, 2021 increased to \$11.06 billion and then decreased to \$10.19 billion as of June 30, 2022 based on certain changes in actuarial assumptions described in more detail below. See “– 2021 Actuarial Valuation” below for more information. As of June 30, 2023, the District’s net OPEB liability has further decreased to \$8.48 billion also based on certain changes in actuarial assumptions also described in more detail below. See “– 2022 Actuarial Valuation” below for more information.

2021 Actuarial Valuation. The District’s net OPEB liability decreased by nearly \$1 billion from \$11.06 billion as of June 30, 2021 to \$10.19 billion as of June 30, 2022. According to the March 2022 Actuarial Valuation Report Postretirement Health Benefits as of the June 30, 2021 measurement date for fiscal year 2021-22 (the “2021 Actuarial Valuation”), such decrease in net OPEB liability is primarily due to the healthcare experience gain reflected in the 2021 Actuarial Valuation as there were no other significant adjustments in actuarial assumptions from the Actuarial Valuation Report Postretirement Health Benefits as of the June 30, 2020 measurement date for fiscal year 2020-21 (the “2020 Actuarial Valuation”), prepared for the District by Aon Hewitt. The 2021 Actuarial Valuation reflects updated financial information for fiscal year 2021-22 and is based on the census data, actuarial assumptions, and plan provisions used in the 2020 Actuarial Valuation with the following changes:

- Assets: \$542,828,439 as of June 30, 2021 measurement date

- Municipal Bond Rate: 2.16% as of June 30, 2021, based on the *Bond Buyer* General Obligation Bond 20-Bond Municipal Bond Index
- Expected Long-Term Return on Assets: 7.00% as of June 30, 2021, based on District's revised expectations for certain asset allocations
- Discount Rate: 2.20% as of June 30, 2021, after reassessment based on updated assets and municipal bond rate as of June 30, 2021

2022 Actuarial Valuation. The District's net OPEB liability decreased by approximately \$1.70 billion from \$10.19 billion as of June 30, 2022 to \$8.48 billion as of June 30, 2023. According to the 2022 Actuarial Valuation, the 150-basis point increase in the discount rate from the 2021 Actuarial Valuation has a considerable impact in the 2022 Actuarial Valuation, decreasing the value of liabilities by more than 20%. As explained in the 2022 Actuarial Valuation, such impact, which is somewhat offset by low asset returns as of the measurement date, decreases the net OPEB liability and the OPEB expense for fiscal year 2022-23. The 2022 Actuarial Valuation reflects updated financial information for fiscal year 2022-23 and is based on the census data, actuarial assumptions, and plan provisions used in the 2021 Actuarial Valuation with the following changes:

- Assets: \$469,939,493 as of June 30, 2022 measurement date
- Municipal Bond Rate: 3.54% as of June 30, 2022, based on the *Bond Buyer* General Obligation Bond 20-Bond Municipal Bond Index
- Contributions: Additional contribution of \$211 million to OPEB Trust scheduled to be made for fiscal years ending 2023, 2024 and 2025. The District currently budgets to contribute \$244.3 million in fiscal year 2023-24, \$33.3 million of which the District, for internal purposes, will designate as a fiscal year 2022-23 contribution.
- Expected Long-Term Return on Assets: 6.10% as of June 30, 2022, based on District's revised expectations for certain asset allocations
- Discount Rate: 3.70% as of June 30, 2022, after reassessment based on updated assets and municipal bond rate as of June 30, 2022

The following Table A-15 shows the impact of the changes to the actuarial assumptions in the 2022 Actuarial Valuation on the District's Net OPEB Liability for the fiscal year ending June 30, 2023 compared to fiscal year June 30, 2022 that was based on the 2021 Actuarial Valuation.

TABLE A-15

**LOS ANGELES UNIFIED SCHOOL DISTRICT
NET OPEB LIABILITY**

As of June 30, 2022 and June 30, 2023

(\$ in billions)

	Fiscal Year Ending June 30, 2022	Fiscal Year Ending June 30, 2023
(1) OPEB Liability		
(a) Retired Participants and Beneficiaries		
Receiving payment	\$ 3.019	\$2.755
(b) Active Participants	7.710	6.197
(c) Total	10.729	8.952
(2) Plan Fiduciary Net Position	0.543	0.470
(3) Net OPEB Liability	10.186	8.482
(4) Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	5.06%	5.25%
(5) Deferred Outflow of Resources for Contributions Made After Measurement Date	\$0.231	-

Source: 2022 Actuarial Valuation.

The District cannot predict the impact future changes in healthcare plans and actuarial assumptions and the funded status of the OPEB Trust will have on the District's net OPEB liability.

For more information on the District's OPEB plan, OPEB liability and related assumptions for fiscal year ended June 30, 2023, see Note 9 to the audited financial statements of the District contained in APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023" attached hereto.]

Risk Management and Litigation

General. [The District maintains various excess property, casualty and fidelity insurance programs, which are self-insured, with varying self-insured retentions. The District's excess property coverage is provided currently through its membership in the Public Entity Property Insurance Program ("PEPIP"), an insurance pool comprised of certain cities, counties and school districts. The District maintains excess property insurance on all District facilities under a combination of self-insurance retentions and varying sublimits through the excess insurance policies of PEPIP. The current self-insured retention for fire loss damage for excess property coverage is \$2,500,000 per occurrence and the aggregate policy limit is \$500 million. The District maintains what it considers to be adequate reserves to cover losses within the self-insurance retention. District General Fund resources are used to pay for property loss insurance and uninsured repairs for property damage. In addition to the above excess property policies, the District purchases a separate boiler and machinery policy with \$100 million in occurrence limits and a Fidelity crime coverage with \$15 million in occurrence limits.

Excess property insurance is maintained through a combination of excess policies with an occurrence limit of \$500 million. General liability insurance currently provides \$30 million coverage above a \$5 million self-insurance retention. The District expects to be reimbursed for settlements from its insurance carriers. The District maintains reserves at the level recommended by an independent actuarial analysis, which it believes are adequate to cover losses within the self-insured retention.

Prior to fiscal year 2013-14, the District's liability coverage generally included coverage for sexual misconduct and molestation. Liability coverage beginning in fiscal year 2013-14 does not include

this coverage because the District has determined that it is not available at reasonable rates from any insurance provider. In March 2014, the District Board approved a joint powers authority agreement by and between the District and the Los Angeles Trust Children's Health Inc. to establish the Los Angeles Unified School District Risk Management Authority (the "Risk Management Authority") which became effective July 1, 2014. The Risk Management Authority allows the District to purchase reinsurance for excess liability coverage for incidents such as sexual misconduct and molestation. The Risk Management Authority was capitalized by the District and provides an insurance program for the District and the Los Angeles Trust Children's Health Inc. The Risk Management Authority allows the District to purchase reinsurance for excess liability coverage which is not presently available to self-insured public agencies such as the District. See "*Sexual Misconduct Cases*" herein.

The District believes that the amounts currently reserved for potential liabilities attributable to claims of wrongful death, catastrophic injury and sexual misconduct are adequate. See "*Wrongful Death Cases*," "*Catastrophic Injury Cases*" and "*Sexual Misconduct Cases*" herein. The District will increase the expenditures projected in its budget and interim financial reports if necessary and only to the extent that the District's liabilities exceed the amount budgeted for self-insurance or current excess liability coverage. The District expects that such an increase will occur if claims relating to wrongful death, catastrophic injury or sexual misconduct by former and suspended District employees exceed the amount reserved for settlements and monetary damages to date. Such liabilities could decrease the District's net position as of June 30, 2024 from the amount set forth in the District's financial statements for fiscal year 2022-23. See APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023."

Liabilities for loss and loss adjustment expenses under each of the District's insurance programs include 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 incurred claims and their values. The District believes that, given the inherent variability in any such estimates, the aggregate liabilities are within a reasonable range of adequacy. Individual reserves are continually monitored and reviewed, and, as settlements are made or reserves adjusted, differences are reflected in current operations. See APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023."

Workers' Compensation. The District is self-insured for its Workers' Compensation Program. A separate fund is used to account for amounts set aside to pay claims incurred and related expenditures under the Workers' Compensation Program. The amount to be deposited in the Workers' Compensation Fund is established with information from an independent actuary. The District maintains at a minimum the actuarially required deposit in its Workers' Compensation Fund in accordance with its policy. See "*District Financial Policies and Related Practices – Budget and Finance Policy – Liability Reserves*" herein. The District's "Actuarial Study of Workers' Compensation Program" as of December 31, 2021, recommended a minimum funding level of approximately \$122.5 million for fiscal year 2022-23. As of June 30, 2023, the total revenues in the District's Workers' Compensation Fund (operating revenues and nonoperating revenues) was \$[150.1] million, which reflects a negative year-end accounting adjustment of \$[7.2] million to recognize the unrealized loss for the District's cash deposited in the County Treasury Pool.

Additionally, the District's actuarially determined total liability for the Workers' Compensation Program is fully funded. [The District's most recent "Actuarial Study of Workers' Compensation Program" as of December 31, 2022 reflected total expected losses of approximately \$334.6 million (at a 4.0% interest rate) as of June 30, 2023 plus an additional amount of approximately \$26.48 million in estimated outstanding unallocated loss adjustment expenses (at a 4.0% interest rate) to create a total liability of approximately \$359.2 million as of June 30, 2023.] The District has approximately \$[665.7]

million in cash available in the Workers' Compensation Fund as of June 30, 2023, which exceeds the amount necessary to fund the District's actuarially determined liability.

The "Actuarial Study of Workers' Compensation Program" as of December 31, 2022, recommends a minimum funding level of approximately \$110.7 million for fiscal year 2023-24 and approximately \$106.8 million for fiscal year 2024-25. The following Table A-16 sets forth the actuary's recommended minimum funding levels for workers' compensation set forth in the actuarial report as of December 31, 2020, December 31, 2021 and the most recent actuarial report covering the period as of December 31, 2022.

TABLE A-16

LOS ANGELES UNIFIED SCHOOL DISTRICT
Recommended Minimum Funding Levels
Workers' Compensation
Fiscal Years 2021-22 through 2025-26
(\$ in millions)

Fiscal Year	Present Value of Projected Ultimate Losses (Discounted at 3.5% Unless Otherwise Noted)	Budgeted Expenses for Claims Handling and Administration	Recommended Minimum Funding Level
2021-22	\$102.20 ⁽¹⁾	\$17.57	\$119.77
2022-23	104.64 ⁽¹⁾	17.83	122.47
2023-24	92.31	18.40	110.71
2024-25	87.82	19.00	106.82
2025-26	88.51	19.60	108.11

⁽¹⁾ Discounted at 1.5%

Source: Los Angeles Unified School District Actuarial Study of Workers' Compensation Program as of December 31, 2020 for fiscal year 2021-22; Los Angeles Unified School District Actuarial Study of Workers' Compensation Program as of December 31, 2021 for fiscal years 2022-23; Los Angeles Unified School District Actuarial Study of Workers' Compensation Program as of December 31, 2022 for fiscal years 2023-24 thru 2025-26.

The following Table A-17 sets forth information on changes in the Workers Compensation Program's liabilities from fiscal years 2018-19 through 2022-23. The District uses separate funds to account for amounts set aside to pay claims incurred and related expenditures under the respective insurance programs. See "– District Financial Policies and Related Practices – *Budget and Finance Policy* – Liability Reserves" herein and Note 10 in the audited financial statements for fiscal year 2022-23 set forth in APPENDIX B – "AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2023."

TABLE A-17

LOS ANGELES UNIFIED SCHOOL DISTRICT
Workers' Compensation Claims Paid
Fiscal Years 2018-19 through 2022-23
(\$ in millions)

Fiscal Year	Liability: Beginning of fiscal year	Current Year Claims and Changes in Estimates	Claims Paid	Liability: End of fiscal year
2018-19	\$455.4	\$85.1	\$(97.9)	\$442.7
2019-20	442.7	124.5	(87.2)	480.0
2020-21	480.0	3.1	(79.4)	403.6
2021-22	403.6	52.4	(72.6)	383.5
2022-23	383.5	56.6	(80.9)	359.2

Sources: Audited Annual Financial Report for fiscal years 2018-19 through 2022-23.

Pollution Legal Liability Policy. The District purchased a pollution legal liability (“PLL”) policy through Allied World National Assurance Company with coverage of \$10.0 million per incident and \$10.0 million in aggregate, effective May 1, 2023 to May 1, 2026.

Owner-Controlled Insurance Program. The District has arranged for its construction projects to be insured under its owner-controlled insurance program (“OCIP”). An OCIP is a single insurance program that insures the District, the District Board, all enrolled contractors, and enrolled subcontractors, and other designated parties for work performed at project sites. The District pays the insurance premiums for the OCIP coverages and requires each eligible bidder to exclude from its bid price the cost of insurance coverage. The exclusion of the cost of insurance premiums from each bid is intended to result in lower overall bids for projects, which would in turn lower the contract award amount and general obligation bond and other funds spent. In addition, the District may be able to pay a lower overall insurance cost than a single contractor because of the economies of scale gained by the purchase of an OCIP.

Litigation Regarding Insurance Providers. In September 2015, the District filed a lawsuit entitled *Los Angeles Unified School District v. ACE et al.* (the “Miramonte Coverage Action”), in Los Angeles County Superior Court seeking more than \$200 million in damages from twenty-seven of the District’s current and former insurance providers who failed to fund the defense and reimburse the District for settlement amounts paid by the District in connection with claims by hundreds of students and parents alleging that negligent hiring, supervision, and retention of former teachers Mark Berndt and Martin Springer at Miramonte Elementary School resulted in sexual abuse of the students. In April 2017, the District filed a second lawsuit in Los Angeles County Superior Court entitled *Los Angeles Unified School District vs. AIU Insurance Company, et. al.* (the “Telfair Coverage Action”), seeking more than \$40 million in damages from eight of the District’s current and former insurance providers in connection with the lawsuits filed against the District alleging that negligence of its employees in hiring, retaining, and supervising Paul Chapel resulted in sexual abuse of approximately twenty students at Telfair Elementary School. In August 2017, the District filed a third lawsuit in Los Angeles County Superior Court entitled *Los Angeles Unified School District v. Allied World et al.* (the “De La Torre Coverage Action”), seeking more than \$60 million in damages from seven of the District’s current and former insurance providers who failed to fund the defense and reimburse the District for settlement amounts paid by the District in connection with claims by over twenty students and their parents alleging that negligent hiring, supervision, and retention of former teacher Robert Pimentel at De La Torre Elementary School resulted in sexual abuse of the students. The District has not been reimbursed by any of the defendants for amounts expended in conjunction with resolving the underlying sexual abuse litigation described in this section. While no insurer agreed to pay any of the District’s defense costs before the coverage actions

were filed, rulings obtained in the Miramonte Coverage Action have forced AIG to reimburse the District for over \$21 million in defense costs. Further, the District has alleged that the insurance providers have not only breached their respective insurance obligations owed to the District in connection with underlying litigation, but also breached the implied covenant of good faith and fair dealing. The District and the insurers continue to discuss terms for a mediation of all three coverage cases. In 2021, following a bench trial, the court found that the insurer breached its duty to indemnify the District under one insurance policy at issue in the Miramonte Coverage Action for its settlements of the underlying claims. The District is considering its options with respect to additional motion practice and appellate review.

On November 4, 2020, the District filed two new lawsuits against its insurers, *LAUSD v. Starr Indemnity & Liability Co., et al.* and *LAUSD v. Ins. Co. of the State of Pennsylvania, et al.*, in which it is seeking more than \$25 million and \$8 million, respectively, in settlement reimbursements plus defense costs relating to underlying litigation involving the alleged abuse of multiple students at Franklin High School and Cahuenga High School. The District cannot predict the final outcome of or remedy imposed by any court with respect to these complaints or the amounts, if any, by which any of the insurance providers will reimburse the District for settlements and defense costs in the underlying litigation matters. In 2021, the District moved for summary adjudication to establish that the Insurance Company of State of Pennsylvania (an AIG Co.) had breached its duty to defend the District under a 2002-2003 insurance policy, which the court denied. The District is considering its options with respect to additional motion practice and appellate review.

On September 29, 2022, the District filed a new lawsuit against its insurers, *LAUSD v. Everest National Insurance Company, et al.*, in which it is seeking more than \$11 million in settlement reimbursements plus defense costs relating to underlying litigation involving the alleged abuse of multiple students at El Sereno Elementary School. One insurer has reimbursed some, but not all, of the District's defense costs in connection with the underlying litigation. The District cannot predict the final outcome of or remedy imposed by any court with respect to this complaint or the amount, if any, by which any of the insurance providers will reimburse the District for settlements and defense costs in the underlying litigation.

Wrongful Death Cases. In August 2020, the mother of a Normandie Avenue Elementary School student filed a lawsuit seeking unspecified damages in excess of \$1,000,000 against the District for the alleged wrongful death of her son on December 26, 2019, after he died from injuries sustained while at a District employee's home, during the employee's non-working hours and when school was out for winter break. The death was later ruled a homicide and the employee was subsequently criminally convicted. A jury trial in the matter commenced on July 31, 2023, in the Van Nuys Courthouse of the Los Angeles Superior Court and on August 10, 2023, the jury found the District 90% at fault and awarded plaintiff \$30 million. On October 17, 2023, the District brought a motion for a new trial which the Court denied. On November 8, 2023, the District filed its Notice of Appeal and will seek to overturn the verdict based on a number of grounds that the District believes to have strong merit. Should the District's appeal be unsuccessful, thus obligating the District to pay its share of the judgment (\$27 million), the District's expected share will be \$5 million (self-insured retention amount) and the balance of the judgment would be expected to be covered by the District's reinsurers through the Risk Management Authority.

In September 2022, a Helen Bernstein High School student was found deceased in a school bathroom after normal school hours from a Fentanyl drug overdose. The deceased student's friend was found in the courtyard of the school, and survived after a hospital stay. On December 12, 2022, the deceased student's mother filed a complaint in the Los Angeles Superior Court against the District, seeking unspecified damages for negligence and wrongful death. [Trial is set for June 10, 2024.]

In April 2016, a Palms Middle School student experienced sudden cardiac arrest during physical education class and died. On July 21, 2017, the father of the student filed a complaint in the Los Angeles Superior Court against the District, seeking unspecified damages for wrongful death. The case was tried

to a jury in April 2023, resulting in a \$15 million verdict. On August 11, 2023, the District filed a Notice of Appeal.

Catastrophic Injury Cases. In May 2017, a Van Nuys High School student suffered cardiac arrest during her first period class. On April 12, 2018, the parents of the student filed a complaint in the Los Angeles Superior Court against the District, seeking unspecified damages for alleged traumatic brain injury. Plaintiffs contend that District employees failed to properly evaluate the student's condition and failed to communicate to the school nurse that the student was unresponsive and not breathing. Plaintiffs further allege that defibrillation was not performed timely and effectively, and that there was a delay in performing cardiopulmonary resuscitation. Trial was set to commence on January 2, 2024. However, on December 23, 2023, the parties tentatively agreed to settle the case for the sum of \$14.5 million subject to Board approval. Approximately half the settlement will be paid by the District and the balance by District reinsurers.

In January 2020, a non-verbal special education student claims to have sustained injury on a District special education campus when he allegedly pulled a soccer goal post net, causing himself and the goal to fall, hitting him on the head. The student underwent emergency cervical spine surgery as a result of the incident, and his medical bills/costs known to date exceed \$1,000,000. On January 11, 2022, the court appointed conservator for the student filed a complaint in the Los Angeles Superior Court against the District, seeking unspecified damages. [The matter is scheduled for trial on April 5, 2024.]

In February 2017, a Marvin Avenue Elementary School student claims to have fallen and struck her head at the school. On November 22, 2017, the mother of the student filed a complaint in the Los Angeles Superior Court against the District, seeking unspecified damages for traumatic brain injury. Plaintiff alleges the District failed to provide the requisite medical care and failed to contact emergency medical personnel in a timely manner. [Trial is currently scheduled for August 26, 2024.]

COVID-19 Distance Learning Lawsuits. On September 24, 2020, a class action lawsuit was filed on behalf of nine named plaintiffs in Los Angeles County Superior Court asserting that the District's instructional plan in response to the COVID-19 pandemic has denied plaintiffs' children their basic education rights under the California Constitution. The complaint alleges that the District's distance learning approach is inadequate in that it has allegedly reduced instructional and professional development time, eliminated student assessments, failed to provide adequate access to technology, and failed to reengage students who did not participate in online learning in the spring of 2020 after the closure of school facilities due to the COVID-19 pandemic. The operative first amended complaint asserts various causes of action for injunctive and declaratory relief, including claims for alleged violations of statutory and Constitutional rights and claims of discrimination and disparate treatment. On April 9, 2021, the District's motion to strike certain allegations in the complaint with respect to individualized education program services was granted, but its demurrer to the first amended complaint was overruled. After plaintiffs filed a second amended complaint, the District filed another demurrer. On August 16, 2021, the Court sustained the District's demurrer with leave to amend. The Court further struck plaintiffs' claims seeking retrospective injunctive relief on a class wide basis. Plaintiffs were given 20 days to file an amended complaint. In September 2021, the Court dismissed the action in its entirety, with prejudice, and entered judgment in favor of the defendants, including the District. Plaintiffs subsequently filed a notice of appeal with the Court of Appeal of California, Second Appellate District. On September 19, 2023, the California Court of Appeal issued its decision reversing in part the September 2021 order dismissing the lawsuit. The Court of Appeal found that dismissal of the case and denial of class certification was premature, permitting the plaintiffs to move forward on three of their eight causes of action, but sustaining the dismissal of the remaining claims in favor of the District. The matter has now been remanded back to the trial court to proceed. The District will defend the case and also determine any potential settlement options.

COVID-19 Employee Vaccinations Lawsuit. Since the Fall of 2021, the District has been named in at least twenty-nine different lawsuits challenging the District's COVID-19 previous vaccination mandate, filed by current and former employees and job applicants, asserting various causes of action for wrongful termination, employment discrimination, and violations of Constitutional rights, among others theories of recovery. As of December 2023, four of the twenty-nine cases had settled. While certain of the lawsuits have been filed on behalf of a single named plaintiff, others are filed on behalf of groups of plaintiffs ranging from 6 to 167. The earliest filed of such actions, *Health Freedom Defense Fund v. Carvalho, et al.*, is presently on appeal before the Ninth Circuit Court of Appeals, following the U.S. District Court for the Central District of California's grant of the District's motion for judgment on the pleadings in September 2022. Oral arguments were heard on September 14, 2023, [and the District is awaiting a ruling by the Ninth Circuit Court of Appeals].

In general, the District believes it has strong defenses to these employee vaccination mandate lawsuits, and anticipates that most will result in defense verdicts. Nevertheless, given the inherent uncertainty of litigation and the different factual scenarios presented in each of them, the District faces potential exposure to claims for damages, including lost wages, a claim in at least one case for emotional distress damages, claims for punitive damages, and perhaps most significantly, exposure to potential awards of prevailing party attorneys' fees, which in some employment cases, can reach seven figures. The damages sought in these lawsuits vary significantly, particularly depending on the number of plaintiffs involved, the causes of action asserted, and remedies sought. As such, the District cannot predict the total damages that might be recovered in the event that it does not prevail in one or more of the lawsuits.

COVID-19 Student Vaccination Lawsuit. On October 13, 2021, two non-profit organizations purporting to represent groups of parents of children attending District schools filed a petition for writ of mandate and request for immediate stay with respect to the District's COVID-19 vaccination requirements for students. The petition alleges that the District lacked the authority to mandate students to be vaccinated for COVID-19, and seeks writs and orders vacating and setting aside the District's mandate, and enjoining the enforcement thereof. On April 15, 2022, the Superior Court heard and granted the District's demurrer to several of the claims in the plaintiffs' first amended complaint, but permitted the plaintiffs to provide additional pleading of facts to support their complaint. The District subsequently filed a demurrer in response to the plaintiffs' second amended complaint. In light of the July 5, 2022 Superior Court order in a similar student vaccination lawsuit that invalidated the mandate as preempted by State law, which was issued after the District's demurrer in this case, plaintiffs' counsel filed a motion for summary adjudication citing the July 5, 2022 order. Thereafter, the District filed an additional demurrer and motion to dismiss the matter as moot. The Court granted the demurrer and dismissed the case as moot. Plaintiffs chose not to appeal the matter and final judgment is pending. In response, plaintiffs' counsel filed a motion for attorneys' fees which the District opposed. The Court denied the motion concluding that plaintiffs failed to show that their lawsuit was a factor causing the District to delay implementation of its former student vaccine policy. Plaintiffs are still within their deadlines to file an appeal of the attorneys' fees issue. The District will respond accordingly in the event plaintiffs appeal the denial of the motion.

Sexual Misconduct Cases. The District is occasionally subject to claims relating to the sexual misconduct of District personnel and other students. There are currently threatened and pending claims against the District brought on behalf of minor students as a result of alleged sexual misconduct by District personnel. The District is in various stages of litigation relating to such pending claims and cannot predict the outcome and effects of such claims or provide any assurances that such claims will not be successful. The damages requested by the plaintiffs in the various pending sexual misconduct cases are substantial, but vary significantly, in multiple instances there are demands for several million dollars. However, the District cannot predict any final award of damages or settlement amounts. The District also cannot predict the damages sought by any threatened litigation.

Miramonte. In the *Miramonte* sexual abuse litigation, involving Mark Berndt (who in 2013 pleaded no contest to 23 felony counts of lewd acts on children and was sentenced to 25 years in prison), in which there have previously been approximately \$185 million in settlements with 176 students, there are now 10 active cases remaining with 47 plaintiffs. [Of the 10 active cases, the earliest trial date is scheduled for April 22, 2024.]

George Washington Carver Middle School. Since May 2022, eight separate complaints have been filed by former George Washington Carver Middle School students alleging negligence, and negligent hiring retention and supervision against the District arising from childhood sexual abuse former teacher, Norbert Stuart Volk, at different time periods from the late 1960s to the early 1980s. Discovery is ongoing and the District is evaluating its next steps for responding to these lawsuits, particularly in light of the fact that key witnesses, including Mr. Volk, appear to be deceased.

Assembly Bill 218 and Related Claims. Pursuant to Assembly Bill 218 (“AB 218”), which became effective on January 1, 2020, certain changes were made to the claim prerequisites and the applicable statute of limitations periods for claims of childhood sexual assault, including claims against public entities like the District. AB 218 has impacted the District’s liability exposure because it (1) extended the statute of limitations periods for claims of childhood sexual assault, (2) did away altogether with the Tort Claims Act’s presentation requirements for claims involving childhood sexual assault under which many claims were found to be late, and (3) revived certain claims for which applicable statute of limitations periods have otherwise already expired (if brought within three years of January 1, 2020). Pursuant to AB 218, a plaintiff now has twenty-two years from the age of majority or five years after the plaintiff discovered or reasonably should have discovered psychological injury or illness occurring after the age of majority caused by the alleged childhood sexual assault to bring an action, with certain actions being barred from commencement after the plaintiff’s fortieth birthday. With respect to claims that otherwise would have been barred as of January 1, 2020, AB 218 revived such claims for a period of three years, which period expired on December 31, 2022

The District is currently defending approximately 141 lawsuits arising from AB 218, relating to allegations of misconduct by current and former employees. The District has resolved approximately 16 AB 218 claims to date. Since the District is in the middle of litigation on many of the pending AB 218 claims, the District cannot fully predict the extent of its liability in such cases, whether the plaintiffs will prevail, and if so, how a final court decision or settlement agreement with respect to each such lawsuit may affect the financial status, policies or operations of the District, as the nature of the court’s remedy and the responses thereto are unknown at the present time. Nonetheless, the District currently estimates its liability for the existing claims arising from AB 218 will likely exceed \$200 million, including amounts owed as a result of resolved AB 218 claims. While the District has set aside a corresponding amount in its liability self-insurance fund to pay existing claims arising under AB 218 as well as other, unrelated claims based on an independent third-party actuarial analysis, the District’s total liability arising from existing AB 218 claims could exceed its current estimate and the amount available in its liability self-insurance fund. Further, the District may finance or refinance certain judgements arising from AB 218 claims. While the District may be able to access insurance coverage for a portion of some of the AB 218 claims, the District is not currently able to determine what amount of the total liability may be covered by prior insurance policies or existing insurance policies for excess coverage. Additionally, under AB 218, individuals who were over the age of 26 and under 40 on December 31, 2022, will still be able to timely file a lawsuit until they turn 40, and the District is unable to estimate the potential liability associated with this group of potential claimants.

Within the District, the treatment of child abuse and related reporting has evolved significantly over the past several decades. Prior to 1981, District employees did not have child abuse and neglect reporting obligations under California law, and there was limited, if any, training provided to District employees. Since 1981, California law mandates District employees to report suspected child abuse or neglect. The District’s policies on such reporting have evolved and improved since then consistent with

changes to California law. The District currently maintains (a) policies regarding child abuse and neglect reporting, sexual harassment (student-to-student, adult-to-student, and student-to-adult), social media for employees and associated persons, responsible use of technology, and ethics, (b) a code of conduct with students, and (c) protocols and procedures for reporting and investigating allegations of employee misconduct. The District also offers a variety of online and in-person training courses and resources to District employees. Currently, all District employees are subject to background checks prior to employment and are required to complete yearly child abuse training. For further reference, certain of the District's policies, protocols, training materials are made available online at the District's website. The District regularly reviews its policies, procedures and protocols with respect to these topics and updates them periodically to address evolving circumstances.

Litigation Regarding September 2022 Cyberattack. Four separate lawsuits have been filed against the District relating to the 2022 cyberattack on the District. The first three cases have been deemed related, with the matter of *M.M., et al. v. Los Angeles Unified School District*, Case No. 22STCV37822, serving as the lead case. The three lawsuits, filed on behalf of named individuals and purported classes of individuals whose personal information was allegedly posted to the dark web as a result of the cyberattack, have been deemed complex, and plaintiffs' counsel will be filing a single consolidated complaint against the District therein. As the pleadings in the litigation have not yet been finalized, the District is evaluating its options for responding, including the viability of responsive motions. A separate limited jurisdiction lawsuit related to the 2022 cyberattack was filed against the District in L.A. County Superior Court on October 11, 2023. The District is evaluating its options for responding to this lawsuit, including its potential coordination and/or consolidation with the initial three lawsuits. For more information related to the cyberattack, see “DISTRICT GENERAL INFORMATION – Cybersecurity.”]

District Debt

General Obligation Bonds. From July 1997 through March 2003, the District issued the entire amount of \$2,400,000,000 general obligation bonds authorized pursuant to Proposition BB approved by voters on April 8, 1997 (the “Proposition BB Authorization”). From May 2003 to May 2010, the District issued the entire amount of \$3,350,000,000 general obligation bonds pursuant to Measure K approved by voters on November 5, 2002 (the “Measure K Authorization”). From September 2004 through October 2021, the District issued the entire amount of \$3,870,000,000 general obligation bonds pursuant to Measure R approved by voters on March 2, 2004 (the “Measure R Authorization”). From February 2006 through October 2021, the District issued the entire amount of \$3,985,000,000 general obligation bonds pursuant to Measure Y approved by voters on November 8, 2005 (the “Measure Y Authorization”).

A \$7,000,000,000 general obligation bond authorization was approved by voters on November 4, 2008 (the “Measure Q Authorization”). The District has issued \$4,275,955,000 of aggregate principal amount of Measure Q general obligation bonds, leaving \$2,724,045,000 aggregate principal amount available under the Measure Q Authorization. A \$7,000,000,000 general obligation bond authorization was approved by the voters on November 3, 2020 (the “Measure RR Authorization”). The District has issued \$1,025,000,000 aggregate principal amount of Measure RR general obligation bonds, leaving \$5,975,000,000 aggregate principal amount available under the Measure RR Authorization.

[Under the District's general obligation bond program, approximately 23,600 new school construction, rehabilitation, modernization and replacement projects, which are intended to upgrade facilities and improve the learning environment for students, have been completed. In addition, 1,067 projects valued at approximately \$7.2 billion are currently underway, including 817 projects valued at nearly \$2.7 billion in pre-construction, and 250 projects valued at nearly \$4.5 billion under construction.]

Pursuant to Section 1(b)(3) of Article XIII A of the State Constitution, Chapters 1 and 1.5 of Part 10 of Division 1 of Title 1 of the State Education Code, as amended, and other applicable law

(collectively, the “Act”), the District Board has appointed the LAUSD School Construction Bond Citizens’ Oversight Committee (the “Citizens’ Bond Oversight Committee”). The Citizens’ Bond Oversight Committee is composed of 15 members representing numerous community groups and operates to inform the public concerning the spending of Measure K, Measure R, Measure Y, Measure Q, and Measure RR Authorization bond funds authorized by the Act. The Citizens’ Bond Oversight Committee regularly reviews the potential bond projects and budgets and provides non-binding advice to the District Board on how to allocate and reallocate scarce bond proceeds in order to ensure the completion of viable projects and to avoid non-completion of projects once commenced. The Citizens’ Bond Oversight Committee also informs the public concerning the spending of funds attributable to the Proposition BB Authorization, although Proposition BB was approved under statutes other than the Act. The Citizens’ Bond Oversight Committee meets monthly in order to review all matters including, among other things, changes in budget, scope and schedules that relate to the District’s general obligation bonds and the projects proposed to be funded therefrom. In addition, the Citizens’ Bond Oversight Committee makes recommendations to the District Board regarding such matters. See “CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS – Proposition 39” herein. The District’s Office of the Inspector General conducts audits on a selected number of the construction management firms on an annual basis to ensure that funds from the School Upgrade Program (SUP) and other legacy bond programs are spent in compliance with the Act and the District’s policies relating thereto. The District’s outside auditor, Simpson & Simpson, currently prepares the required bond audits regarding the expenditures of general obligation bond proceeds.

[The members of the District’s Citizens’ Bond Oversight Committee and the community groups represented by such members are set forth in Table A-18 below.]

TABLE A-18

**LOS ANGELES UNIFIED SCHOOL DISTRICT
Citizens’ Bond Oversight Committee
[(As of October 1, 2023)]**

Member	Community Group Represented
Margaret Fuentes, Chair	LAUSD Student Parent
D. Michael Hamner, Vice-Chair	American Institute of Architects
Samantha Rowles, Secretary	LAUSD Student Parent
Robert Campbell, Executive Member	Los Angeles County Auditor-Controller’s Office
Scott Pansky, Executive Member	Los Angeles Area Chamber of Commerce
Neelura Bell	California Charter School Association
Jeffrey Fischbach	California Tax Reform Association
Chad Boggio	Los Angeles County Federation of Labor AFL-CIO (Alternate)
Aleigh Lewis	Los Angeles City Controller’s Office
Patrick MacFarlane	Early Education Alliance
Jennifer McDowell	Los Angeles City Mayor’s Office
Brian Mello	Associated General Contractors of California
Clarence Monteclaro	Tenth District Parent Teacher Student Association
William O. Ross IV	Thirty-First District Parent Teacher Student Association
(Vacant)	American Association of Retired Persons
Connie Yee	Los Angeles County Auditor-Controller’s Office (Alternate)

The following Table A-19, Table A-20, Table A-21, Table A-22, Table A-23 and Table A-24 set forth the outstanding series of general obligation bonds and the amount outstanding as of [October 1, 2023], under the Proposition BB, Measure K, Measure R, Measure Y, Measure Q, and Measure RR Authorizations, respectively. The tables below do not reflect the issuance of the Refunding Bonds. For more information, see “PLAN OF FINANCE” in the forepart of this Official Statement.

TABLE A-19

LOS ANGELES UNIFIED SCHOOL DISTRICT
Proposition BB (Election of 1997) Bonds
(\$ in thousands)

Bond Issue	Aggregate Principal Amount	Outstanding Amount as of [October 1, 2023]	Date of Issue
2015 Refunding Bonds, Series A ⁽¹⁾	\$326,045	\$51,055	May 28, 2015
2016 Refunding Bonds, Series A ⁽¹⁾	202,420	88,535	April 5, 2016
2017 Refunding Bonds, Series A ⁽¹⁾	139,265	69,015	May 25, 2017
2021 Refunding Bonds, Series A ⁽¹⁾	<u>25,785</u>	<u>25,290</u>	April 29, 2021
TOTAL	<u>\$693,515</u>	<u>\$233,895</u>	

⁽¹⁾ Refunding bonds issued to refund general obligation bonds, which were issued pursuant to the Proposition BB Authorization are not counted against the Proposition BB Authorization of \$2.4 billion.

Source: Los Angeles Unified School District.

TABLE A-20

LOS ANGELES UNIFIED SCHOOL DISTRICT
Measure K (Election of 2002) Bonds
(\$ in thousands)

Bond Issue	Aggregate Principal Amount	Outstanding Amount as of [October 1, 2023]	Date of Issue
Series KRY Bonds (2009) (Federally Taxable Build America Bonds)	\$ 200,000	\$ 200,000	October 15, 2009
2014 Refunding Bonds, Series B ⁽¹⁾	323,170	44,175	June 26, 2014
2016 Refunding Bonds, Series B ⁽¹⁾	227,535	224,920	September 15, 2016
2017 Refunding Bonds, Series A ⁽¹⁾	941,565	629,645	May 25, 2017
2019 Refunding Bonds, Series A ⁽¹⁾	153,285	118,625	May 29, 2019
2020 Refunding Bonds, Series A ⁽¹⁾	112,350	107,445	October 6, 2020
2021 Refunding Bonds, Series B ⁽¹⁾	<u>48,855</u>	<u>47,015</u>	November 10, 2021
TOTAL	<u>\$2,006,760</u>	<u>\$1,371,825</u>	

⁽¹⁾ Refunding bonds issued to refund general obligation bonds, which were issued pursuant to the Measure K Authorization, are not counted against the Measure K Authorization of \$3.35 billion.

Source: Los Angeles Unified School District.

TABLE A-21

LOS ANGELES UNIFIED SCHOOL DISTRICT
Measure R (Election of 2004) Bonds
(\$ in thousands)

Bond Issue	Aggregate Principal Amount	Outstanding Amount as of [October 1, 2023]	Date of Issue
Series KRY Bonds (2009) (Federally Taxable Build America Bonds)	\$ 363,005	\$ 363,005	October 15, 2009
Series RY Bonds (2010) (Federally Taxable Build America Bonds)	477,630	477,630	March 4, 2010
2014 Refunding Bonds, Series C ⁽¹⁾	948,795	570,170	June 26, 2014
2016 Refunding Bonds, Series A ⁽¹⁾	56,475	29,265	April 5, 2016
2016 Refunding Bonds, Series B ⁽¹⁾	176,455	176,455	September 15, 2016
2019 Refunding Bonds, Series A ⁽¹⁾	349,350	263,255	May 29, 2019
Series RYQ Bonds (2020)	36,000	28,070	April 30, 2020
2020 Refunding Bonds, Series A ⁽¹⁾	113,150	102,125	October 6, 2020
Series RYRR (2021)	<u>123,990</u>	<u>103,830</u>	November 10, 2021
TOTAL	<u>\$2,644,850</u>	<u>\$2,113,805</u>	

⁽¹⁾ Refunding bonds issued to refund general obligation bonds, which were issued pursuant to the Measure R Authorization, are not counted against the Measure R Authorization of \$3.87 billion.

Source: Los Angeles Unified School District.

TABLE A-22

LOS ANGELES UNIFIED SCHOOL DISTRICT
Measure Y (Election of 2005) Bonds
(\$ in thousands)

Bond Issue	Aggregate Principal Amount	Outstanding Amount as of [October 1, 2023]	Date of Issue
Series KRY Bonds (2009) (Federally Taxable Build America Bonds)	\$ 806,795	\$ 806,795	October 15, 2009
Series H Bonds (2009) (Qualified School Construction Bonds)	318,800	318,800 ⁽²⁾	October 15, 2009
Series RY Bonds (2010) (Federally Taxable Build America Bonds)	772,955	772,955	March 4, 2010
Series J Bonds (2010) (Qualified School Construction Bonds)	290,195	290,195 ⁽³⁾	May 6, 2010
2014 Refunding Bonds, Series D ⁽¹⁾	153,385	65,490	June 26, 2014
2016 Refunding Bonds, Series A ⁽¹⁾	92,465	50,385	April 5, 2016
2016 Refunding Bonds, Series B ⁽¹⁾	96,865	96,865	September 15, 2016
Series M-1 Bonds (2018)	117,005	101,735	March 8, 2018
2019 Refunding Bonds, Series A ⁽¹⁾	91,970	71,220	May 29, 2019
Series RYQ Bonds (2020)	182,000	141,905	April 30, 2020
2020 Refunding Bonds, Series A ⁽¹⁾	76,500	74,215	October 6, 2020
Series RYRR (2021)	<u>70,150</u>	<u>58,745</u>	November 10, 2021
TOTAL	<u>\$3,069,085</u>	<u>\$2,849,305</u>	

⁽¹⁾ Refunding bonds issued to refund general obligation bonds, which were issued pursuant to the Measure Y Authorization, are not counted against Measure Y Authorization of \$3.985 billion.

⁽²⁾ Includes the set-aside deposits totaling \$69.760 million for fiscal years 2019-20 and 2020-21.

⁽³⁾ Includes the set-aside deposits totaling \$85.110 million for fiscal years 2018-19 through 2020-21.

Source: Los Angeles Unified School District.

TABLE A-23

LOS ANGELES UNIFIED SCHOOL DISTRICT
Measure Q (Election of 2008) Bonds
(\$ in thousands)

Bond Issue	Aggregate Principal Amount	Outstanding Amount as of [October 1, 2023]	Date of Issue
Series A Bonds (2016)	\$ 648,955	\$ 320,505	April 5, 2016
Series B-1 Bonds (2018)	1,085,440	949,510	March 8, 2018
Series RYQ Bonds (2020)	724,940	565,240	April 30, 2020
Series C Bonds (2020)	1,057,060	855,585	November 10, 2020
2021 Refunding Bonds, Series A ⁽¹⁾	164,095	160,360	April 29, 2021
Series QRR (2022)	100,000	95,060	November 22, 2022
Series QRR (2023)			November 7, 2023
TOTAL			

⁽¹⁾ Refunding bonds issued to refund general obligation bonds, which were issued pursuant to the Measure Q Authorization, are not counted against Measure Q Authorization of \$7.00 billion.

Source: Los Angeles Unified School District.

TABLE A-24

LOS ANGELES UNIFIED SCHOOL DISTRICT
Measure RR (Election of 2020) Bonds
(\$ in thousands)

Bond Issue	Aggregate Principal Amount	Outstanding Amount as of [October 1, 2023]	Date of Issue
Series RYRR (2021)	\$300,000	\$251,220	November 10, 2021
Series QRR (2022)	400,000	348,955	November 22, 2022
Series QRR (2023)			November 7, 2023
TOTAL			

Source: Los Angeles Unified School District.

As of [October 1, 2023], the District has outstanding lease obligations in the form of COPs in the aggregate principal amount of approximately \$[471.6] million. The District estimates that the aggregate payment of principal and interest evidenced by COPs will be approximately \$[658.1] million until the final maturity thereof. The District's lease obligations are not subject to acceleration in the event of a default thereof. The following Table A-25 sets forth the District's existing lease obligations paid from the District General Fund with respect to its outstanding COPs as of [October 1, 2023], and reflects the execution and delivery of the Los Angeles Unified School District Certificates of Participation, 2023 Series A (Sustainability Bonds) (the "2023 Certificates") in the aggregate principal amount of \$384,260,000. See " – Future Financings – *Lease Financings*" for more information.

TABLE A-25

LOS ANGELES UNIFIED SCHOOL DISTRICT
Certificates of Participation Lease Obligations Debt Service Schedule⁽¹⁾
(as of [October 1, 2023])
(\$ in thousands)

Fiscal Year Ending (June 30)	Paid From General Fund ⁽²⁾⁽³⁾
2024 ⁽⁴⁾	\$12,784,131
2025	50,176,664
2026	50,166,678
2027	50,165,837
2028	50,170,829
2029	50,163,720
2030	48,411,327
2031	48,412,291
2032	38,004,125
2033	38,001,075
2034	37,992,000
2035	37,985,550
2036	36,406,750
2037	36,409,000
2038	36,410,750
2039	<u>36,408,000</u>
Total⁽³⁾	<u>\$658,068,727</u>

⁽¹⁾ The lease payments reflect the net obligations of the District due to the defeasance of certain COPs.

⁽²⁾ The District expects to pay all or a portion of the final debt service payments evidenced by certain series of COPs from funds on deposit in the related debt service reserve fund.

⁽³⁾ Total may not equal sum of component parts due to rounding.

⁽⁴⁾ [Only reflects remaining debt service for fiscal year ending June 30, 2024 as of [October 1, 2023]. Total debt service for fiscal year ending June 30, 2024 is \$25.0 million.]

Source: Los Angeles Unified School District.

Limitations Related to Receipt of Federal Funds. On March 1, 2013, then-President Barack Obama signed an executive order (the “Sequestration Executive Order”) to reduce budgetary authority in certain accounts subject to sequester in accordance with the Budget Control Act of 2011 and the American Taxpayer Relief Act of 2012. Pursuant to the Sequestration Executive Order, budget authority for all accounts in the domestic mandatory spending category including, among others, accounts for the payments to issuers of “Direct Pay Bonds,” which includes the District’s outstanding Series KRY Bonds (2009) (Federally Taxable Build America Bonds) (the “Series KRY Bonds (2009)”) and Series RY Bonds (2010) (Federally Taxable Build America Bonds) (the “Series RY Bonds (2010)”) and Series J (Qualified School Construction Bonds) (the “Series J Bonds”). Direct Pay Bonds are issued as taxable bonds and provide credits to the District from the federal government pursuant to Section 54AA(d) and 54AA(g) of the Code.

[Pursuant to the Bipartisan Budget Act of 2013, enacted in December 2013, the District’s Direct Pay Bonds are subject to the full amount of sequestration budget cuts and will have their planned federal payments reduced until the federal fiscal year ending September 30, 2023. The federal subsidy for the Direct Pay Bonds for the federal fiscal year ended September 30, 2023 was reduced by 5.7%, and the U.S. Treasury Department has announced a decrease in subsidy amounts by 5.7% through federal fiscal year ending 2030. During the federal fiscal year ended September 30, 2023, the sequester resulted in a reduction in the aggregate amount of approximately \$4.2 million with respect to the refundable credits for the Series KRY Bonds (2009), Series RY Bonds (2010) and Series J Bonds.]

[Congress can terminate, extend or otherwise modify reductions in federal subsidy payments on Direct Pay Bonds due to sequestration at any time. The Consolidated Appropriations Act of 2023, enacted in December 2022, prevented the sequestration provisions from being triggered in January 2023, and such provisions are not expected to be triggered in January 2024 based on existing legislation, but such provisions are expected to be triggered in January 2025 absent further legislation. Accordingly, the District cannot predict what action, if any, that Congress may take with respect to the federal subsidy and its impact on the District's Direct Pay Bonds in future federal fiscal years. However, the District's Series KRY Bonds (2009), Series RY Bonds (2010), and Series J Bonds are payable from and secured by *ad valorem* property taxes which are to be assessed in amounts sufficient to pay principal of and interest on the Series KRY Bonds (2009), Series RY Bonds (2010), and Series J Bonds when due. The County has levied and will continue to levy *ad valorem* property taxes in an amount sufficient to pay principal of and interest on the Series KRY Bonds (2009), Series RY Bonds (2010), and Series J Bonds when due regardless of the amount of federal subsidy.]

Future Financings

General Obligation Bonds. The District may not issue general obligation bonds without voter approval and may not issue general obligation bonds in an amount greater than its bonding capacity. The District may not issue general obligation bonds under the Measure Q Authorization, or the Measure RR Authorization, as applicable, if the tax rate levied to meet the debt service requirements under the related Authorization for general obligation bonds is projected to exceed \$60 per year per \$100,000 of taxable property in accordance with Article XIII A of the State Constitution. See "CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the State Constitution" and "– Proposition 39" herein.

Pursuant to the Education Code, the District's bonding capacity for general obligation bonds may not exceed 2.5% of taxable property valuation in the District as shown by the last equalized assessment roll of the County. The taxable property valuation in the District for fiscal year 2023-24 is approximately \$929.98 billion, which results in a total current bonding capacity of approximately \$23.25 billion. The District's available capacity for the issuance of new general obligation bonds is approximately \$[] billion (taking into account current outstanding debt before the issuance of the Refunding Bonds). The fiscal year 2023-24 assessed valuation of property within the District's boundaries of approximately \$929.98 billion reflects an increase of 5.96% from fiscal year 2022-23. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS – Assessed Valuation of Property Within the District" in the forepart of this Official Statement and "CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS – Article XIII A of the State Constitution" herein.

The District has \$2,724,045,000 authorized and unissued general obligation bond authorization remaining under the Measure Q Authorization. The District has \$5,975,000,000 authorized and unissued general obligation bond authorization remaining under the Measure RR Authorization. The District may issue additional general obligation bonds or general obligation refunding bonds in the future depending upon project needs and market conditions.

As provided in the text of each of the ballots of Proposition BB, Measure K, Measure R, Measure Y, Measure Q, and Measure RR the District Board does not guarantee that the respective bonds authorized and issued under the Proposition BB, Measure K, Measure R, Measure Y, Measure Q, and Measure RR Authorizations will provide sufficient funds to allow completion of all potential projects listed in connection with said measures.

Lease Financings. [The District may finance capital projects through the execution and delivery of certificates of participation or other obligations secured by general fund lease payments from time to

time. In particular, the District may utilize lease financing, from time to time, to fund projects that are not eligible to be funded with general obligation bond proceeds, that are not authorized to be funded under existing general obligation bond measures, or for which there is not sufficient general obligation bond authorization to fund. Although the breadth of projects of such types is much larger, the District has identified projects of such types in the estimated amounts of \$500 million and \$150 million that it may consider to lease finance in 2025-26 through 2026-27 and in 2027-28, respectively. See also “– District Financial Policies and Related Practices – Debt Management Policy” herein. For more information on the 2023 Certificates, see “District Debt – Certificates of Participation” above.]

Tax and Revenue Anticipation Notes. The District did not issue tax and revenue anticipation notes in fiscal year 2022-23 and does not expect to issue tax and revenue anticipation notes in fiscal year 2023-24. However, the District may issue tax and revenue anticipation notes in future fiscal years depending on State and federal funding.

CALIFORNIA CONSTITUTIONAL AND STATUTORY PROVISIONS RELATING TO *AD VALOREM* PROPERTY TAXES, DISTRICT REVENUES AND APPROPRIATIONS

Constitutionally Required Funding of Education

The State Constitution requires that from all State revenues there shall first be set apart the moneys to be applied by the State for the support of the public school system and public institutions of higher education. California school districts receive a significant portion of their funding from State appropriations. As a result, decreases as well as increases in State revenues can significantly affect appropriations made by the State Legislature to school districts.

Article XIII A of the State Constitution

On June 6, 1978, California voters approved Proposition 13 (“Proposition 13”), which added Article XIII A to the State Constitution (“Article XIII A”). On June 3, 1986, California voters approved Proposition 46 (“Proposition 46”) which amended Article XIII A to permit local governments and school districts to increase the *ad valorem* property tax rate above 1% if two-thirds of those voting in a local election approve the issuance of such bonds and the proceeds of such bonds are used to acquire or improve real property. See “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS – California Constitutional and Statutory Provisions Relating to *Ad Valorem* Property Taxes – *Article XIII A of the California Constitution*” in the forepart of this Official Statement.

The provisions of Article XIII A were subsequently modified pursuant to Proposition 39, which was approved by California voters on November 7, 2000. See “– Proposition 39” below. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under “full cash value,” or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.” The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year or reduced in the event of declining property value caused by substantial damage, destruction or other factors including a general economic downturn. Subsequent amendments further limit the amount of any *ad valorem* tax on real property to 1% of the full cash value except that additional taxes may be levied to pay debt service on bonded indebtedness approved by the requisite percentage of voters voting on the proposition.

Legislation Implementing Article XIII A

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any *ad valorem* property tax (except to pay voter-approved indebtedness). The 1% *ad valorem* property tax is

automatically levied by the County and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the up to 2% annual inflationary adjustment of the 1% tax base are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years. Separate *ad valorem* property taxes to pay voter approved indebtedness such as general obligation bonds are levied by the County on behalf of the local agencies. Article XIII A effectively prohibits the levying of any other *ad valorem* property tax above the Proposition 13 limit except for taxes to support such indebtedness.

The full cash value of taxable property under Article XIII A represents the maximum taxable value for property. Accordingly, the fair market value for a given property may not be the equivalent of the full cash value under Article XIII A. During periods in which the real estate market within the District evidences an upward trend, the fair market value for a given property, which has not been reappraised due to a change in ownership, may exceed the full cash value of such property. During periods in which the real estate market demonstrates a downward trend, the fair market value of a given property may be less than the full cash value of such property and the property owner may apply for a “decline in value” reassessment pursuant to Proposition 8. Reassessments pursuant to Proposition 8, if approved by the Office of the County Assessor, lower valuations of properties (where no change in ownership has occurred) if the current value of such property is lower than the full cash value of record of the property. See “SECURITY AND SOURCE OF PAYMENT FOR THE BONDS – Assessed Valuation of Property Within the District” in the forepart of this Official Statement. The value of a property reassessed as a result of a decline in value may change, but in no case may its full cash value exceed its fair market value. When and if the fair market value of a property which has received a downward reassessment pursuant to Proposition 8 increases above its Proposition 13 factored base year value, the Office of the County Assessor will enroll such property at its Proposition 13 factored base year value.

Article XIII B of the State Constitution

An initiative to amend the State Constitution entitled “Limitation of Government Appropriations” was approved on September 6, 1979 thereby adding Article XIII B to the State Constitution (“Article XIII B”). In June 1990, Article XIII B was amended by the voters through their approval of Proposition 111. Under Article XIII B, the State and each local governmental entity have an annual “appropriations limit” and are not permitted to spend certain moneys that are called “appropriations subject to limitation” (consisting of tax revenues, State subventions and certain other funds) in an amount higher than the appropriations limit. Article XIII B does not affect the appropriations of moneys that are excluded from the definition of “appropriations subject to limitation,” including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the appropriations limit is to be based on certain 1978-79 expenditures and is to be adjusted annually to reflect changes in costs of living and changes in population, and adjusted where applicable for transfer of financial responsibility of providing services to or from another unit of government. Among other provisions of Article XIII B, if these entities’ revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. However, in the event that a school district’s revenues exceed its spending limit, the district may, in any fiscal year, increase its appropriations limit to equal its spending by borrowing appropriations limit from the State, provided the State has sufficient excess appropriations limit in such year. See “STATE FUNDING OF SCHOOL DISTRICTS” herein.

The 2023-24 State Budget projects that the State will be below its appropriations limit (also referred to as the Gann Limit) for fiscal year 2023-24.

The District Board adopted the annual appropriation limit for both fiscal year 2022-23 and fiscal year 2023-24 of approximately \$3.9 billion. The limitation applies only to proceeds of taxes and therefore does not apply to service fees and charges, investment earnings on non-proceeds of taxes, fines, and revenue from the sale of property and taxes received from the State and federal governments that are tied to special programs.

Article XIIC and Article XIID of the State Constitution

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the California Constitution Articles XIIC and XIID (respectively, “Article XIIC” and “Article XIID”), which contain a number of provisions affecting the ability of local agencies, including community college districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the California Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIIC establishes that every tax is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), prohibits special purpose government agencies such as community college districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds percent vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds percent vote under Article XIII A, Section 4.

On November 2, 2010, Proposition 26 was approved by State voters, which amended Article XIIC to expand the definition of “tax” to include “any levy, charge, or exaction of any kind imposed by a local government” except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the governmental activity.

Article XIID deals with assessments and property-related fees and charges. Article XIID explicitly provides that nothing in Article XIIC or XIID shall be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development; however, it is not clear whether the initiative power is therefore unavailable to repeal or reduce developer and mitigation fees imposed by the District. Proposition 218 does not affect the *ad valorem* property taxes to be levied to pay debt service on the Bonds.

Proposition 98

On November 8, 1988, State voters approved Proposition 98, a combined initiative, constitutional amendment and statute called the “Classroom Instructional Improvement and Accountability Act” (the “Accountability Act”). The Accountability Act changed State funding of public education below the university level, and the operation of the State’s Appropriations Limit, primarily by guaranteeing State funding for K-12 school districts and community college districts (collectively, “K-14 districts”).

Under Proposition 98 (as modified by Proposition 111, which was enacted on June 5, 1990), K-14 districts are guaranteed the greater of (i) in general, a fixed percent of the State general fund’s revenues (“Test 1”), (ii) the amount appropriated to K-14 districts in the prior year, adjusted for changes in the cost of living (measured as in Article XIII B by reference to State per capita personal income) and enrollment (“Test 2”), or (iii) a third test, which would replace Test 2 in any year when the percentage growth in per capita State general fund revenues from the prior year plus 0.05% is less than the percentage growth in State per capita personal income (“Test 3”). Under Test 3, schools would receive the amount appropriated in the prior year adjusted for changes in enrollment and per capita State general fund revenues, plus an additional small adjustment factor. If Test 3 is used in any year, the difference between Test 3 and Test 2 would become a “credit” to schools which would be the basis of payments in future years when per capita State general fund revenue growth exceeds per capita personal income growth. Legislation adopted prior to the end of fiscal year 1988-89 that implemented Proposition 98, determined the K-14 districts’ funding guarantee under Test 1 to be 40.3% of the State general fund tax revenues, based on 1986-87 appropriations. However, that percentage has been adjusted to 34.559% to account for a subsequent redirection of local property taxes whereby a greater proportion of education funding now comes from local property taxes.

Proposition 98 permits the State Legislature, by a two-thirds vote of both houses of the State Legislature and with the Governor’s concurrence, to suspend the K-14 districts’ minimum funding formula for a one-year period. In the fall of 1989, the State Legislature and the Governor utilized this provision to avoid having 40.3% of revenues generated by a special supplemental sales tax enacted for earthquake relief go to K-14 districts. In the fall of 2004, the State Legislature and the Governor agreed to suspend the K-14 districts’ minimum funding formula set forth pursuant to Proposition 98 in order to address a projected shortfall during fiscal year 2004-05. Proposition 98 also contains provisions transferring certain State tax revenues in excess of the Article XIII B limit to K-14 districts.

The 2023-24 State Budget projects the Proposition 98 guarantee to fall under Test 1 for fiscal years 2021-22, 2022-23, and 2023-24, resulting in funding estimates of \$110.6 billion in fiscal year 2021-22, \$107.4 billion in fiscal year 2022-23, and \$108.3 billion in fiscal year 2023-24. For more information on the Proposition 98 funding under the 2023-24 State Budget, see “STATE FUNDING OF SCHOOL DISTRICTS – State Budget Act –2023-24 State Budget” herein.

Proposition 39

Proposition 39, which was approved by California voters in November 2000 (“Proposition 39”), provides an alternative method for passage of school facilities bond measures by lowering the constitutional voting requirement from two-thirds to 55% of voters and allows property taxes to exceed the current 1% limit in order to repay such bonds. The lower 55% vote requirement would apply only to bond issues to be used for construction, rehabilitation, or equipping of school facilities or the acquisition of real property for school facilities. The State Legislature enacted additional legislation which placed certain limitations on this lowered threshold, requiring that (i) two-thirds of the governing board of a school district approve placing a bond issue on the ballot, (ii) the bond proposal be included on the ballot of a Statewide or primary election, a regularly scheduled local election, or a Statewide special election (rather than a school district election held at any time during the year), (iii) the tax rate levied as a result of any single election not exceed \$25 for a community college district, \$60 for a unified school district, or

\$30 for an elementary school or high school district per \$100,000 of taxable property value, and (iv) the governing board of the school district appoint a citizen's oversight committee to inform the public concerning the spending of the bond proceeds. In addition, the school board of the applicable district is required to perform an annual, independent financial and performance audit until all bond funds have been spent to ensure that the funds have been used only for the projects listed in the measure. The District's Measure K, Measure R, Measure Y, Measure Q, and Measure RR bond programs were authorized pursuant to Proposition 39. See "DISTRICT FINANCIAL INFORMATION – District Debt – *General Obligation Bonds*" herein. The District is in full compliance with all Proposition 39 requirements.

Proposition 1A

Proposition 1A, which was approved by California voters in November 2004 ("Proposition 1A"), provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature. Proposition 1A provided, however, that beginning in fiscal year 2008-09, the State could shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two-thirds of both houses of the State Legislature and certain other conditions are met. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also provides that if the State reduces the vehicle license fee rate below 0.65% of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A requires the State, beginning July 1, 2005, to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates. The State's ability to initiate future exchanges and shifts of funds will be limited by Proposition 22. See "– Proposition 22" below.

Proposition 22

Proposition 22, which was approved by California voters in November 2010, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services and prohibits fuel tax revenues from being loaned for cash-flow or budget balancing purposes to the State general fund or any other State fund. Due to the prohibition with respect to State's ability to take, reallocate, and borrow money raised by local governments for local purposes, Proposition 22 supersedes certain provisions of Proposition 1A of 2004. See "– Proposition 1A" herein. In addition, Proposition 22 generally eliminated the State's authority to temporarily shift property taxes from cities, counties, and special districts to schools, temporarily increased school and community college district's share of property tax revenues, prohibited the State from borrowing or redirecting redevelopment property tax revenues or requiring increased pass-through payments thereof, and prohibited the State from reallocating vehicle license fee revenues to pay for State-imposed mandates. In addition, Proposition 22 requires a two-thirds vote of each house of the State Legislature and a public hearing process to be conducted in order to change the amount of fuel excise tax revenues shared with cities and counties. The LAO stated that Proposition 22 would prohibit the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies. However, the California Supreme Court, in *California Redevelopment Association v. Matosantos*, held that the dissolution provisions set forth in Assembly Bill No. 26 of the First Extraordinary Session (2011) were constitutional and permitted the State to allocate revenues that would have been directed to the redevelopment agencies to make pass-through payments (*i.e.*, payments that

such entities would have received under prior law) to local agencies and to successor agencies for retirement of the debts and certain administrative costs of the redevelopment agencies.

Proposition 22 prohibits the State from borrowing sales taxes or excise taxes on motor vehicle fuels or changing the allocations of those taxes among local government except pursuant to specified procedures involving public notices and hearings. In addition, Proposition 22 requires that the State apply the formula setting forth the allocation of State fuel tax revenues to local agencies revert to the formula in effect on June 30, 2009. The LAO stated that Proposition 22 would require the State to adopt alternative actions to address its fiscal and policy objectives, particularly with respect to short-term cash flow needs. The District does not believe that the adoption of Proposition 22 will have a significant impact on their respective revenues and expenditures.

Proposition 30

Proposition 30, which was approved by voters in the State in November 2012 (“Proposition 30”) authorized the State to temporarily increase the maximum marginal personal income tax rates for individuals, heads of households and joint filers above 9.3% by creating three additional tax brackets of 10.3%, 11.3% and 12.3%. The tax increases set forth in Proposition 30 were in effect from tax year 2012 to tax year 2018. In addition, Proposition 30 temporarily increased the State’s sales and use tax rate by 0.25% from 2013 to 2016.

Pursuant to Proposition 30, the State included revenues from the temporary tax increases in the general fund calculation of the Proposition 98 minimum guarantee for education spending. The State deposited a portion of the new general fund revenues into an Education Protection Account established to support funding for schools and community colleges. The remainder of the new general fund revenues was available to help the State balance its budget through fiscal year 2017-18. However, the allocation of such revenues to particular programs was subject to the discretion of the Governor and the State Legislature.

In addition, Proposition 30 amended the State Constitution to address certain provisions relating to the realignment of State program responsibilities to local governments. Proposition 30 required the State to continue to provide tax revenues that were redirected in calendar year 2011 (or equivalent funds) to local governments to pay for transferred program responsibilities. Further, Proposition 30 permanently excluded sales tax revenues that are redirected to local governments from the calculation of the Proposition 98 minimum guarantee for schools and community colleges.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the voters approved on November 8, 2016 the California Tax Extension to Fund Education and Healthcare Initiative (“Proposition 55”), which extended by twelve years the temporary personal income tax increases on incomes over \$250,000 that was first enacted by Proposition 30. Revenues from the tax increase will be allocated to school districts and community colleges in the State.

Proposition 2

General. Proposition 2, which included certain constitutional amendments to the State Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by the voters in the November 2014 election.

State Rainy Day Fund. The Proposition 2 constitutional amendments related to the State Rainy Day Fund (i) require deposits into the State Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the State Rainy Day Fund at 10% of

general fund revenues; (iii) for the next 15 years, require half of each year's deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year's deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multiyear budget forecast; and (vi) create a Proposition 98 reserve (the "Public School System Stabilization Account") to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Public School System Stabilization Account unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created. For more information on limitations on school district reserves and the District's commitment of funds in fiscal years 2022-23 and 2023-24, see "STATE FUNDING OF SCHOOL DISTRICTS – Limitations on School District Reserves."

SB 858. Senate Bill 858 ("SB 858") became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Public School System Stabilization Account, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an ADA of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the Education Code, or (b) for school districts with an ADA that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

SB 751. Senate Bill 751 ("SB 751"), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Public School System Stabilization Account is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

The District, which has an ADA between 30,001 and 400,000 students, is required to maintain a reserve for economic uncertainty in an amount equal to 2.00% of its general fund expenditures and other financing uses. The District's assigned and unassigned ending General Fund balance for fiscal year 2023-24 does not exceed 10% of the total General Fund expenditures and other financing uses. Thus, the District complies with the limitations on reserves. For more information on limitations on school district reserves and the District's commitment of funds in fiscal year 2023-24, see "STATE FUNDING OF SCHOOL DISTRICTS – Limitations on School District Reserves."

The Bonds are payable from *ad valorem* taxes to be levied within the District pursuant to the California Constitution and other State law. Accordingly, the District does not expect SB 858 or SB 751 to adversely affect its ability to pay the principal of and interest on the Bonds as and when due.

State School Facilities Bonds

General. The District applies for apportionments from State bond initiatives and historically has received funding from such State bond initiatives. No assurances can be given that the District will

continue to apply for apportionments from current or future State bond initiatives or that the District will continue to receive funding from State bond initiatives for which it applies.

Proposition 47. The Class Size Reduction Kindergarten – University Public Education Facilities Bond Act of 2002 appeared on the November 5, 2002 ballot as Proposition 47 (“Proposition 47”) and was approved by State voters. Proposition 47 authorized the sale and issuance of \$13.05 billion in general obligation bonds by the State to fund construction and renovation of K-12 school facilities (\$11.4 billion) and higher education facilities (\$1.65 billion). Proposition 47 includes \$6.35 billion for acquisition of land and new construction of K-12 school facilities. Of this amount, \$2.9 billion is set aside to fund backlog projects for which school districts submitted applications to the State on or prior to February 1, 2002. The balance of \$3.45 billion would be used to fund projects for which school districts submitted applications to the State after February 1, 2002. To be eligible for bond proceeds under Proposition 47, K-12 school districts are required to pay 50% of the costs for land acquisition and new construction with local revenues. In addition, Proposition 47 provided that up to \$100 million of the \$3.45 billion would be allocated for charter school facilities. Proposition 47 provides up to \$3.3 billion for reconstruction or modernization of existing K-12 school facilities. Of this amount, \$1.9 billion will be set aside to fund backlog projects for which school districts submitted applications to the State on or prior to February 1, 2002 and the balance of \$1.4 billion would be used to fund projects for which school districts submitted applications to the State after February 1, 2002. K-12 school districts will be required to pay 40% of the costs for reconstruction or modernization with local revenues. Proposition 47 provides a total of \$1.7 billion to K-12 school districts which are considered critically overcrowded, specifically to schools that have a large number of pupils relative to the size of the school site. In addition, \$50 million will be available to fund joint-use projects. Proposition 47 also includes \$1.65 billion to construct new buildings and related infrastructure, alter existing buildings and purchase equipment for use in the State’s public higher education systems. As of September 25, 2023, the District has received approximately \$949.88 million in funds attributable to Proposition 47.

Proposition 55 (2004). The Kindergarten-University Public Education Facilities Bond Act of 2004 appeared on the March 2, 2004 ballot as Proposition 55 (“Proposition 55 (2004)”) and was approved by State voters. Proposition 55 (2004) authorizes the sale and issuance of \$12.3 billion in general obligation bonds by the State to fund construction and renovation of public K-12 school facilities (\$10 billion) and public higher education facilities (\$2.3 billion). Proposition 55 (2004) includes \$5.26 billion for the acquisition of land and construction of new school buildings. Under Proposition 55 (2004), a school district is required to provide a 50% matching share for new construction or a 60% matching share for modernization projects with local resources unless it qualifies for state hardship funding. Proposition 55 (2004) also allocates up to \$300 million of new construction funds for charter school facilities.

Proposition 55 (2004) makes \$2.25 billion available for the reconstruction or modernization of existing public school facilities. School districts would be required to pay 40% of project costs from local resources. Proposition 55 (2004) directs a total of \$2.44 billion to school districts with schools which are considered critically overcrowded. These funds would go to schools that have a large number of pupils relative to the size of the school site. Proposition 55 (2004) also makes a total of \$50 million available to fund joint-use projects. Proposition 55 (2004) includes \$2.3 billion to construct new buildings and related infrastructure, alter existing buildings and purchase equipment for use in these buildings for the State’s public higher education systems. The measure allocates \$690 million to the University of California and California State University and \$920 million to community colleges in the State. The Governor and the State Legislature select specific projects to be funded by the bond proceeds. As of September 25, 2023, the District has received approximately \$2.31 billion in funds attributable to Proposition 55 (2004).

Proposition 1D. The Kindergarten-University Public Education Facilities Bond Act of 2006 was approved by State voters at the November 7, 2006 ballot as Proposition 1D (“Proposition 1D”). Proposition 1D authorizes the sale and issuance of \$10.4 billion in general obligation bonds by the State

to fund construction and renovation of public K-12 school facilities (\$7.3 billion) and public higher education facilities (\$3.1 billion). Proceeds of bonds issued by the State under Proposition 1D are required to be deposited in the 2006 State School Facilities Fund established in the State Treasury under the Greene Act and allocated by the State Allocation Board. Proposition 1D includes \$1.9 billion for land acquisition and construction of new school buildings. Under Proposition 1D, a school district is required to pay for 50% of costs with local resources unless it qualifies for state hardship funding. Proposition 1D also allocates \$500 million for charter school facilities.

Proposition 1D makes \$3.3 billion available for the reconstruction or modernization of existing public school facilities. Districts would be required to pay 40% of project costs from local resources. Proposition 1D directs a total of \$1.0 billion to school districts with schools that are considered critically overcrowded. These funds would go to schools that have a large number of pupils relative to the size of the school site. Proposition 1D also makes a total of \$29 million available to fund joint-use projects. Proposition 1D includes \$3.1 billion to construct new buildings and related infrastructure, alter existing buildings and purchase equipment for use in these buildings for the State's public higher education systems. Pursuant to Proposition 1D, the Governor and the State Legislature select specific projects to be funded by the bond proceeds. As of September 25, 2023, the District has received approximately \$819.50 million in funds attributable to Proposition 1D.

Proposition 51. The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 was approved by State voters at the November 8, 2016 ballot as Proposition 51 ("Proposition 51"). Proposition 51 authorizes the sale and issuance of \$9 billion in general obligation bonds by the State to fund new construction of school facilities (\$3 billion), school facilities for charter schools (\$500 million), modernization of school facilities (\$3 billion), facilities for career technical education programs (\$500 million), and acquisition, construction, renovation, and equipping of community college facilities (\$2 billion). Proceeds of bonds issued by the State for K-12 under Proposition 51 are required to be deposited in the 2016 State School Facilities Fund established in the State Treasury under the Greene Act and allocated by the State Allocation Board. As of September 25, 2023, the District has received approximately \$364.59 million in funds attributable to Proposition 51.

Future Initiatives

The foregoing described amendments to the State Constitution and propositions were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted that further affect District revenues or the District's ability to expend revenues.

REGIONAL ECONOMIC AND DEMOGRAPHIC INFORMATION

The District is located in the City of Los Angeles and portions of the County of Los Angeles. The following economic and demographic information pertains to the City of Los Angeles (the “City”) and the County of Los Angeles (the “County”). The historical data and results presented in the tables that follow may differ materially from future results as a result of economic or other factors.

The Bonds are general obligations of the District secured by and payable from *ad valorem* property taxes levied within the District. The Bonds are not general obligations of the City or the County.

Population

The following Table A-26 sets forth the estimates of the population of the City, the County and the State in calendar years 2019 through 2023.

TABLE A-26

POPULATION ESTIMATES 2019 through 2023

Year (as of January 1)	City of Los Angeles	County of Los Angeles	State of California
2019	3,986,031	10,163,139	39,605,361
2020	3,975,234	10,135,614	39,648,938
2021	3,853,323	9,931,338	39,303,157
2022	3,819,538	9,861,224	39,185,605
2023	3,766,109	9,761,210	38,940,231

Source: Department of Finance Demographic Research Unit.

Income

The following Table A-27 sets forth the median household income for the City, the County, the State and the United States for calendar years 2018 through 2022.

TABLE A-27

MEDIAN HOUSEHOLD INCOME⁽¹⁾ 2018 through 2022

Year	City of Los Angeles	County of Los Angeles	State of California	United States
2018	\$62,474	\$68,093	\$75,277	\$61,937
2019	67,418	72,797	80,440	65,712
2020	65,290	71,358	78,672	64,994
2021	70,372	77,456	84,907	69,717
2022	76,135	82,516	91,551	74,755

⁽¹⁾ Estimated. In inflation-adjusted dollars.

Source: U.S. Census Bureau – Economic Characteristics – American Community Survey.

The following Table A-28 sets forth the distribution of income by certain income groupings per household for the City, the County, the State and the United States for calendar year 2022. *[WILL BE UPDATED IF 2023 DATA IS AVAILABLE PRIOR TO POSTING POS.]*

TABLE A-28
INCOME GROUPINGS 2022⁽¹⁾
(Percent of Households)

<u>Income Per Household</u>	<u>City of Los Angeles</u>	<u>County of Los Angeles</u>	<u>State of California</u>	<u>United States</u>
\$24,999 & Under	18.3%	15.9%	14.4%	16.0%
\$25,000-49,999	16.7	15.6	13.9	18.0
\$50,000 & Over	65.0	68.6	71.7	66.0

⁽¹⁾ Estimated. In inflation-adjusted dollars. Data may not add up due to rounding.

Source: U.S. Census Bureau – Economic Characteristics – American Community Survey.

Employment

The District is within the Los Angeles-Long Beach Primary Metropolitan Statistical Area Labor Market (Los Angeles County). The following Table A-29 sets forth wage and salary employment in the County from calendar years 2018 through 2022. *[WILL BE UPDATED IF 2023 DATA IS AVAILABLE PRIOR TO POSTING POS.]*

TABLE A-29
LABOR FORCE AND EMPLOYMENT IN THE COUNTY OF LOS ANGELES⁽¹⁾
2018 through 2022

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Civilian Labor Force	5,121,300	5,153,100	4,968,900	4,994,100	4,984,800
Employment	4,885,300	4,926,100	4,355,900	4,548,900	4,739,900
Unemployment	235,900	227,000	613,000	445,200	244,900
Unemployment Rate	4.6%	4.4%	12.3%	8.9%	4.9%
Wage and Salary Employment					
Farm	4,600	4,400	4,400	4,600	4,900
Mining and Logging	1,900	1,900	1,700	1,600	1,600
Construction	146,300	149,800	146,500	149,800	150,900
Manufacturing	342,600	340,700	315,100	311,700	321,800
Trade, Transportation and Utilities	851,400	851,000	788,000	817,600	837,400
Information	214,700	215,300	191,000	213,200	235,000
Financial Activities	223,200	223,600	212,600	210,800	215,900
Professional and Business Services	632,300	647,000	599,800	629,500	668,900
Educational and Health Services	817,900	839,900	820,300	839,600	873,600
Leisure and Hospitality	536,500	547,200	393,500	429,300	511,300
Other Services	158,800	158,400	128,700	134,100	153,500
Government	590,600	586,900	570,200	558,200	568,500
Total ⁽¹⁾	4,520,700	4,566,100	4,171,700	4,300,000	4,543,400

⁽¹⁾ Totals may not equal sum of component parts due to rounding.

Source: California Employment Development Department, Labor Market Information Division.

The following Table A-30 sets forth taxable sales in the County for the calendar years 2019 through 2023.

TABLE A-30

**COUNTY OF LOS ANGELES
TAXABLE TRANSACTIONS⁽¹⁾
2019 through 2023
(\$ in thousands)**

Type of Business	2019	2020	2021	2022	2023⁽²⁾
Motor Vehicle and Parts Dealers	\$ 18,954,470	\$ 18,534,326	\$ 23,555,049	\$ 25,236,081	\$ 17,913,395
Home Furnishings and Appliance Stores	7,308,501	6,608,482	8,177,309	7,682,325	5,107,391
Building Materials and Garden Equipment and Supplies Dealers	8,698,495	9,556,946	10,450,185	10,997,781	8,030,227
Food and Beverage Stores	7,255,360	7,650,294	7,861,401	8,137,012	5,948,657
Gasoline Stations	12,491,790	8,132,307	12,405,237	16,114,153	10,588,960
Clothing and Clothing Accessories Stores	12,536,982	9,498,705	13,957,944	14,388,631	9,832,161
General Merchandise Stores	12,910,844	12,263,784	14,541,309	15,072,717	10,083,516
Food Services and Drinking Places	25,097,944	17,006,158	23,577,050	27,861,821	21,896,859
Other Retail Group	<u>17,190,290</u>	<u>24,164,972</u>	<u>24,407,441</u>	<u>24,618,548</u>	<u>17,506,675</u>
Total Retail and Food Services	<u>\$122,444,678</u>	<u>\$113,415,974</u>	<u>\$138,932,925</u>	<u>\$150,109,069</u>	<u>\$106,907,845</u>
All Other Outlets	<u>\$ 49,868,925</u>	<u>\$ 44,322,010</u>	<u>\$53,340,253</u>	<u>\$62,671,752</u>	<u>\$45,653,175</u>
TOTAL ALL OUTLETS	<u>\$172,313,603</u>	<u>\$157,737,984</u>	<u>\$192,273,178</u>	<u>\$212,780,821</u>	<u>\$152,561,021</u>

⁽¹⁾ Totals may not equal sum of component parts due to rounding.

⁽²⁾ Values reflect the first, second and third quarters of 2023.

Source: California Department of Tax and Fee Administration, Taxable Sales in California.

Leading County Employers

The economic base of the County is diverse with no one sector being dominant. Some of the leading activities include government (including education), business/professional management services (including engineering), health services (including training and research), tourism, distribution, and entertainment. The following Table A-31 sets forth the major employers in the County as of August 2023.

TABLE A-31

**COUNTY OF LOS ANGELES
MAJOR EMPLOYERS⁽¹⁾
2023**

<u>Employer</u>	<u>Product/Service</u>	<u>Employees</u>
Los Angeles County	Government	100,729
Los Angeles Unified School District	Education	74,000
University of California, Los Angeles	Education	51,597
U.S. Government – Federal Executive Board	Government	50,000
Kaiser Permanente Southern California	Nonprofit health plan	44,769
City of Los Angeles	Government	34,421
State of California	Government	32,300
University of Southern California	Private university	23,227
Northrop Grumman Corp.	Systems and products in aerospace, electronics and information systems	18,000
Cedars-Sinai	Health system	16,730
Allied Universal	Provider of security services and technology solutions	15,326
Target Corp.	Retailer	15,000
Providence	Health care	14,395
Ralphs/Food 4 Less (Kroger Co. division)	Grocery retailer	14,000
Walt Disney Co.	Media and entertainment	12,200
Boeing Co.	Aerospace and defense, commercial jetliners, space and security systems	12,005
Long Beach Unified School District	Education	12,000
Los Angeles County Metropolitan Transportation Authority	Transportation	11,700
UPS	Logistics, transportation and freight	11,643
Los Angeles Community College District	Education	11,618
Home Depot	Home improvement retailer	11,200
Los Angeles Department of Water & Power	Energy	11,000
NBCUniversal	Media and entertainment	11,000
Amazon	Online retailer	10,500
AT&T Inc.	Telecommunications, DirecTV, cable, satellite and television provider	10,500
Albertsons Cos.	Retail grocer	10,406
California Institute of Technology	Private university, operator of Jet Propulsion Laboratory	9,224
California State University, Long Beach	Education	8,477
Edison International	Electric utility, energy services	7,672
City of Hope	Treatment and research center for cancer, diabetes and other life-threatening diseases	7,535
ABM Industries Inc.	Facility services, energy solutions, commercial cleaning, maintenance and repair	7,400
FedEx Corp.	Shipping and logistics	6,750
Children's Hospital Los Angeles	Nonprofit freestanding children's hospital	6,644
Dignity Health	Health care	6,263
Costco Wholesale	Membership chain of warehouse stores	6,002
Space Exploration Technologies Corp.	Rockets and spacecraft	6,000
City of Long Beach	Government	5,395
Mt. San Antonio Community College District	Education	4,400
California State University, Northridge	Education	4,282
Glendale Unified School District	Education	4,000
Los Angeles World Airports	Airport authority owner and operator	3,662
Cal Poly Pomona	Education	3,094

⁽¹⁾ This information was provided by representatives of the employers themselves and annual budget reports. Government agencies and companies are ranked by the current number of full-time employees in the County. Several organizations and companies may have qualified for this list, but failed to submit information or do not break out local employment data.

Source: "Largest Public-Sector Employers" and "Largest Private Sector Employers," Los Angeles Business Journal, August 28-September 3, 2023.

Construction

The following Table A-32 sets forth the valuation of permits for new residential buildings and the number of new single-family and multi-family dwelling units in the City for the years 2019 through 2023. *[TO BE UPDATED WITH 2023 YEAR-TO-DATE DATA.]*

TABLE A-32
CITY OF LOS ANGELES
PERMIT VALUATIONS AND UNITS OF CONSTRUCTION⁽¹⁾
2019 through 2023
(\$ in thousands)

Year	New Residential Valuation	New Single Family Dwelling Units	New Multi-Family Dwelling Units	Total New Units
2019	\$3,726,652	2,623	11,291	13,914
2020	3,235,640	1,887	10,448	12,335
2021	3,013,650	2,469	11,667	14,136
2022	3,783,606	3,042	13,049	16,091
2023 ⁽²⁾	1,518,970	737	9,167	4,989

⁽¹⁾ Total may not equal sum of component parts due to rounding.

⁽²⁾ Values include data through July 31, 2023.

Source: California Homebuilding Foundation | Construction Industry Research Board.

The following Table A-33 sets forth the lending activity, home prices and sales, recorded notices of default, unsold new housing and vacancy rates of properties within the County from 2018 through 2022. *[TO BE UPDATED WITH 2023 YEAR-TO-DATE DATA.]*

TABLE A-33
COUNTY OF LOS ANGELES
REAL ESTATE AND CONSTRUCTION INDICATORS
2018 through 2022

Indicator	2018	2019	2020	2021	2022⁽³⁾
Construction Lending ⁽¹⁾	\$20,419	\$14,193	\$9,247	\$11,038	\$5,583
Residential Purchase Lending ⁽¹⁾	\$48,203	\$56,480	\$72,996	\$96,872	\$38,879
New & Existing Median Home Prices	\$598,387	\$614,080	\$674,964	\$777,767	\$844,008 ⁽²⁾
New & Existing Home Sales	75,086	73,548	71,479	90,259	38,471
Notices of Default Recorded	9,726	9,821	4,858	3,566	3,434
Office Market Vacancy Rates ⁽²⁾	14.4%	13.9%	14.9%	18.5%	19.5%
Industrial Market Vacancy Rates ⁽²⁾	1.4%	1.2%	1.8%	1.2%	0.9%

⁽¹⁾ Dollars in millions.

⁽²⁾ Average of quarterly data.

⁽³⁾ Values reflect second quarter of 2022.

Source: Real Estate Research Council of Southern California – Second Quarter 2022 (2018-2022).

The following Table A-34 sets forth information with respect to building permits and building valuations in the County from 2019 through 2023. ***[TO BE UPDATED WITH 2023 YEAR-TO-DATE DATA.]***

TABLE A-34
COUNTY OF LOS ANGELES
BUILDING PERMITS AND VALUATIONS⁽¹⁾
2019 through 2023

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023⁽²⁾</u>
Residential Building Permits (Units)					
New Residential Permits					
Single Family	5,738	6,198	7,327	8,301	2,214
Multi-Family	<u>15,884</u>	<u>14,056</u>	<u>16,718</u>	<u>18,912</u>	<u>6,229</u>
Total Residential Building Permits	<u>21,622</u>	<u>20,254</u>	<u>24,045</u>	<u>27,213</u>	<u>8,443</u>
Building Valuations (\$ in millions)					
Residential Building Valuations					
Single Family	\$1,967	\$1,874	\$2,086	\$2,180	\$978
Multi-Family	2,961	2,790	3,027	3,524	1,048
Alterations and Additions	<u>1,626</u>	<u>1,014</u>	<u>908</u>	<u>1,423</u>	<u>1,041</u>
Residential Building Valuations Subtotal	<u>\$6,554</u>	<u>\$5,678</u>	<u>\$6,021</u>	<u>\$7,127</u>	<u>\$3,068</u>
Non-Residential Building Valuations					
New Industrial Buildings	\$ 64	\$ 32	\$ 28	\$ 25	\$ 78
Office Buildings	475	242	162	69	13
Store & Other Mercantile	1,338	897	170	879	48
Hotels and Motels	203	232	53	40	47
Industrial Buildings	64	32	28	25	78
Alterations and Additions	3,404	1,241	946	2,417	1,342
Amusement and Recreation	32	2	38	3	80
Parking Garages	231	103	0	80	38
Service Stations and Repair Garages	1	72	1	6	5
Other	<u>840</u>	<u>691</u>	<u>466</u>	<u>661</u>	<u>57</u>
Non-Residential Building Valuations Subtotal	<u>\$6,590</u>	<u>\$3,513</u>	<u>\$1,863</u>	<u>\$4,184</u>	<u>\$1,717</u>
Total Building Valuations	<u>\$13,144</u>	<u>\$9,191</u>	<u>\$7,884</u>	<u>\$11,311</u>	<u>\$4,785</u>

⁽¹⁾ Totals may not equal sum of component parts due to rounding.

⁽²⁾ Values include data through July 31, 2023.

Sources: California Homebuilding Foundation | Construction Industry Research Board.

GLOSSARY OF CERTAIN TERMS AND ABBREVIATIONS

The following are definitions and abbreviations of certain terms used in this Appendix A.

“AALA” means the Associated Administrators of Los Angeles, which represents the middle managers in the District.

“ADA” means average daily attendance, a measure of pupil attendance used as the basis for providing revenue to school districts and as a measure of unit costs. ADA includes only in-seat attendance.

“CAFR” means comprehensive annual financial report.

“CalPERS” means the California Public Employees’ Retirement System, a defined benefit plan which covers classified personnel who work four or more hours per day.

“CalSTRS” means the California State Teachers’ Retirement System, a defined benefit plan which covers all full-time certificated and some classified District employees.

“CARES Act” means Coronavirus Aid, Relief and Economic Security Act.

“CDE” means the California Department of Education.

“COLA” means cost-of-living adjustments, which is used in determining the District’s funding from the State.

“Common Core” means Common Core State Standards.

“COPS” means certificates of participation.

“COVID-19” means Coronavirus Disease 2019.

“CSEA” means California School Employees Association.

“EL” means English learners, a classification for students.

“FRPM” means free or reduced-price meal.

“GASB” means the Governmental Accounting Standards Board, an operating entity of the Financial Accounting Foundation establish to set standards of financial accounting and reporting for state and local governmental entities.

“ISMP” means the Information Security Management Program.

“LACOE” means the Los Angeles County Office of Education.

“LAO” means the Legislative Analyst’s Office of the State of California.

“LASPA” means the Los Angeles Sheriff’s Professional Association.

“LASPMA” means the Los Angeles School Police Management Association.

“LCAP” means the Local Control and Accountability Plan.

“LCFF” means the Local Control Funding Formula.

“LEA” means local education agency as defined under the NCLB Act.

“LI” means students classified as foster youth.

“OCIP” means owner controlled insurance program.

“OPEB” means Other Post-Employment Benefits.

“PARS” means the Public Agency Retirement System, a defined contribution plan which covers the District’s part-time, seasonal, temporary and other employees not otherwise covered by CalPERS or CalSTRS, but whose salaries would otherwise be subject to Social Security tax.

“PEPIP” means the Public Entity Property Insurance Program, an insurance pool comprised of certain cities, counties and school districts.

“PEPRA” means the California Public Employees’ Pension Reform Act of 2013.

“PERB” means the Public Employee Relations Board.

“PLL” means pollution legal liability.

“SEIU” means Service Employees International Union.

“SUP” means School Upgrade Program.

“UAAL” means unfunded actuarial accrued liability.

“UTLA” means the United Teachers Los Angeles, which is the collective bargaining unit representing teachers and support service personnel of the District.

APPENDIX B

**AUDITED ANNUAL FINANCIAL REPORT OF THE DISTRICT
FOR FISCAL YEAR ENDED JUNE 30, 2023**

APPENDIX C

BOOK-ENTRY ONLY SYSTEM

THE INFORMATION IN THIS APPENDIX C CONCERNING THE DEPOSITORY TRUST COMPANY AND ITS BOOK-ENTRY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE DISTRICT AND THE UNDERWRITERS BELIEVE TO BE RELIABLE, BUT THE DISTRICT AND THE UNDERWRITERS TAKE NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS THEREOF. THERE CAN BE NO ASSURANCE THAT THE DEPOSITORY TRUST COMPANY WILL ABIDE BY ITS PROCEDURES OR THAT SUCH PROCEDURES WILL NOT BE CHANGED FROM TIME TO TIME.

The Depository Trust Company (“DTC”) will act as securities depository for the Refunding Bonds. The Refunding Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered security certificate will be issued for each maturity of the Refunding Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest security depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. Information on these websites is not incorporated herein by reference.

Purchases of the Refunding Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Refunding Bonds on DTC’s records. The ownership interest of each actual purchaser of each security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Refunding Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Refunding Bonds, except in the event that use of the book-entry system for the Refunding Bonds is discontinued.

To facilitate subsequent transfers, all Refunding Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Refunding Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Refunding Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Refunding Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Refunding Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Refunding Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Refunding Bonds may wish to ascertain that the nominee holding the Refunding Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Refunding Bonds are to be redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Refunding Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Refunding Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and other payments on the Refunding Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the District subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and other payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Refunding Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor depository is not obtained, security certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC and the requirements of the Refunding Resolution with respect to certificated Refunding Bonds will apply.

THE DISTRICT, THE COUNTY, THE PAYING AGENT, THE MUNICIPAL ADVISOR, AND THE UNDERWRITERS CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC WILL DISTRIBUTE TO THE BENEFICIAL OWNERS OF THE REFUNDING BONDS (I) PAYMENTS OF PRINCIPAL OF AND INTEREST ON THE REFUNDING BONDS (II) CONFIRMATIONS OF THEIR OWNERSHIP INTERESTS IN THE REFUNDING BONDS OR (III) OTHER NOTICES SENT TO DTC OR CEDE & CO., ITS PARTNERSHIP NOMINEE, AS THE REGISTERED OWNER OF THE REFUNDING BONDS, OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC, DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT.

NEITHER THE DISTRICT, THE COUNTY, THE PAYING AGENT, THE MUNICIPAL ADVISOR, NOR THE UNDERWRITERS WILL HAVE ANY RESPONSIBILITY OR OBLIGATIONS TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OF DTC OR THE BENEFICIAL OWNERS WITH RESPECT TO (I) THE ACCURACY OR COMPLETENESS OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC, (II) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE PRINCIPAL AMOUNT OF OR INTEREST ON THE REFUNDING BONDS, (III) THE DELIVERY BY DTC OR ANY DIRECT PARTICIPANTS OR INDIRECT PARTICIPANTS OF DTC OF ANY NOTICE TO ANY BENEFICIAL OWNER THAT IS REQUIRED OR PERMITTED TO BE GIVEN TO OWNERS UNDER THE TERMS OF THE REFUNDING RESOLUTION, OR (IV) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS OWNER OF THE REFUNDING BONDS.

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon issuance of the Refunding Bonds, Hawkins Delafield & Wood LLP, Los Angeles, California, Bond Counsel to the Los Angeles Unified School District, will render its approving opinion with respect to the Refunding Bonds in substantially the following form:

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Los Angeles Unified School District (the “District”) in connection with the issuance of its Refunding Bonds (defined herein), which are being issued pursuant to the laws of the State of California and the Refunding Resolution (defined herein). The District covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District and the Dissemination Agent for the benefit of the Holders and Beneficial Owners of the Refunding Bonds and in order to assist the Participating Underwriters in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Refunding Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 4 and 5 of this Disclosure Certificate.

“Beneficial Owner” shall mean any person who (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Refunding Bonds (including persons holding Refunding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Refunding Bonds for federal income tax purposes.

“County” shall mean the County of Los Angeles, California.

“CUSIP Numbers” shall mean the Committee on Uniform Security Identification Procedure’s unique identification number for each public issue of a security.

“Dissemination Agent” shall mean Digital Assurance Certification, L.L.C., or any successor Dissemination Agent designated in writing by the District and which has filed with the District a written acceptance of such designation.

“Disclosure Counsel” shall mean an attorney-at-law, or a firm of such attorneys, of nationally recognized standing in matters pertaining to the disclosure obligations under the Rule, duly admitted to the practice of law before the highest court of any state of the United States of America.

“EMMA System” shall mean the MSRB’s Electronic Municipal Market Access system, the current internet address of which is <http://emma.msrb.org>.

“Financial Obligation” shall mean, for purposes of the Listed Events set out in Section 6(b)(xv) and Section 6(b)(xvi), a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which

a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Holder” shall mean either the registered owners of the Refunding Bonds, or if the Refunding Bonds are registered in the name of The Depository Trust Company or another recognized depository, any applicable participant in such depository system.

“Listed Events” shall mean any of the events listed in Section 6(b) of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, or any successor thereto or to the functions of the MSRB contemplated by this Disclosure Certificate.

“Official Statement” shall mean the Official Statement dated _____, 2024, with respect to the Refunding Bonds.

“Participating Underwriters” shall mean the original underwriters of the Refunding Bonds required to comply with the Rule in connection with offering of the Refunding Bonds.

“Refunding Bonds” shall mean the 2024 General Obligation Refunding Bonds, Series A (Dedicated Unlimited *Ad Valorem* Property Tax Bonds).

“Refunding Resolution” shall mean the resolution adopted by the Board of Education of the District on _____, 2024.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Transmission of Notices, Documents and Information. (a) Unless otherwise required by the MSRB, all notices, documents and information provided to the MSRB shall be provided to the EMMA System.

(b) All notices, documents and information provided to the MSRB shall be provided in an electronic format as prescribed by the MSRB.

Section 4. Provision of Annual Reports. (a) The District shall, or shall cause the Dissemination Agent to, not later than 240 days following the end of the District’s fiscal year (currently ending June 30), commencing with the report for the 2023-24 fiscal year (which is due not later than February 25, 2025), provide to the MSRB through its EMMA System an Annual Report which is consistent with the requirements of Section 5 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 5 of this Disclosure Certificate. If the District’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 6(c).

(b) Not later than thirty (30) days (not more than sixty (60) days) prior to the date on which the Annual Report is to be provided pursuant to subsection (a), the Dissemination Agent shall give notice to the District that the Annual Report is so required to be filed in accordance with the terms of this Disclosure Certificate. Not later than fifteen (15) days prior to said date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If the District is unable to provide to the MSRB through its EMMA System an Annual Report by the date required in subsection (a), the Dissemination Agent shall send a timely notice of such fact to the MSRB through its EMMA System.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report to the EMMA System the date on which such Annual Report shall be due and notify the District of such date; and

(ii) (if the Dissemination Agent is other than the District) file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and that it was provided to the MSRB through the EMMA System.

Section 5. Content of Annual Reports. The District's Annual Report shall contain or include by reference the following:

(a) Audited financial statements of the District for the preceding fiscal year, prepared in accordance with the laws of the State of California and including all statements and information prescribed for inclusion therein by the Controller of the State of California. If the District's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 4 hereof, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) To the extent not included in the audited financial statements of the District, the Annual Report shall also include the following:

(i) Table [3] – “Historical Gross Assessed Valuation of Taxable Property” if and to the extent provided to the District by the County;

(ii) Table [5] – “Assessed Valuation and Parcels by Land Use”;

(iii) Table [6] – “Assessed Valuations of Single Family Homes per Parcel”;

(iv) Table [7] – “Largest Local Secured Taxpayers”;

(v) Table [9] – “Secured Tax Charges and Delinquencies,” if and to the extent provided to the District by the County;

(vi) Table [A-1] – “Average Daily Attendance”;

(vii) Table [A-4] – “District General Fund Budget” for the current fiscal year;

(viii) Table A-[19] – “Proposition BB (Election of 1997) Bonds,” if and only to the extent that bonds issued pursuant to Proposition BB or bonds that have refunded such bonds are outstanding;

(ix) Table [A-20] – “Measure K (Election of 2002) Bonds,” if and only to the extent that bonds issued pursuant to Measure K or bonds that have refunded such bonds are outstanding;

(x) Table [A-21] – “Measure R (Election of 2004) Bonds,” if and only to the extent that bonds issued pursuant to Measure R or bonds that have refunded such bonds are outstanding;

(xi) Table [A-22] – “Measure Y (Election of 2005) Bonds,” if and only to the extent that bonds issued pursuant to Measure Y or bonds that have refunded such bonds are outstanding;

(xii) Table [A-23] – “Measure Q (Election of 2008) Bonds,” if and only to the extent that bonds issued pursuant to Measure Q or bonds that have refunded such bonds are outstanding; and

(xiii) Table [A-24] - “Measure RR (Election of 2020) Bonds,” if and only to the extent that bonds issued pursuant to Measure RR or bonds that have refunded such bonds are outstanding.

(c) It shall be sufficient for purposes of Section 4 hereof if the District provides annual financial information by specific reference to documents (i) available to the public on the MSRB Internet Web site (currently, www.emma.msrb.org) or (ii) filed with the Securities and Exchange Commission. The District shall clearly identify each such other document so included by reference. The provisions of this Section 5(c) shall not apply to notices of Listed Events pursuant to Section 6 hereof.

(d) The descriptions contained in clause (b) above of financial information and operating data constituting to be included in the Annual Report are of general categories or types of financial information and operating data. When such descriptions include information that no longer can be generated because the operations to which it related have been materially changed or discontinued, or due to changes in accounting practices, legislative or organizational changes, a statement to that effect shall be provided in lieu of such information. Comparable information shall be provided if available.

Section 6. Reporting of Listed Events. (a) If a Listed Event occurs, the District shall provide or cause to be provided, in a timely manner not in excess of ten (10) Business Days of the District having notice of such Listed Event, notice of such Listed Event to (i) the EMMA System of the MSRB and (ii) the Dissemination Agent.

(b) Pursuant to the provisions of this Section 6, the District shall give, or cause to be given, notice of the occurrence of any of the following events (each, a “Listed Event”) with respect to the Refunding Bonds:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) modifications to rights of Holders, if material;
- (iv) bond calls, if material and tender offers;
- (v) defeasances;
- (vi) rating changes;
- (vii) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (Internal Revenue Service Form 5701-TEB) or other material notices of determinations with respect to the tax status of the Refunding Bonds, or other material events affecting the tax status of the Refunding Bonds;
- (viii) unscheduled draws on the debt service reserves reflecting financial difficulties;
- (ix) unscheduled draws on the credit enhancements reflecting financial difficulties;
- (x) release, substitution or sale of property securing repayment of the Refunding Bonds, if material;
- (xi) bankruptcy, insolvency, receivership or similar event of the District (such event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under State or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District);
- (xii) substitution of credit or liquidity providers, or their failure to perform;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an

action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) appointment of a successor or additional Paying Agent or the change of name of a Paying Agent, if material;

(xv) incurrence of a Financial Obligation of the District, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material;

(xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties; and

(xvii) any amendment or waiver of a provision of this Disclosure Certificate.

The District intends to comply with the Listed Events described in Section 6(b)(xv) and Section 6(b)(xvi), and the definition of “Financial Obligation” in Section 1, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Securities and Exchange Commission in Release No. 34-83885, dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the Securities and Exchange Commission or its staff with respect the amendments to the Rule effected by the 2018 Release. The District notes that items (viii), (ix), (x) and (xii) are not applicable to the Refunding Bonds.

(c) If the District determines that a Listed Event has occurred, the District shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to Section 3 hereof.

(d) If the Dissemination Agent has been instructed by the District to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB through its EMMA System.

(e) Notwithstanding the foregoing, notice of Listed Events described in subsections (b)(iv) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Refunding Bonds pursuant to the Refunding Resolution.

Section 7. CUSIP Numbers. Whenever providing information to the Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements and notices of Listed Events, the District shall indicate the full name of the Refunding Bonds and the 9-digit CUSIP numbers for the Refunding Bonds as to which the provided information relates.

Section 8. Termination of Reporting Obligation. (a) The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Refunding Bonds. If such termination occurs prior to the final maturity of the Refunding Bonds, the District shall give notice of such termination in the same manner as for a Listed Event under Section 6(c).

(b) This Disclosure Certificate, or any provision hereof, shall cease to be effective in the event that the District (1) delivers to the Dissemination Agent an opinion of Disclosure Counsel, addressed to the District and the Dissemination Agent, to the effect that those portions of the Rule which require this Disclosure Certificate, or such provision, as the case may be, do not or no longer apply to the Refunding Bonds, whether because such portions of the Rule are invalid, have been repealed, or otherwise, as shall be specified in such opinion, and (2) delivers copies of such opinion to the MSRB.

Section 9. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall be Digital Assurance Certification, L.L.C. If at any time there is no designated Dissemination Agent appointed by the District, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of the Dissemination Agent hereunder, the District shall be the Dissemination Agent and undertake or assume its obligations hereunder. The Dissemination Agent (other than the District) shall not be responsible in any manner for the content of any notice or report required to be delivered by the District pursuant to this Disclosure Certificate.

Section 10. Amendment; Waiver. (a) This Disclosure Certificate may be amended by the District without the consent of the holders of the Refunding Bonds (except to the extent required under clause (a)(iv)(2) below), if all of the following conditions are satisfied:

(i) such amendment is made in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements, a change in law (including rules or regulations) or in interpretations thereof, or a change in the identity, nature or status of the District or the type of business conducted thereby;

(ii) this Disclosure Certificate as so amended would have complied with the requirements of the Rule as of the date of this Disclosure Certificate, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(iii) the District shall have received an opinion of a nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the District, to the same effect as set forth in (a)(ii) above;

(iv) either (1) the District shall have received an opinion of a nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the District, to the effect that the amendment does not materially impair the interests of the holders of the Refunding Bonds or (2) is approved by the Holders of the Refunding Bonds in the same manner as provided in the Refunding Resolution for amendments to the Refunding Resolution with the consent of Holders; and

(v) the District shall have delivered copies of such opinion and amendment to the MSRB through its EMMA system within ten (10) Business Days from the execution thereof.

(b) In addition to subsection 10(a) above, this Disclosure Certificate may be amended and any provision of this Disclosure Certificate may be waived, by written certificate of the District, without the consent of the holders of the Refunding Bonds, if all of the following conditions are satisfied:

(i) an amendment to the Rule is adopted, or a new or modified official interpretation of the Rule is issued, after the effective date of this Disclosure Certificate which is applicable to this Disclosure Certificate;

(ii) the District shall have received an opinion of a nationally recognized bond counsel or counsel expert in federal securities laws, addressed to the District, to the effect that performance by the District under this Disclosure Certificate as so amended or giving effect to such waiver, as the case may be, will not result in a violation of the Rule; and

(iii) the District shall have delivered copies of such opinion and amendment to the MSRB through its EMMA system.

(c) In the event of any amendment or waiver of a provision of this Disclosure Certificate, the District shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6 hereof, and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 11. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 12. Default. In the event of a failure of the District to comply with any provision of this Disclosure Certificate, the Dissemination Agent may (and, at the request of any Participating Underwriters or the Holders or Beneficial Owners of at least 25% of aggregate principal amount of the Refunding Bonds then outstanding, shall) or any Holders or Beneficial Owners of the Refunding Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate; provided that any such action may be instituted only in the Superior Court of the State of California in and for the County of Los Angeles

or in the U.S. District Court in the County of Los Angeles. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Refunding Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 13. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Refunding Bonds.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriters and Holders and Beneficial Owners from time to time of the Refunding Bonds, and shall create no rights in any other person or entity.

Section 15. Execution in Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same certificate.

Dated: _____, 20__

LOS ANGELES UNIFIED SCHOOL DISTRICT

By: _____
David D. Hart
Chief Business Officer

ACKNOWLEDGED AND AGREED TO BY:

DIGITAL ASSURANCE CERTIFICATION,
L.L.C., as Dissemination Agent

By: _____
Dissemination Agent

APPENDIX F

THE LOS ANGELES COUNTY TREASURY POOL

The Treasurer and Tax Collector of the County of Los Angeles (the “Treasurer”) manages, in accordance with California Government Code Section 53600 et seq., funds deposited with the Treasurer by County school and community college districts, various special districts and some cities. State law generally requires that all moneys of the County, school districts and certain special districts be held in the County’s Treasury Pool (the “Treasury Pool”) as described below. The composition and value of investments under management in the Treasury Pool vary from time to time, depending on the cash flow needs of the County and the other public agencies invested in the Treasury Pool, the maturity or sale of investments, purchase of new securities and fluctuations in interest rates generally. Additionally, the Treasurer, with the consent of the Board of Supervisors of the County of Los Angeles (the “County”), may change the County investment policy at any time. Therefore, there can be no assurance that the values of the various investments in the Treasury Pool will not vary significantly from the values described herein. Neither the District, the Municipal Advisor nor the Underwriters make any representation as to the accuracy or adequacy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof, or that the information contained herein is correct as of any time subsequent to its date. The Treasurer maintains a website, the address of which is <https://ttc.lacounty.gov/monthly-reports/>, on which the Treasurer periodically places information relating to the Treasury Pool. However, the information presented there is not part of this Official Statement, is not incorporated by reference herein and should not be relied upon in making an investment decision with respect to the Refunding Bonds.

The County of Los Angeles Pooled Surplus Investments

The Treasurer and Tax Collector (the “Treasurer”) of the County of Los Angeles (the “County”) has the delegated authority to invest funds on deposit in the County Treasury (the “Treasury Pool”). As of November 30, 2023, investments in the Treasury Pool were held for local agencies including school districts, community college districts, special districts and discretionary depositors such as cities and independent districts in the following amounts:

Local Agency	Invested Funds (in billions)
County of Los Angeles and Special Districts	\$23.149
Schools and Community Colleges	27.688
Discretionary Participants	3.180
Total	<u>\$54.017</u>

The Treasury Pool participation composition is as follows:

Non-discretionary Participants	94.11%
Discretionary Participants:	
Independent Public Agencies	5.75%
County Bond Proceeds and Repayment Funds	0.14%
Total	<u>100.00%</u>

Decisions on the investment of funds in the Treasury Pool are made by the County Investment Officer in accordance with established policy, with certain transactions requiring the Treasurer’s prior approval. In Los Angeles County, investment decisions are governed by Chapter 4 (commencing with Section 53600) of Part 1 of Division 2 of Title 5 of the California Government Code, which governs legal

investments by local agencies in the State of California, and by a more restrictive Investment Policy developed by the Treasurer and adopted by the Los Angeles County Board of Supervisors on an annual basis. The Investment Policy adopted on March 21, 2023, reaffirmed the following criteria and order of priority for selecting investments:

1. Safety of Principal
2. Liquidity
3. Return on Investment

The Treasurer prepares a monthly Report of Investments (the “Investment Report”) summarizing the status of the Treasury Pool, including the current market value of all investments. This report is submitted monthly to the Board of Supervisors. According to the Investment Report dated December 29, 2023, the November 30, 2023, book value of the Treasury Pool was approximately \$54.017 billion, and the corresponding market value was approximately \$51.406 billion.

An internal controls system for monitoring cash accounting and investment practices is in place. The Treasurer’s Compliance Auditor, who operates independently from the Investment Officer, reconciles cash and investments to fund balances daily. The Compliance Auditor’s staff also reviews each investment trade for accuracy and compliance with the Board adopted Investment Policy. On a quarterly basis, the County’s outside independent auditor (the “External Auditor”) reviews the cash and investment reconciliations for completeness and accuracy. Additionally, the External Auditor reviews investment transactions on a quarterly basis for conformance with the approved Investment Policy and annually accounts for all investments.

The following table identifies the types of securities held by the Treasury Pool as of November, 2023:

Type of Investment	% of Pool
Certificates of Deposit	4.16%
U.S. Government and Agency Obligations	67.33
Bank Acceptances	0.00
Commercial Paper	28.44
Municipal Obligations	0.05
Corporate Notes & Deposit Notes	0.02
Repurchase Agreements	0.00
Asset Backed Instruments	0.00
Other	0.00
	<u>100.00%</u>

The Treasury Pool is highly liquid. As of November 30, 2023, approximately 35.16% of the investments mature within 60 days, with an average of 757 days to maturity for the entire portfolio.

BOARD MEMBER RESOLUTIONS FOR ACTION

TAB 17



Board of Education Report

File #: Res-017-23/24, Version: 1

Mr. Schmerelson - Remembering and Honoring the Significance of Lunar New Year (Res-017-23/24) (For Action January 23, 2024)

Whereas, California Assembly Bill 2596, codified in law in the Code of Civil Procedure in September 2022, recognizes the Lunar New Year, as the date corresponding with the second new moon following the winter solstice, or the third new moon following the winter solstice should an intercalary month intervene, as a state holiday;

Whereas, The Los Angeles Unified School District has a significant Asian American student population;

Whereas, The Lunar New Year is one of the most important holidays celebrated across Asian countries as well as the Asian diaspora;

Whereas, The Lunar New year is one of the most important holidays in China, Vietnam, South Korea, and other Asian countries, and one of the most widely celebrated among Asian Americans;

Whereas, The Lunar New Year is based on the lunar calendar and marks the arrival of spring;

Whereas, The Lunar New Year celebrates a chance to leave behind the troubles of the past year and invites prosperity and good luck moving forward;

Whereas, The state has already recognized this day as a state holiday acknowledges the diversity and cultural significance Asian Americans bring to California and demonstrates an understanding of the importance of wanting to see one's own experience reflected in state holidays;

Whereas, Recognition by the state has much significance to a community that has traditionally and historically been overlooked;

Whereas, The state's commemoration of Lunar New Year was meaningful, especially amid the wave of hatred and violence toward Asian Americans that has escalated since the pandemic began;

Whereas, The District has been at the forefront of encouraging and promoting a curriculum relating to diversity and equity in order to empower future generations;

Whereas, The concern for human rights is a major element in the History-Social Science Framework for California Public Schools, Kindergarten through 12th grade;

Whereas, The District is committed to confronting difficult subjects, including the Asian American Pacific Islander Hate, in inclusive ways that ensure all students are respected and has strong nondiscrimination and anti-bullying policies to that end; and

Whereas, The Governing Board of the Los Angeles Unified School District has adopted other diverse cultural holidays recognized by our families, in school calendars set to go into effect in the 2022-2023 school year; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District hereby commemorates the date corresponding with the second new moon following the winter solstice, or the third new moon following the winter solstice should an intercalary month intervene, as the “Lunar New year”; and, be it finally

Resolved, That the Board encourages all schools to incorporate lessons on the Lunar New Year in instruction, and that relevant and appropriate instructional resources be made available to all P-12 educators to utilize in schools to ensure that the Asian American Pacific Islander history and culture are appropriately and meaningfully shared with students, staff, and families.

TAB 18



Board of Education Report

File #: Res-018-23/24, Version: 1

Dr. McKenna - Commemorating the Life and Legacy of Dr. Martin Luther King, Jr. and the National Day of Service (Res-018-23/24) (For Action January 23, 2024)

Whereas, The Reverend Dr. Martin Luther King, Jr. devoted his life to the struggle for justice and equality;

Whereas, Dr. Martin Luther King, Jr. was universally recognized as a proponent of nonviolence in the pursuit of freedom and justice in the United States;

Whereas, Dr. Martin Luther King, Jr. was awarded the Nobel Prize for Peace in 1964 in recognition of his outstanding leadership in pursuit of that goal;

Whereas, In May 1964, Dr. Martin Luther King, Jr. addressed nearly 15,000 Angelenos at the Los Angeles Memorial Coliseum on the issues of race relations and human dignity;

Whereas, Today's social, political and economic landscape reiterates the need for Dr. Martin Luther King, Jr.'s philosophies and message of nonviolence;

Whereas, Dr. Martin Luther King, Jr. Day has been recognized as a national holiday since 1984 and became a National Day of Service in 1994 by the passage of the King Holiday and Service Act by the US Congress;

Whereas, The Dr. Martin Luther King, Jr. National Day of Service is a part of United We Serve, a national call to service initiative established by President Obama;

Whereas, Dr. Martin Luther King, Jr. firmly believed that the pursuit of justice, equality, and a new sense of dignity for millions of Black people, and opens, for all Americans a new era of progress and hope;

Whereas, The Dr. Martin Luther King, Jr. National Day of Service, calls for Americans from all walks of life to work together to provide solutions to the most pressing national and local problems; and

Whereas, Our students, parents, and staff will benefit from all projects and programs that increase participation in acts of community service; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District recognizes the third Monday in January as a day of service in honor of Dr. Martin Luther King, Jr. and his principle of justice for all;

Resolved further, That on Monday, January 15, 2024, we encourage all students, parents, teachers, and

File #: Res-018-23/24, **Version:** 1

staff to observe this MLK National Day of Service by engaging in volunteer activities to help our community become a better world; and be it finally

Resolved, That schools provide students and parents with suggestions of appropriate instructional and community activities that can be conducted during and following the MLK National Day of Service on January 15, 2024.

TAB 19



Board of Education Report

File #: Res-022-23/24, **Version:** 1

Ms. Gonez - Supporting Healthy Streets LA (Res-022-23/24)(Waiver of Board Rule 72)

Whereas, The Los Angeles Unified School District is committed to advocating for and creating environments where students feel safe, welcome, and excited to learn, which is a core component of the 2022-2026 Strategic Plan (Pillar 2, Joy & Wellness);

Whereas, In 2020, the Governing Board of the Los Angeles Unified School District unanimously approved Res 040-19/20, "Safety First: Leveraging Partnerships and Advocacy to Create Safe Routes and Passages to School for All LA Unified Students," which sought to promote safe routes to school by advocating for its City partners to prioritize street improvements near schools and, subsequently, the District has regularly included advocacy for safe streets around schools at part of its annual advocacy priorities;

Whereas, In 2015, the City of Los Angeles (City) approved the Mobility Plan 2035 to improve street safety and decrease traffic related injuries, yet only about 3% of the plan had been implemented as of 2023, resulting in a broad coalition of climate, transportation, business, and labor advocates calling for greater action from the City, especially in light of persistent increases in severe traffic-related injuries and deaths that disproportionately impact low-income neighborhoods and communities of color ;

Whereas, According to Los Angeles City data reported by the Los Angeles Times, traffic fatalities in 2022 surpassed 300 for the first time in at least two decades with the highest risk intersections located in South L.A., Lake Balboa, and Hollywood;

Whereas, The 2016 Youth Safety Study from the Los Angeles Department of Transportation concluded that car crashes are the number one cause of death for children in Los Angeles County between the ages 5-14 and half of the fatal and severe injury collisions involving youth occur within a quarter mile of schools;

Whereas, Over 50 percent of LAUSD schools are on or within one-quarter mile of the High Injury Network, which identifies the 6% of streets that account for 70% of fatal and severe injury collisions involving pedestrians;

Whereas, Ballot Measure Healthy Streets L.A. (HLA), appearing on the March 5, 2024 ballot, would require the City to implement its Mobility Plan to improve over 2,500 miles of streets in Los Angeles, providing more mobility options, improving air quality, reducing traffic, and increasing safety for pedestrians, motorists, bicyclists, and public transportation users, including the many District students, staff, and families who walk, bike, and utilize public transportation to travel to and from school; and,

Whereas, The HLA plan follows similar measures in Cambridge, Massachusetts; Providence, Rhode

Island; and Seattle, Washington to improve city streets, now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District affirms its support for the proposed March 2024 Healthy Streets L.A. Ballot measure (HLA) to bring safer, greener, and more walkable streets to Los Angeles, thereby ensuring safer routes to school for District students, staff, and families.

**BOARD MEMBER RESOLUTIONS
FOR
INITIAL ANNOUNCEMENT**

TAB 20



Board of Education Report

File #: Res-019-23/24, Version: 1

Dr. McKenna - Celebration of Black History Month 2024 (Res-019-23/24) (For Action February 13, 2024)

Whereas, Black History Month, or National African American History Month, is an annual celebration of achievements by Black Americans and a time for recognizing the central role of African Americans in United States history;

Whereas, Dr. Carter G. Woodson, a Harvard trained historian, like W.E.B. DuBois before him, believed that truth would not be denied and that reason would prevail over prejudice, and as a result announced “Negro History Week” in 1925 to raise awareness of the contributions of African Americans;

Whereas, It is commonly stated that Dr. Carter G. Woodson selected February as the month to host “Negro History Week” because it encompasses the birthdays of two great Americans who played a prominent role in shaping black history, namely Abraham Lincoln and Frederick Douglass, whose birthdays are February 12th and 14th respectively;

Whereas, Dr. Carter G. Woodson envisioned the study and celebration of Black people as a race, and emphasized the contributions of countless Black men and women to the advancement of human civilization;

Whereas, Since 1976, the commemoration was extended from a week-long event to the entire month of February;

Whereas, Every United States President has officially designated the month of February as Black History Month and other countries around the world, including Canada and the United Kingdom, also devote a month to celebrating Black history;

Whereas, Established by Dr. Carter G. Woodson in 1915, the Association for the Study of African American Life and History (ASALH) strives to promote, research, preserve, interpret, and disseminate information about Black life, history, and culture to the global community;

Whereas, The 2024 theme for Black History Month established by the ASALH is “African Americans and the Arts”;

Whereas, For centuries Western intellectuals denied and minimized the contributions of people of African descent to the arts, even as their artistry in many genres was mimicked and stolen. In truth, the African American experience is woven throughout visual and performing arts, literature, fashion, folklore, language, film, music, architecture, culinary arts and various other forms of cultural expression;

Whereas, African American art is infused with African, Caribbean, and the Black American lived experiences. Artistic and cultural movements such as the New Negro, Black Arts, Black Renaissance, hip-hop, and Afrofuturism, have been led by people of African descent and set the standard for popular

trends around the world;

Whereas, There is an unbroken chain of Black art production from antiquity to the present, from Egypt across Africa, from Europe to the New World. From the African traditions of woven sweetgrass baskets to the birth of Negro spirituals. From the creation of the blues, the foundation for gospel and soul music, to the recently celebrated 50-year anniversary of hip hop. From the Harlem Renaissance of the 1920s and 1930s to the Black Arts Movement of the 1960s;

Whereas, African American artists have historically served as change agents, using their crafts to uplift the race, speak truth to power and inspire a nation. Spirituals, gospel, folk music, hip-hop, and rap have been used to express struggle, hope, and for solidarity in the face of racial oppression. Black artists have used poetry, fiction, short stories, essays, paintings, sculpture, plays, films, and television to counter stereotypes and to imagine a present and future with Black people in it;

Whereas, Black History Month aims to mitigate the persistent and ongoing failure to acknowledge the contributions of Black Culture, Black Inventors, Black Artists, Black Artisans, Black Advocacy Black Leaders, and Black Civic Engagement to American history and society;

Whereas, Black people continually remain optimistic and confident about the path ahead while leading the courageous, yet hard fought fights for the rights, liberties, and freedoms that many marginalized communities are now beneficiaries; and

Whereas, Our democracy's founding ideals were exclusionary when they were written, but Black Americans have continuously fought to make them true; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District recognizes February as National Black History Month;

Resolved further, That the Board acknowledges that all people of the United States are beneficiaries of the wealth of history given to all by Black Culture, Black Inventors, Black Artists, Black Artisans, Black Advocacy Black Leaders, and Black Civic Engagement;

Resolved, further, That the Board embeds the study of Black History and Black Arts into the core curriculum of its Ethnic Studies, African American History courses, and African American Literature so that this critical learning lives in the minds of our students beyond the month of February;

Resolved, further, That the Board direct the Superintendent to expand upon the District's existing efforts, such as the Black Student Achievement Plan, to continue to identify strategies and tactics to align resources targeted toward promoting anti-racist educational practices and closing the gap of academic achievement outcomes for Black Students, and, be it finally

Resolved, That the Superintendent will work with educators, librarians, all the schools of the District, and our wider community to recognize and celebrate this month with culturally relevant and appropriate curriculum, programs, ceremonies, and activities that generate in-depth discussion of the complex factual history of the United States and the legacy of Black Americans, including the arts.

TAB 21



Board of Education Report

File #: Res-021-23/24, Version: 1

Mr. Schmerelson, Dr. Rivas - Read Across America Week (Res-021-23/24)(For Action February 13, 2024)

Whereas, Reading is a fundamental skill for all people that incorporates into nearly every aspect of their academic, professional, and personal lives;

Whereas, The Los Angeles Unified School District is committed to literacy excellence through its strategic pillar to provide high-quality instruction, college readiness, and the elimination of opportunity gaps for all students;

Whereas, The National Center for Education Statistics stated that, based on the NAEP, only 31% of California students were proficient or above in reading in the year 2022;

Whereas, The District saw a 9-point increase in reading scores for the 2021-2022 school year;

Whereas, According to the California Assessment of Student Performance and Progress system, 41.17% of district students met or exceeded the English Language Arts standard, below the state average of 46.66%;

Whereas, The District has taken the initiative to hire and retain interventionists, who assist students with reading and comprehension from elementary to high school;

Whereas, The District has hired literacy coaches to help train educators and staff in literacy strategies;

Whereas, The District acknowledges the difficulties some students face in their academics due to historical and systemic lack of resources to aid in their educational pursuits;

Whereas, The District recently adopted literacy strategies and models that align with the science of reading, training 3,213 teachers, including 350 special educators in LETRS and 6,783 teachers, including 634 special educators, in Orton-Gillingham;

Whereas, Read Across America Week was started by the National Education Association (NEA) in 1998 to celebrate and acknowledge the importance of reading to students;

Whereas, The Start of Read Across America Week is on March 2, to commemorate the beloved children's author, Theodor Seuss Geisel, more commonly known as Dr. Seuss; and

Whereas, Read Across America Week is celebrated throughout the country, commemorated through public readings and events that celebrate literature; now, therefore be it,

Resolved, That the Governing Board of the Los Angeles Unified School District Commemorates Read Across America Week during the week starting March 2 to March 6, 2023;

Resolved further, That the Los Angeles Unified School District encourages teachers, staff, students, and parents, to establish or reestablish their connections to their favorite pieces of literature;

Resolved further, That the District encourages the entire Los Angeles Unified community, including

parents, to also be involved in reading, and suggests parent centers to also talk to parents about the importance of reading to their children starting at young ages;

Resolved further, That the District encourages schools to host appropriate events at their sites during Read Across America Week, with displays, readings from teachers and parents, or other creative ways to enhance students' love for reading;

Resolved further, That the District reaffirms its commitment to the current timeline that by 2026, 3rd-grade students will be 30 points closer to proficiency in English Language Arts while helping students in grades 3-8 and 11th closer to proficiency; and, be it finally;

Resolved, That the District wishes every member of the Los Angeles Unified Community happy reading during our celebration.

TAB 22



Los Angeles Unified School District

687

333 South Beaudry Ave,
Los Angeles, CA 90017

Board of Education Report

File #: ROC-006-23/24, **Version:** 1

Report of Correspondence

BOARD OF EDUCATION OF THE CITY OF LOS ANGELES
Governing Board of the Los Angeles Unified School District

January 23, 2024

REPORT OF CORRESPONDENCE

The following correspondence addressed to the Board of Education is submitted with the recommended Disposition, “Refer to Superintendent for referral to Office of the General Counsel to take all steps necessary to protect the interests of the Board of Education, including assignment to outside counsel; Controller to draw warrants in such amounts as may be necessary for the payment of costs and fees upon invoices as approved by the Office of the General Counsel”:

FROM	LEGAL ACTION
1. Arias Sanguinetti Wang & Torrijos LLP	Summons & Complaint for Damages for: 1) Negligence; 2) Negligent Supervision/ Training/Hiring/Retention; 3) Sexual Battery; 4) Assault; 5) Violation of Civil Rights [California Civil Code Section 51.9] 6) Violation of Civil Rights [California Civil Code Sections 51.7, 51.9, 52, 52.1, 52.3 & 52.4)]; Case No. 22VECV02615; Superior Court of the State of California for the County of Los Angeles; John Doe, Plaintiff v. Roe Defendant 1; Roe Defendant 2; Roe Defendant 3; Roe Defendant 4; Roe Defendant 5; Roe Defendant 6; and Roes 7 through 100, Defendants
2. California Accident Firm	Summons & Complaint: 1. Premises Liability; Case No. 23CHCV03925; Superior Court of California, County of Los Angeles; Brandi Michelle Jones on behalf of Santos Mateo Lopez, a minor, Plaintiff v. Los Angeles Unified School District and Does 1 to 50, Defendants.
3. Carrillo Law Firm, LLP	Summons & Complaint for Damages for: 1. Negligence-Breach of Mandatory Duties 2. Negligent Hiring, Negligent Supervision; Case No. 23STCV21691; Superior Court of the State of California, for the County of Los Angeles – Central District; R.F., a minor, by his Guardian Ad Litem, Lizette Torreblanca, Plaintiff v. Los Angeles Unified School District, and Does 1 through 20, Defendants.
4. Carrillo Law Firm, LLP	Summons & Complaint for Damages for: Negligence; Case No. 23STCV26522; Superior Court for the State of California, in and for the County of Los Angeles; Jane A.P. Doe, Plaintiff v. Los Angeles Unified School District, Eloise Blanton, and Does 1 through 20, Defendants.
5. Custodio & Dubey LLP	Summons & Complaint for Damages: 1. Dangerous Condition of Public Property 2. Negligence; Case No. 23SMCV04979; Superior Court of the State of California, County of Los Angeles; Joseph Hernandez, an individual, by and through his guardian ad litem, Yazmin

Juarez; Plaintiff v. Los Angeles Unified School District, a public entity; The Help Group West, a California corporation; and Does 1 through 50, Defendants.

6. Downtown LA Law Group

Summons & Complaint: 1. Premises Liability; Case No. 23VECV05281; Superior Court of the State of California, County of Los Angeles; Daniel Orozco, a minor, by and through his Guardian ad Litem Candance Dolin, Plaintiff v. Los Angeles Unified School District, a public entity, Los Angeles County Office of Education, a public entity; City of Los Angeles, a public entity; County of Los Angeles, a public entity; and Does 1-50, inclusive, Defendants.

7. Felicia Muhammad

Summons & Complaint for Violation of Civil Rights; Case No. 2:23-CV-10232-SPG-Ex; United States District Court, Central District of California, Western Division; Felicia Muhammad, Plaintiff v. Alberto M. Carvalho in his official capacity as Superintendent of Los Angeles Unified School District (LAUSD); Ileana Davalos, in her official capacity as Chief Human Resource Officer, George Mckenna, Rocio Rivas, Scott Schmerelson, Nick Melvoin, Jackie Goldberg, Kelly Gonez and Tanya Ortiz Franklin in their official capacities as members of the LAUSD governing board. Defendants.

8. Gibbs Giden Locher Turner Senet & Wittbrodt LLP

Summons & First Amended Complaint for Damages; Case No. 23STCV28065; Superior Court of the State of California, County of Los Angeles; AMG & Associates, Inc., a California Corporation; Plaintiff v. Los Angeles Unified School District, a California Public Entity, and Does 1 through 10, inclusive; Defendants.

9. Johnston & Hutchinson, LLP

Summons & Complaint for Damages for: 1) Negligence 2) Failure to Perform Mandatory Duty 3) Loss of Consortium; Case No. 23STCV29440; Superior Court of the State of California, County of Los Angeles; Penny Lavitt, an individual; Martin Lavitt, an individual, Plaintiffs v. Los Angeles Unified School District; and Does 1 to 25, inclusive, Defendants.

10. Law Office of Anthony P. Serritella

Summons & Complaint for: 1. Religious Discrimination in Violation of the Fair Housing & Employment Act [Govt. Code § 12940] 2. Religious Discrimination in Violation of Title VII of the Federal Civil Rights Act [42 USC § 2000e-2, et seq.] 3. Violation of State and Federal Civil Rights [Civil Code § 52.1, USC § 1983] 4. Failure to Prevent Discrimination 5. Wrongful Termination in Violation of Public Policy 6. Waiting Time Penalties for Failure to Pay Wages Upon Termination [Labor Code § 203] 7. Declaratory

and Injunctive Relief; Case No. 23STCV24866; Superior Court of the State of California for the County of Los Angeles – Stanley Mosk Courthouse; Edward Goldbeck, an individual; and Vickie Goldbeck, an individual, Plaintiffs v. Los Angeles Unified School District, a public entity; and Does 1 to 50, inclusive, Defendants.

11. Law Office of Anthony P. Serritella
Summons & Verified Petition for Writ of Administrative Mandate [Code of Civ. Proc § 1094.5]; Case No. 23STCP04187; Superior Court of the State of California for the County of Los Angeles – Stanley Mosk Courthouse; Edward Goldbeck, an individual; and Vickie Goldbeck, an individual, Petitioners v. Los Angeles Unified School District, a public entity; Personnel Commission of the Los Angeles Unified School District, Respondents.
12. Law Office of Yun Hee Kim
Summons & Complaint for: 1) Sexual Abuse of a Minor; 2) Failure to Report Suspected Child Abuse; 3) Negligence; 4) Negligent hiring, training, supervision, and retention; 5) Negligent Supervision; 6) Violation of the Bane Act; 7) Intentional Infliction of Emotional Distress; Case No. 23NWCV03442; Superior Court of the State of California for the County of Los Angeles – Southeast District Unlimited Jurisdiction; Jane L.G. Doe, a minor by and through her GAL Jesus Grajeda; Plaintiffs v. Los Angeles Unified School District, a public entity; and Does 1 to 20, inclusive, Defendants
13. Law Offices of Drociak & Yeager
Summons & Plaintiff’s Complaint: Count 1, Negligence Gov’t Code, Section 815.2(a), and 835(a)(b); Case No. 23CMCV01795; Superior Court of the State of California for the County of Los Angeles – Central District; Samehesha Sheffield, as Guardian Ad Litem for Mariah Brisco, Plaintiff v. Los Angeles Unified School District, a public entity, Leapwood Ave. Elementary School, and Does 1-10, Defendants.
14. Law Offices of Gerald L. Marcus
Summons & Complaint for Damages: 1. Premises Liability – Negligence; Case No. 23LBCV01103; Superior Court of the State of California for the County of Los Angeles; Michael Cabrera, a minor by and through his parent and GAL, Jennifer Cabrera; Jennifer Cabrera, Plaintiffs v. Los Angeles Unified School District, a governmental entity; and Does 1 to 100, inclusive, Defendants.
15. Law Offices of Jack Perko
Summons & Complaint for: 1) Disability Discrimination; 2) Failure to Accommodate; 3) Failure to Engage in an Interactive Process; 4) Retaliation; 5) Failure to Pay All Hours Worked; 6) Failure to Pay Overtime; 7) Failure to Timely Pay Final Wages; Case

No. 23STCV26834; Superior Court of the State of California for the County of Los Angeles – Central District; Rona Bon Durant, an individual; Plaintiffs v. Los Angeles Unified School District, a public entity; and Does 1 to 25, inclusive, Defendants.

16. Levin & Nalbanyan, LLP

Summons & Complaint for Damages: 1. Dangerous Condition of Public Property (Government Code §§ 835, 835.2 835.4, 840, 840.2, 840.4); Case No. 23LBCV02030; Superior Court of the State of California for the County of Los Angeles – South Judicial District; Jesus Bautista, an individual, Plaintiffs v. Los Angeles Unified School District, a public entity; and Does 1 to 50, inclusive, Defendants.

17. Mann Rogal APC

Summons & Complaint for Damages for: 1. Violations of Cal. Gov. Code §12940(a) 2. Violations of Cal. Gov. Code §12940(m) 3. Violations of Cal. Gov. Code §12940(n) 4. Violations of Cal. Gov. Code §12940(k) 5. Violations of Cal. Gov. Code §12940(h) 6. Violations of Cal. Gov. Code §12940(j) 7. Wrongful Discharge in Violation of Public Policy 8. Intentional Infliction of Emotional Distress 9. Violations of Cal. Business and Professions Code § 17200 10. Violations of Cal. Labor Code § 98.6, et seq. 11. Violations of Cal. Labor Code § 432 and Business and Professions Code §17200, et seq. (Failure to Provide Copies of Employment Instruments) 12. Violations of Cal. Labor Code § 226 (Failure to Permit Inspection of Employee Records) 13. Violations of Cal. Labor Code § 1198.5 (Failure to Permit Inspection of Employee Records); Case No. 23STCV31710; Superior Court for the State of California, in and for the County of Los Angeles; Ashley Benitez, an individual, Plaintiff v. Los Angeles Unified School District; Robert Martinez, an individual; and Does 1-50, Inclusive, Defendants.

18. Mendez & Sanchez, APC

Summons & Complaint for Damages: 1. Negligence/ Negligence Per Se 2. Negligent Entrustment 3. Negligent Hiring and Supervision; Case No. 23STCV28557; Superior Court of the State of California, County of Los Angeles – Stanley Mosk Courthouse; Antonio Marin, an individual; Plaintiff v. Raul Villalobos, an individual; Los Angeles Unified School District, a government entity, and Does 1 to 30, inclusive; Defendants.

19. Proper Law, PC

Summons & Complaint for Damages: 1. Premises Liability 2. General Negligence; Case No. 23STCV23947; Superior Court of the State of California, County of Los Angeles; Randy Zelaya Huinac by and through his GAL, Marilia Huinac; Marilia Huinac, Plaintiff v. The Regents of the University of California; Los Angeles Unified School

District; and Does 1-20, Defendants Inclusive.

20. The Darwish Law Firm

Summons & Complaint for Damage: 1. Premises Liability; Case No. 23CHCV03194; Superior Court of the State of California, County of Los Angeles; Mia Bacon by and through her GAL, Ji Young Kim, Plaintiff v. Los Angeles Unified School District; and Does 1-50, Defendants Inclusive

21. The Legal Offices of David Grey

Summons & Complaint for Damages for Personal Injury Based on Negligence, Premises Liability and Dangerous Condition of Public Property, including Govt. Code, Section 835; Case No. 23VECV03405; Superior Court of the State of California for the County of Los Angeles; Hailey Lita Shahbazian, a minor by and through her Guardian ad Litem, Elizabeth Perez Aguilar, Plaintiffs v. Los Angeles Unified School District, a public entity; California Charter Schools Joint Powers Authority DBA Charter Safe, a California public agency; Valley Charter Middle School, an entity, form unknown; State of California, a public entity, and Does 1 through 100, inclusive, Defendants.

22. V&A Law Firm

Summons & Complaint for Damages for: 1. Negligent Supervision of Students [Government Code §§ 815.2 & 820] 2. Gross Negligence; Case No. 23STCV18846; Superior Court of the State of California, County of Los Angeles; Kayden Vinovich, by and through his guardian ad litem, Nicholas Vinovich, Plaintiff v. Thirty-First District PTSA – Creative Kids; Los Angeles Unified School District; and Does 1 to 50, inclusive, Defendant(s).

The recommended disposition of the following item is “Refer to Superintendent for referral to the Office of the Risk Management and Insurance Services”:

<u>No.</u>	<u>Received From</u>	<u>Type of Damage</u>	<u>Claimant</u>	<u>Date of Damage</u>
23.	Raihana Affridi	Damages	Adil Saadzoi	5-31-23
24.	Brian Beecher Law Offices of Arash Khorsandi	Damages	Anthony Galicia	6-9-23
25.	Dawn Rosenthal Schonbrun Seplow Harris Hoffman & Zeldes LLP	Damages	Brendan Rosenthal	11-15-22 and continuing.
26.	Ana Martinez	Damages	Bright Star Schools Ana Martinez	6-27-23
27.	Heather Zakson Learning Rights Law Center	Damages	Christopher Manzo by and through his parent Martha Arredondo	Various dates
28.	Stephanie B. Gonzalez, City of Los Angeles	Damages	City of Los Angeles	10-24-23 (date complaint served on City of L.A.)
29.	Steven H. Haney Haney & Shah LLP	Damages	Damonee Norris	12-1-23
30.	Erik Zograbian D & Z Law Group	Damages	Danil Airapetian	8-28-23
31.	Daniel Kolodziej Trygstad Schwab & Trygstad	Damages	David Bonneau	“On or about 7-1- 23” (2 received)
32.	Diamonique Mitchell	Damages	David Mitchell	10-24-23

33.	Jonathan Meislin Wilshire Law Firm	Damages	Gabriela Batres	“In or around Dec 2022” Late Claim
34.	Lior Behdadnia Sasooness Law Group	Damages	Janice Brantley	6-07-23
35.	Grace lea chang Chang & Lee	Damages	Jiyoo Choi c/o Young Choi	8-22-23
36.	Muhammad Ali Law Offices of Samer Habbas	Damages	Jordan LaRose	10-24-23
37.	Jeffrey L. Molchan, David Grey Legal Offices of David Grey	Damages	Joshua Lee Beachem, a minor by and through his Guardian ad Litem and mother, Deborah Johnson	9-26-23
38.	Robert D. Skeels Hirji & Chau LLP	Damages	Juliete Alissa Hernandez	5-30-23
39.	Michelle Larusso Iarusso Legal	Damages	Kylie Goosby-Johnson	9-08-23
40.	Jason Strickler	Damages	Lilly Stickler	11-2-23
41.	Modesto Murrietta III	Damages	Modesto Murrietta III	2-26-1988
42.	Robert R. Clayton, Brendan P. Gilbert Taylor Ring	Damages	Omar Rodriguez, a minor by and through his GAL Olivia Cuadra	August 2022 August 2023
43.	Nicholas Myers Dordick Law Corporation	Damages	Oona Martinez	10-9-23

44.	Pasha Mckenley	Damages	Pasha Mckenley	September 2023
45.	Raquel Bravo Bautista	Damages	Raquel Bravo Bautista	10-17-23
46.	Casey R. Johnson Aiken Aiken & Cohn	Damages	Scott Liu, a minor, through his mother Chi Huynh	6-9-23
47.	Latriya Armstead Law Offices of Akudinobi & Ikonte	Damages	Taragi Thompson	Beginning 5/2013 until 6/2023
48.	Terri Milner (Mother)	Damages	Taya Jones	6-07-23
49.	Terri Milner (Mother)	Damages	Taya Jones	6-09-23
50.	Terri Milner	Damages	Terri Milner	6-07-23
51.	Gabriel Clift Law Offices of Jacob Emrani on behalf of Mr. Varooj Arakelian	Damages	Varooj Arakelian	6-3-23
52.	Agnes S. Rabino	Vehicle Damages	Agnes S. Rabino	“August 11-13, 2023 (In between these dates)”
53.	Azin Ehsan-Sayson	Vehicle Damages	Azin Ehsan-Sayson	10-25-23
54.	Blanca E Ramirez	Vehicle Damages	Blanca E Ramirez	10-25-23

55.	Elizabeth De Leon	Vehicle Damages	Elizabeth De Leon	11-13-23
56.	Jeanette Hild for Farmers Insurance Exchange	Vehicle Damages	Farmers Insurance Exchange a/s/o Eskarleth Alonzo	10-03-23
57.	Gregory Dennis Farmers Insurance	Vehicle Damages	Farmers Insurance Exchange a/s/o Tania Solis	9-06-23
58.	Tom Vertanous Martinian & Associates, Inc.	Vehicle Damages	Irving Gonzalez	12-6-23
59.	Jennifer Trujillo	Vehicle Damages	Jennifer Trujillo	12-12-23
60.	Jose Maria Perez Villafruela	Vehicle Damages	Jose Maria Perez Villafruela	12-04-23
61.	Kevin Pham	Vehicle Damages	Kevin Pham	11-8-23
62.	Mercedes Velazquez	Vehicle Damages	Mercedes Velazquez	10-24-23
63.	Kelly Pollard on behalf of Mercury Insurance	Vehicle Damages	Mercury Ins. as Subrogee of Rosa Morales Preciado	8-08-23
64.	Moises Aldape	Vehicle Damages	Moises Aldape	12-15-23
65.	Rina Agee	Vehicle Damages	Rina Agee	11-16-23
66.	Roy Nolasco	Vehicle Damages	Roy Nolasco	10-02-23

67.	State Farm Mutual Automobile Insurance Company a/s/o Ismael Cruz Ramirez	Vehicle Damages	State Farm Mutual Automobile Insurance Company a/s/o Ismael Cruz Ramirez	11-3-23
68.	Sheri Falkenburry California Casualty	Vehicle Damages	Susana Ortega	11-29-23
69.	Tina Gallman	Vehicle Damages	Tina Gallman	“12-12-24”

PUBLIC HEARINGS

TAB 23



Los Angeles Unified School District

700

333 South Beaudry Ave,
Los Angeles, CA 90017

Board of Education Report

File #: 011-23/24, **Version:** 1

Resolution of Intention to Dedicate an Easement, Associated with the Proposed Alley Vacation at Maxine Waters Employment Preparation Center (011-23/24) **[PUBLIC HEARING]**

EXHIBIT "A"**LEGAL DESCRIPTION****15' X 15' CORNER CUT AT CENTRAL AVENUE & 108TH**

THAT PORTION OF LOT 39, IN BLOCK 30 OF TRACT 6478, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN **BOOK 68, PAGES 93 TO 99 INCLUSIVE** OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; DESCRIBED AS FOLLOWS;

BEGINNING AT A POINT ON THE NORTHERLY LINE OF SAID LOT 39, DISTANT 17.00 FEET FROM THE NORTHEAST CORNER; THENCE SOUTHEASTERLY IN A DIRECT LINE TO A POINT WHICH IS 2.00 WESTERLY OF THE EAST LINE OF SAID LOT 39 AND 15.00 SOUTHERLY FROM THE NORTHERLY LINE OF SAID LOT 39; THENCE NORTHERLY PARALLEL TO THE EAST LINE OF SAID LOT 39; THENCE WESTERLY ALONG THE NORTH LINE 15.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT B IS INCLUDED HEREIN AND MADE A PART HEREOF.

DESCRIPTION PREPARED BY:



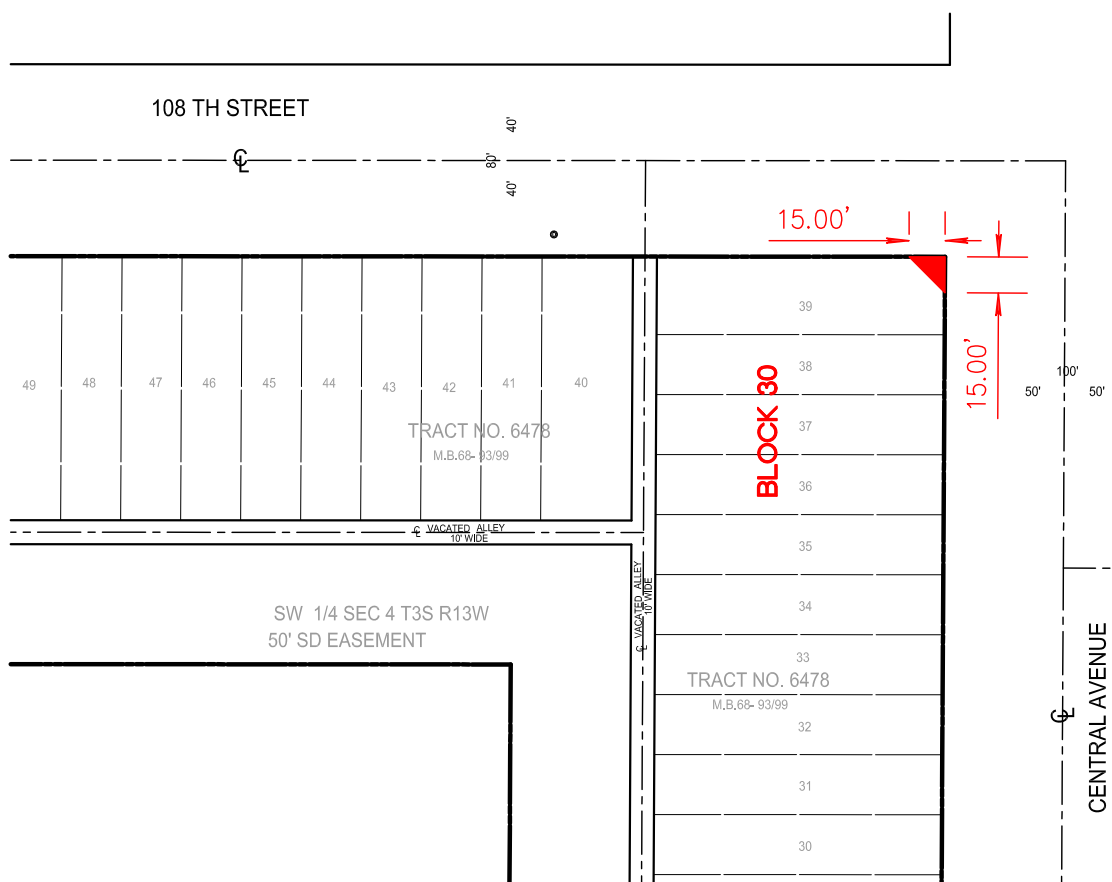
DATED: OCTOBER 31, 2022

GREGORY D. HINDSON, PROFESSIONAL LAND SURVEYOR PLS 5670

FOR AND ON BEHALF OF MOLLENHAUER GROUP



EXHIBIT "B"



G:\Projects\Survey\LA21300-LA21399\LA21315_Maxine Waters Employment Preparation Center_LAUSD\Acad Drawings\LA21315_EXHIBIT.dwg Date: 05/03/23 02:11p mkhudave



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CIVIL ENGINEERING
SURVEYING+MAPPING
LAND DEVELOPMENT

EXHIBIT B
15'x15' CORNER CUT

PREPARED FOR:

LOS ANGELES
UNIFIED SCHOOL DISTRICT

DATE:	11/04/2022
JOB #	LA21315
DRAWN	MK
SCALE	1"=80'

SHEET 1 OF 1

EXHIBIT "C"

**NORTH-SOUTH ALLEY VACATION
LEGAL DESCRIPTION**

THAT PORTION OF THAT CERTAIN NORTH-SOUTH 10.00 FOOT ALLEY LYING WESTERLY OF AND ADJACENT TO LOTS 1 THROUGH 39 IN BLOCK 30, OF [TRACT NO. 6478](#), IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 68 PAGES 93](#) TO 99 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, BOUNDED WESTERLY BY SAID NORTH-SOUTH ALLEY; BOUNDED NORTHERLY BY THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF LOT 39 IN SAID BLOCK 30; AND BOUNDED SOUTHERLY BY THE NORTHEASTERLY LINE OF THE 45.00-FOOT STRIP OF LAND DESCRIBED IN PARCEL 616 IN THE LIS PENDENS RECORDED FEBRUARY 21, 1950 IN [BOOK 32339, PAGE 280](#) OF OFFICIAL RECORDS.

TOGETHER WITH THE WESTERLY 10.00 FEET OF SAID LOTS 1 THROUGH 5 OF BLOCK 30, TRACT 6478;

ALSO, TOGETHER WITH THOSE PORTIONS OF SAID LOTS 6 AND 7 OF SAID BLOCK 30 TRACT 6478, LYING WESTERLY OF THE FOLLOWING DESCRIBED LINE:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID LOT 6, SAID POINT BEING DISTANT THEREON SOUTH 89°57'30" EAST 10.00 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 6, THENCE NORTH 10°59'31" WEST 50.99 FEET TO THE NORTHWEST CORNER OF SAID LOT 7

EXCEPT FROM A PORTION THEREOF ALL OF THE MINERALS AND MINERAL ORES OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED UPON, WITHIN OR UNDERLYING SAID LAND OR THAT MAY BE PRODUCED THEREFROM INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL PETROLEUM, OIL, NATURAL GAS AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, TOGETHER WITH THE EXCLUSIVE AND PERPETUAL RIGHT OF SAID GRANTOR, ITS SUCCESSORS AND ASSIGNS, OF INGRESS AND EGRESS BENEATH THE SURFACE OF SAID LAND TO EXPLORE FOR, EXTRACT, MINE AND REMOVE THE SAME, AND TO MAKE SUCH USE OF THE SAID LAND BENEATH THE SURFACE AS IS NECESSARY OR USEFUL IN CONNECTION THEREWITH, WHICH USE MAY INCLUDE LATERAL OR SLANT DRILLING, DIGGING, BORING OR SINKING OF WELLS, SHAFTS OR TUNNELS; WITHOUT, HOWEVER, THE RIGHT TO USE THE SURFACE OF SAID LAND IN THE EXERCISE OF ANY OF SAID RIGHTS AND TO DISTURB THE SURFACE OF SAID LAND OR ANY IMPROVEMENTS THEREON OR REMOVE OR IMPAIR THE LATERAL OR SUBJACENT SUPPORT OF SAID LAND OR ANY IMPROVEMENTS THEREON, AS RESERVED BY THE PACIFIC ELECTRIC LAND COMPANY, A CORPORATION, IN DEED RECORDED JUNE 21, 1956 AS [INSTRUMENT NO. 1385](#) IN BOOK 51520 PAGE 389, OFFICIAL RECORDS.

EXHIBIT "C" (continued)

EXCEPT FROM A PORTION THEREOF THE TITLE AND EXCLUSIVE RIGHT TO ALL OF THE MINERALS AND MINERAL ORES OF EVERY KIND AND CHARACTER NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED UPON, WITHIN OR UNDERLYING SAID LAND OR THAT MAY BE PRODUCED THEREFROM, INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL PETROLEUM, OIL, NATURAL GAS AND OTHER HYDROCARBON SUBSTANCES AND PRODUCTS DERIVED THEREFROM, TOGETHER WITH THE EXCLUSIVE AND PERPETUAL RIGHT OF INGRESS AND EGRESS BENEATH THE SURFACE OF SAID LAND TO EXPLORE FOR, EXTRACT, MINE AND REMOVE THE SAME, AND TO MAKE SUCH USE OF THE SAID LAND BENEATH THE SURFACE AS IS NECESSARY OR USEFUL IN CONNECTION THEREWITH, WHICH USE MAY INCLUDE LATERAL OR SLANT DRILLING, BORING, DIGGING OR SINKING OF WELLS, SHAFTS OR TUNNELS; PROVIDED, HOWEVER, THAT SAID GRANTOR, ITS SUCCESSORS AND ASSIGNS, SHALL NOT USE THE SURFACE OF SAID LAND IN THE EXERCISE OF ANY OF SAID RIGHTS, AND SHALL NOT DISTURB THE SURFACE OF SAID LAND OR ANY IMPROVEMENTS THEREON, AS RESERVED BY SOUTHERN PACIFIC COMPANY, A DELAWARE CORPORATION, IN GRANT DEED RECORDED JUNE 10, 1968 AS [INSTRUMENT NO. 305, OFFICIAL RECORDS](#).

EXHIBIT D IS INCLUDED HEREIN AND MADE A PART HEREOF.

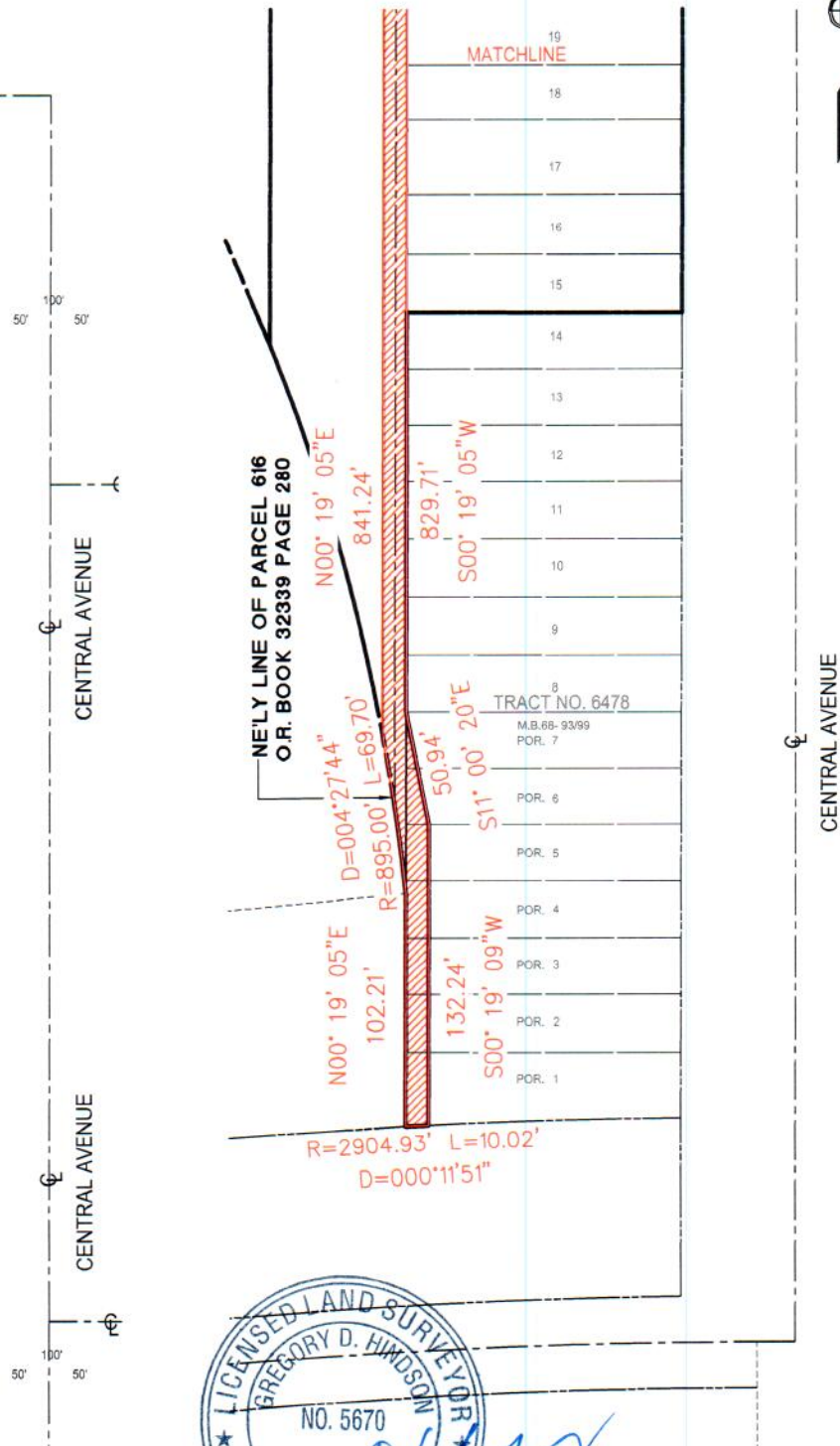
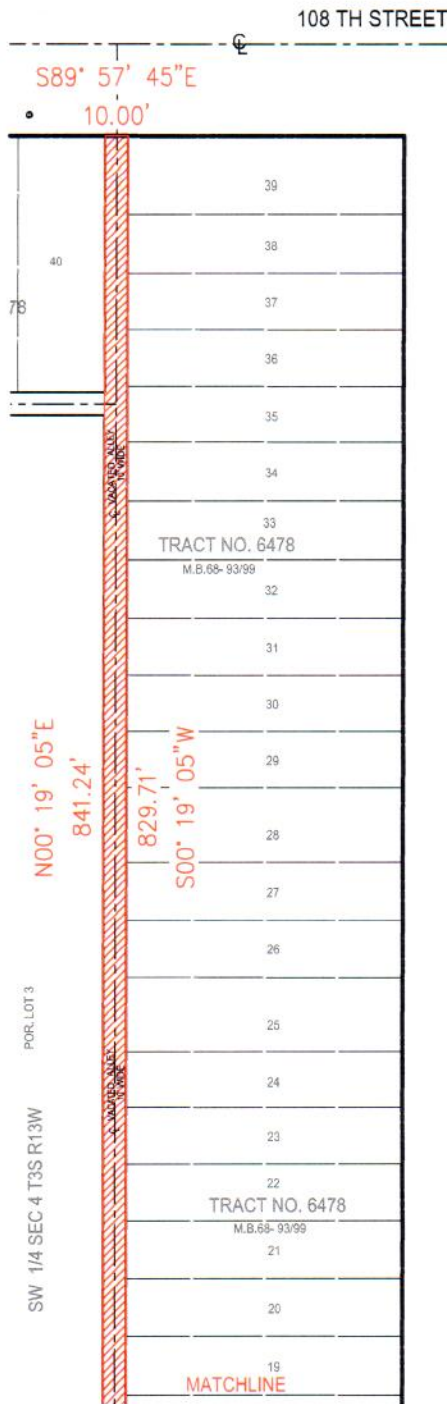
DESCRIPTION PREPARED BY:



DATED: MAY 30, 2023

GREGORY D. HINDSON, PROFESSIONAL LAND SURVEYOR PLS 5670
FOR AND ON BEHALF OF MOLLENHAUER GROUP

EXHIBIT "D"



5/30/2023

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NORTH SOUTH ALLEY VACATION

PREPARED FOR:

LOS ANGELES
UNIFIED SCHOOL DISTRICT

DATE: 11/04/2022

JOB # LA21315

DRAWN MK

SCALE 1"=150'

SHEET 1 OF 1

EXHIBIT E**NOTICE OF ADOPTION OF RESOLUTION OF INTENTION TO DEDICATE AN EASEMENT, ASSOCIATED WITH THE PROPOSED ALLEY VACATION AT MAXINE WATERS EMPLOYMENT PREPARATION CENTER**

At the December 12, 2023, meeting of the Board of Education (“Board”) of the Los Angeles Unified School District (“Los Angeles Unified”), the following resolution was adopted by at least a two-thirds vote of all its members:

RESOLVED: That the Board, in pursuance of the provisions of Sections 17556 through 17561, inclusive, of the Education Code of the State of California, does hereby declare its intention to irrevocably offer to dedicate an easement at Maxine Waters Employment Preparation Center to the City of Los Angeles, a municipal corporation, (hereinafter called Grantee) over all that certain real property situated in the County of Los Angeles, State of California, legally described on Exhibit A and also shown on Exhibit B attached hereto.

The proposed easement dedication to the Grantee will help complete the requirements of the proposed street and alley vacation request. The easement dedication will be in the form of an Owner’s Dedication deed for the street easement, as legally described in Exhibit A and also shown on Exhibit B attached hereto.

The Grantee shall be responsible for damage caused intentionally or by any negligent act or omission of the respective grantee, its agent or employees while exercising the rights granted respectively herein.

BE IT FURTHER RESOLVED: That a public meeting of this Board be held in the Los Angeles Unified Board Room, 333 South Beaudry Avenue, 1st Floor, Los Angeles, 90017, the regular place of meeting of this Board, at or about 1:00 p.m., at the Regular Board Meeting to be scheduled for January 23, 2024, for a public hearing upon the question of such dedication.

BE IT FURTHER RESOLVED: That it is the intention of the Board at the time and place fixed for such public hearing or meeting, unless a petition protesting against the proposed dedication, signed by at least ten percent of the qualified electors of Los Angeles Unified, as shown by the affidavit of one of the petitioners, be filed with this Board, to order the dedication and adopt a resolution authorizing the execution and delivery of the dedication of an easement to City of Los Angeles for public use.

Notice of the adoption of this resolution and of the time and place of holding said meeting shall be given by posting copies of this resolution, signed by the members of this Board or a majority thereof, in three public places in this Los Angeles Unified of Los Angeles County, not less than ten (10) days before the date of said meeting and by publishing a copy of this resolution once not less than five days before the date of said meeting in a newspaper of general circulation published in the Los Angeles Unified of Los Angeles County.

EXHIBIT E

IN WITNESS of the passage of the foregoing Resolution as prescribed by law, we, the Members of said Board, present and voting thereon, have hereunto set our hands the 12th day of December 2023.

Ron's River
Tanya Greenfield

Justin Plummer
Mr. Mc

Jacbie Goldberg
Members of the Board of Education of the
City of Los Angeles

ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

I, Michael A. McLean, Executive Officer, for the Board of Education of the City of Los Angeles, California, hereby certify the foregoing to be a full, true, and correct copy of Resolution of Intention to Dedicate an Easement at Maxine Waters Employment Preparation Center.

By: Michael A. McLean

Name: _____

Title: Executive Officer to the LAUSD
Board of Education

On January 11, 2024 before me,
Yolanda Villalva, Notary Public (insert name and title of the officer)
personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)



TAB 24



Los Angeles Unified School District

709

333 South Beaudry Ave,
Los Angeles, CA 90017

Board of Education Report

File #: 012-23/24, **Version:** 1

Resolution of Intention to Dedicate Easements, Associated with the Proposed Street and Alley
Vacation for Olympic Primary Center (012-23/24) **[PUBLIC HEARING]**

EXHIBIT A

LEGAL DESCRIPTION ALBANY STREET
1.00 FOOT WIDE DEDICATION FOR FUTURE STREET

THE SOUTHEASTERLY 1.00 FOOT OF THE NORTHWESTERLY 15.00 FEET OF LOTS 20 AND 21 OF OWENS AND SCOTT'S SUBDIVISION OF A PORTION OF LOT 2 IN BLOCK 36 OF HANCOCK'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN **BOOK 5, PAGE 581** OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY:

EXCEPTING THEREFROM THE NORTHEASTERLY 0.50 FEET OF SAID LOT 20.

THIS DESCRIPTION SPECIFICALLY EXCLUDES THE ALLEY, 20.00 FEET WIDE, LYING BETWEEN SAID LOTS 20 AND 21.

EXHIBIT B IS INCLUDED HEREIN AND MADE A PART HEREOF.

DESCRIPTION PREPARED BY:

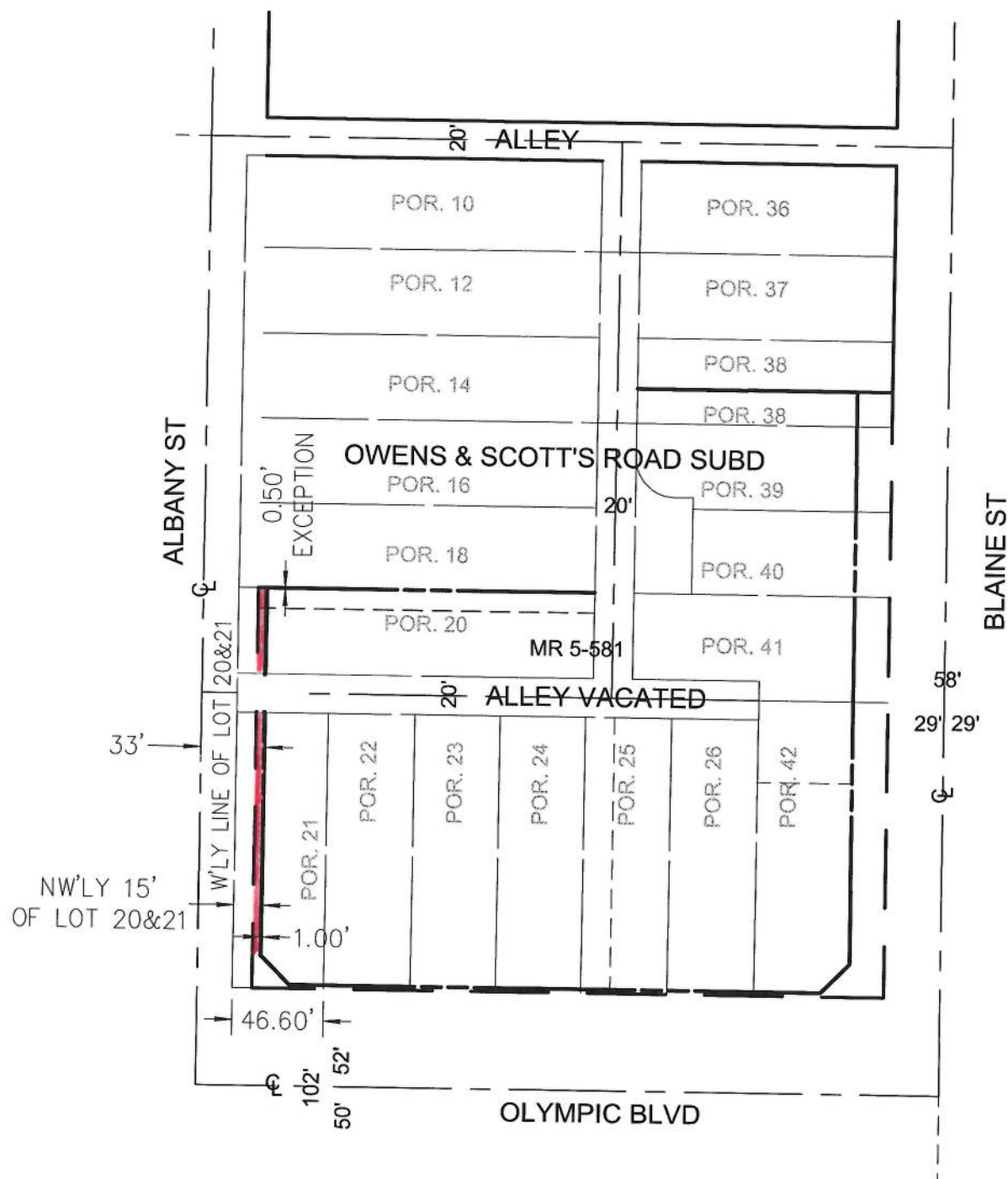


DATED: DECEMBER 21, 2022

GREGORY D. HINDSON, PROFESSIONAL LAND SURVEYOR PLS 5670

FOR AND ON BEHALF OF MOLLENHAUER GROUP

EXHIBIT B



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EXHIBIT B
† DEDICATION FOR FUTURE STREET
ON ALBANY STREET

PREPARED FOR:

LAUSD

DATE: 11/04/2022

JOB # LA21307

DRAWN MK

SCALE 1"=80'

SHEET 1 OF 1

EXHIBIT C

**LEGAL DESCRIPTION- OLYMPIC BLVD
3.00 FEET WIDE DEDICATION FOR FUTURE STREET**

THE NORTHEASTERLY 3.00 FEET OF THE SOUTHWESTERLY 5.00 FEET OF LOTS 21 TO 26 AND THAT PORTION OF LOT 42 INCLUSIVE, OF OWENS AND SCOTT'S SUBDIVISION OF A PORTION OF LOT 2 IN BLOCK 36 OF HANCOCK'S SURVEY, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN [BOOK 5, PAGE 581](#) OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

EXCEPTING THEREFROM THE NORTHWESTERLY 11.00 FEET OF SAID LOT 21.

ALSO EXCEPTING THEREFROM THE SOUTHEASTERLY PORTION OF LOT 42 DESCRIBED AS FOLLOWS:

BEGINNING A POINT ON THE NORTHWESTERLY LINE OF THE SOUTHEASTERLY 18.00 FEET OF SAID LOT 42, DISTANT THEREON NORTHEASTERLY 15.00 FEET FROM THE NORTHEASTERLY LINE OF THE SOUTHWESTERLY 2.00 FEET OF SAID LOT; THENCE WESTERLY IN A DIRECT LINE TO A POINT ON SAID NORTHEASTERLY LINE, DISTANT THEREON NORTHWESTERLY 15.00 FEET FROM SAID NORTHWESTERLY LINE; THENCE SOUTHEASTERLY 15.00 FEET ALONG SAID NORTHEASTERLY LINE TO SAID NORTHWESTERLY LINE; THENCE NORTHEASTERLY 15.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT D IS INCLUDED HEREIN AND MADE A PART HEREOF.

DESCRIPTION PREPARED BY:

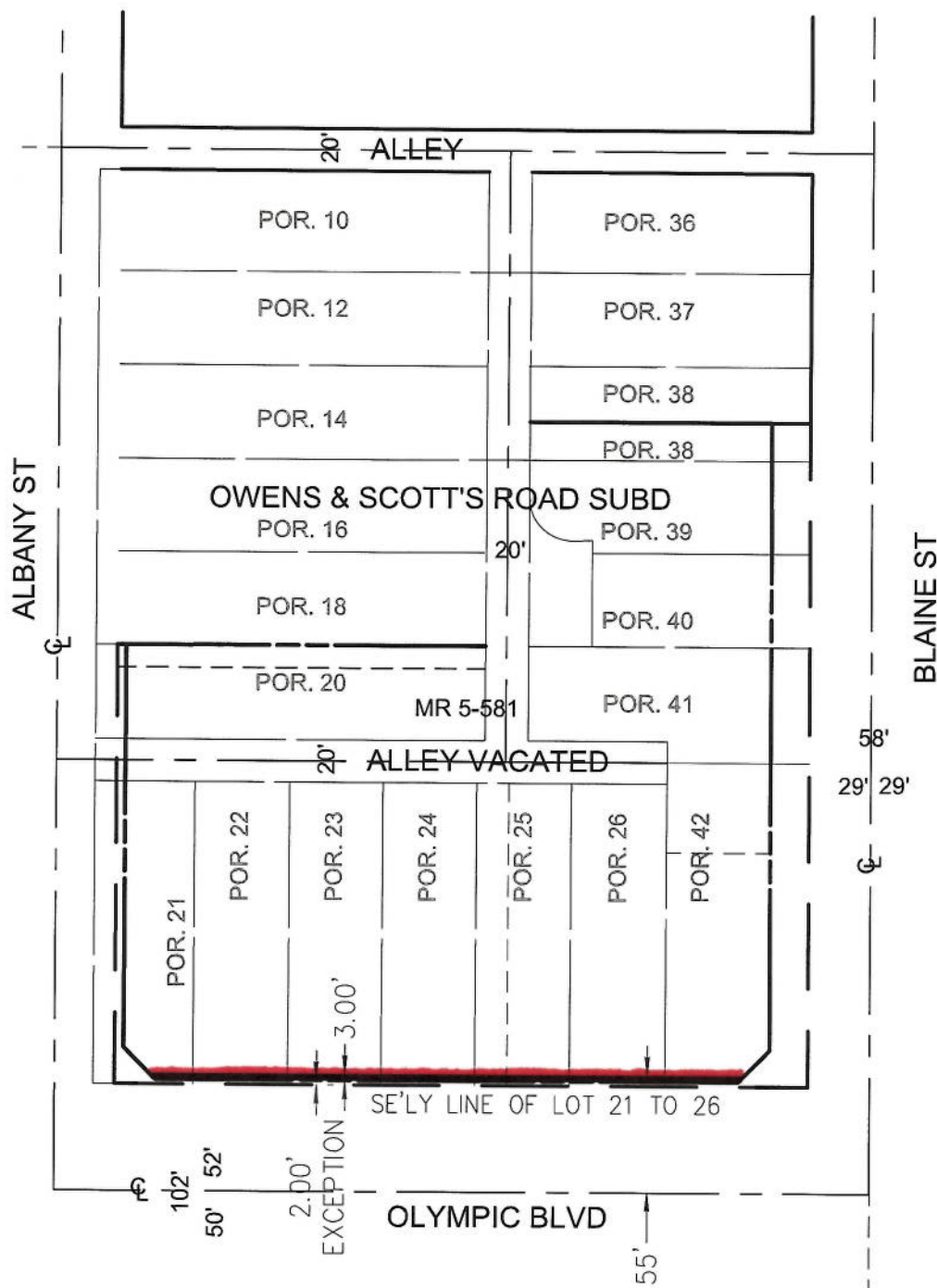


DATED: DECEMBER 21, 2022

GREGORY D. HINDSON, PROFESSIONAL LAND SURVEYOR PLS 5670

FOR AND ON BEHALF OF MOLLENHAUER GROUP

EXHIBIT D



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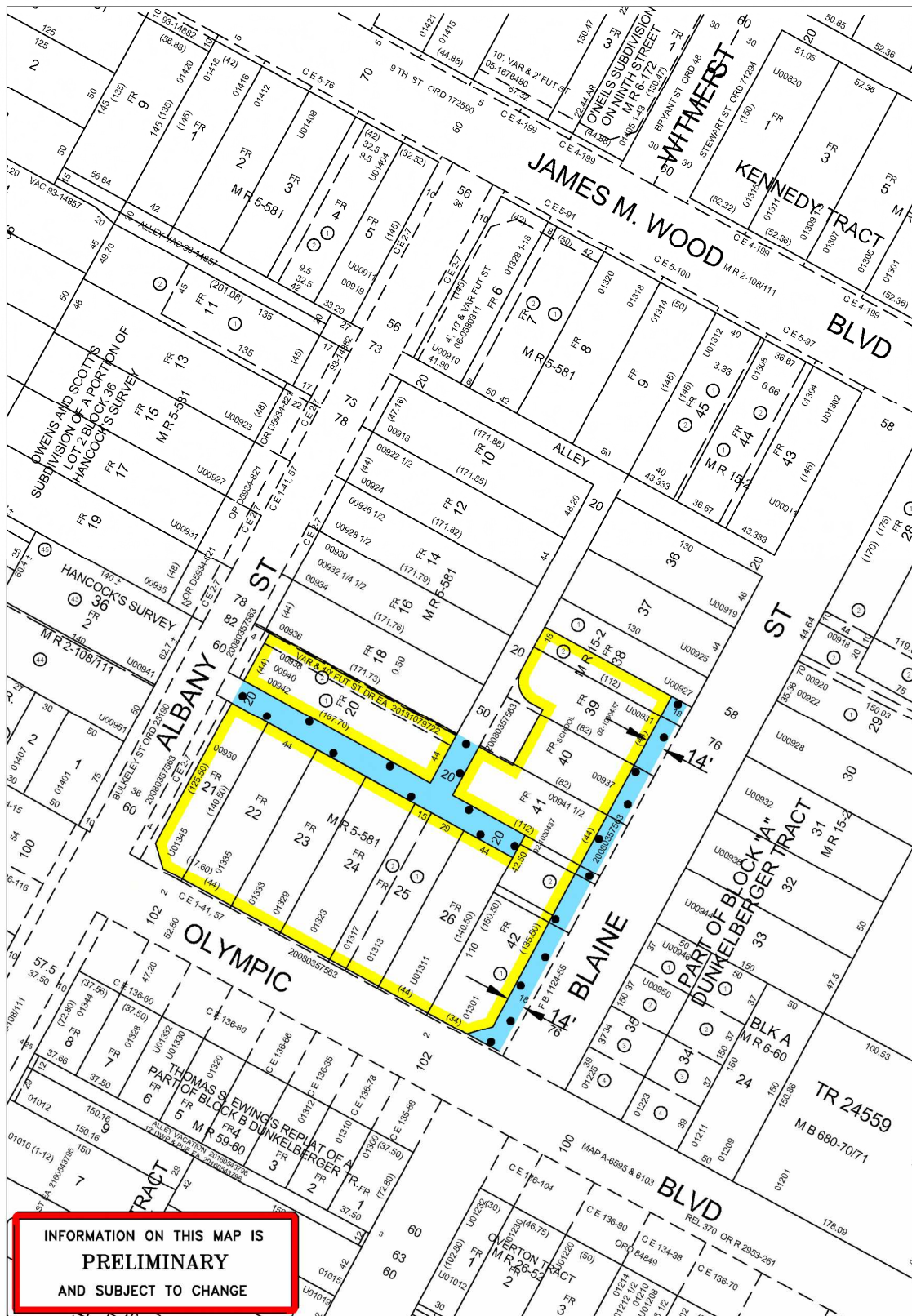
EXHIBIT D
3' DEDICATION
ON OLYMPIC BOULEVARD

PREPARED FOR:

LAUSD

DATE:	11/04/2022
JOB #	LA21307
DRAWN	MK
SCALE	1"=80'

SHEET 1 OF 1



TITLE: T-SHAPED ALLEY (PORTION OF) NORTHEASTERLY OF OLYMPIC BLVD AND SOUTHEASTERLY OF ALBANY STREET AND BLAINE STREET (PORTION OF)

WORK ORDER NO. VAC- E1401339
COUNCIL FILE NO. 18-0329
COUNCIL DIST. 1 DIV. INDEX 112
ENG. DIST. CENTRAL T.G. 634-D4
DISTRICT MAP 129A205



DEPT. OF PUBLIC WORKS

BUREAU OF ENGINEERING

CITY OF LOS ANGELES

EXHIBIT F**NOTICE OF ADOPTION OF RESOLUTION OF INTENTION TO DEDICATE EASEMENTS,
ASSOCIATED WITH THE PROPOSED STREET AND ALLEY VACATION AT OLYMPIC
PRIMARY CENTER**

At the December 12, 2023, meeting of the Board of Education (“Board”) of the Los Angeles Unified School District (“Los Angeles Unified”), the following resolution was adopted by at least a two-thirds vote of all its members:

RESOLVED: That the Board, in pursuance of the provisions of Sections 17556 through 17561, inclusive, of the Education Code of the State of California, does hereby declare its intention to irrevocably offer to dedicate easements at Olympic Primary Center to the City of Los Angeles, a municipal corporation, (hereinafter called Grantee) over all that certain real property situated in the County of Los Angeles, State of California, legally described on Exhibits A and C and also shown on Exhibits B and D attached hereto.

The proposed dedication of easements to the Grantee will help complete the requirements of the pending street vacation request. The dedication of easements will be in the form of an Owner’s Dedication deed for the street easements, as legally described in Exhibits A and C and also shown on Exhibits B and D attached hereto.

The Grantee shall be responsible for damage caused intentionally or by any negligent act or omission of the respective grantee, its agent or employees while exercising the rights granted respectively herein.

BE IT FURTHER RESOLVED: That a public meeting of this Board be held in the Los Angeles Unified Board Room, 333 South Beaudry Avenue, 1st Floor, Los Angeles, 90017, the regular place of meeting of this Board, at or about 1:00 p.m., at the Regular Board Meeting to be scheduled for January 23, 2024, for a public hearing upon the question of such dedication.

BE IT FURTHER RESOLVED: That it is the intention of the Board at the time and place fixed for such public hearing or meeting, unless a petition protesting against the proposed dedication, signed by at least ten percent of the qualified electors of Los Angeles Unified, as shown by the affidavit of one of the petitioners, be filed with this Board, to order the dedication and adopt a resolution authorizing the execution and delivery of the dedication of easements to City of Los Angeles for public use.

Notice of the adoption of this resolution and of the time and place of holding said meeting shall be given by posting copies of this resolution, signed by the members of this Board or a majority thereof, in three public places in this Los Angeles Unified of Los Angeles County, not less than ten (10) days before the date of said meeting and by publishing a copy of this resolution once not less than five days before the date of said meeting in a newspaper of general circulation published in the Los Angeles Unified of Los Angeles County.

EXHIBIT F

IN WITNESS of the passage of the foregoing Resolution as prescribed by law, we, the Members of said Board, present and voting thereon, have hereunto set our hands the 12th day of December 2023.

Ronald Finner
Larry G. O'Neil

John M. Finner
M. Mc

Jodie Goldberg
 Members of the Board of Education of the
 City of Los Angeles

ACKNOWLEDGMENT

STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

I, Michael A. McLean, Executive Officer, for the Board of Education of the City of Los Angeles, California, hereby certify the foregoing to be a full, true, and correct copy of Resolution of Intention to Dedicate Easements at Olympic Primary Center.

By: Michael A. McLean

Name: _____

Title: Executive Officer to the LAUSD
Board of Education

On January 11, 2024 before me,
Yolanda Villalva, Notary Public (insert name and title of the officer)
 personally appeared _____

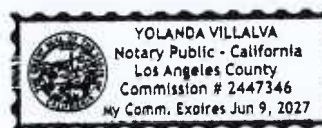
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(Seal)



MINUTES FOR BOARD APPROVAL

TAB 25



Los Angeles Unified School District

719

333 South Beaudry Ave,
Los Angeles, CA 90017

Board of Education Report

File #: Min-004-23/24, **Version:** 1

Minutes for Board Approval

BOARD OF EDUCATION OF THE CITY OF LOS ANGELES
Governing Board of the Los Angeles Unified School District

REGULAR MEETING MINUTES
 333 South Beaudry Avenue, Board Room
 1:00 p.m., Tuesday, August 22, 2023

The Los Angeles Board of Education acting as the Governing Board of the Los Angeles Unified School District met in regular session on Tuesday, September 12, 2023, at the Administrative Offices, Board Room, 333 South Beaudry Avenue, Los Angeles, California.

Mr. Michael McLean, Executive Officer of the Board, called the meeting to order at 1:10 p.m.

The following Board Members were present: Dr. George J. McKenna, III, Dr. Rocio Rivas, Mr. Scott Schmerelson, Mr. Nick Melvoin, and Board President Jackie Goldberg.

Ms. Ortiz Franklin arrived at 1:13 p.m.

Ms. Gonez arrived at 1:28 p.m.

Superintendent Alberto M. Carvalho was also present.

The pledge of Allegiance was led by Mr. Melvoin.

ADMINISTRATION OF OATH OF OFFICE TO STUDENT BOARD MEMBER

Frances Suavillo, former Student Board Member, administered the Oath of Office to Karen Ramirez. Remarks were heard from Ms. Ramirez regarding her new role as Student Board Member, and the opportunity to amplify student voices.

BOARD PRESIDENT'S REPORTS

Welcome and opening remarks were heard from Ms. Goldberg.

LABOR PARTNERS

Representatives from United Teachers Los Angeles expressed their full support for LGBTQIA+ students, families, staff, and community members; support for Res-023-22/23, Creating a Charter Schools Co-Location Policy to Mitigate Impacts Caused by Proposition 39; and, support for Res-005-23/24, Celebrating Labor Day and Championing Los Angeles' Workforce.

Max Arias, SEIU Local 99, expressed support for the LGBTQIA+ community.

Nery Paiz, AALA, expressed support for LGBTQIA+ students and staff of Los Angeles Unified School District. In addition he expressed thanks to the first responders and school support who helped with the Help Line and the Grab N Go during the school closure, and to District staff who helped to ensure a smooth return to school.

COMMITTEE CHAIR REPORTS

There were no reports.

- - -

President Goldberg modified the Order of Business to allow action on a time certain item.

- - -

BOARD MEMBER RESOLUTIONS FOR ACTION

Mr. Schmerelson moved a waiver of Board Rule 72 to allow action on Res-005-23/24. Dr. Rivas seconded the motion, which was adopted, 7 ayes.

Ms. Ramirez recorded an advisory vote of aye.

Mr. Melvoin moved version 2 of the following resolution, with a 1:30 p.m. time certain.

Tab 25. Mr. Melvoin, Ms. Ortiz Franklin, Dr. Rivas - Celebrating Labor Day and Championing Los Angeles' Workforce (Res-005-23/24) (Waiver of Board Rule 72)

Whereas, Labor Day became a federal holiday in 1894, commemorating the history and sacrifices of the nation's growing labor movement as they continued to fight for better working conditions, living wages, and respect for the essential roles they played in building the country's infrastructure and economy;

Whereas; More than a century later, we celebrate the workers who keep our communities functioning everyday while fighting for their invaluable contributions to be justly compensated and respected;

Whereas, The Los Angeles Unified School District recognizes the dedicated service and invaluable contributions of its hard-working employees;

Whereas, Beyond our school campuses, a workforce of more than 6.5 million people supports our city's diverse populations and broad range of industries. Each of those workers deserve fair and healthy working conditions, living wages, and respect from the employers and industries that benefit from their labor, and we support our District families that are on strike and out of work;

Whereas, In the last few years, and especially since the COVID-19 pandemic, we have seen ~~more of our nation's unions take a stand to demand fair working conditions.~~ both a local and national resurgence of workers' rights movements and unionization efforts across industries. This includes our own SEIU Local-99, UTLA, and other bargaining units, with whom the District reached historic agreements to ensure the highest minimum wage in the nation; and includes writers, actors, and hospital and ~~hotel~~ hospitality workers, represented by the Writers' Guild of America (WGA), Screen Actors Guild – American Federation of Television and Radio Artists (SAG-AFTRA), and UNITE HERE Local 11 who are currently striking here in Los Angeles;

Whereas, Studio executives have been publicly quoted as intentionally seeking to "...allow

things to drag on until union members start losing their apartments and losing their houses”;

Whereas, Hospital employees at Kaiser Permanente, represented by SEIU United Healthcare Workers (UHW), provide quality care and support for over 47 thousand LAUSD employees and retirees, and are currently in contract negotiations; and

Whereas, The Governing Board of the Los Angeles Unified School District also passed Res-022-22/23 in May to support the WGA workers on the picket lines and urges a just resolution to their strike; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District celebrates District employees and unions for their hard work and unwavering dedication to serving our students, families, and school communities during its annual recognition of Labor Day on September 4th, 2023;

Resolved further, That the Board reaffirms its support for WGA members, as well as SAG-AFTRA members who have joined the ongoing Hollywood strike – and extends this support to all workers around the world engaged in the struggle for just labor conditions;

Resolved further, That, in solidarity with hospital workers represented by SEIU UHW, the Board of Education calls on the leadership of Kaiser Permanente to negotiate in good faith with union members;

Resolved further, That the Board calls ~~upon~~ on the City of Los Angeles to enact an eviction moratorium for striking workers;

Resolved further, That the Board calls on the California State legislature to determine and enact policy that would allow striking workers access to unemployment insurance benefits;

Resolved further, That, in solidarity with the UNITE HERE Local 11 ~~hotel~~ workers currently on striking in Los Angeles, the District commits to not crossing UNITE HERE Local 11’s picket lines ~~and doing everything possible to~~ avoid any and all District contracts, subscriptions, event reservations, or other business interactions with hotels that have active labor disputes ~~with represented employees~~ until such contracts are fairly settled.

Furthermore, District staff will consult the fairhotel.org website for a list of any hotels with labor disputes before booking events or hotel stays locally and nationally; and, be it finally

Resolved, That the District commits to supporting District families who are impacted by lost work due to labor strikes by connecting them with community resources.

Ms. Ortiz Franklin seconded the motion.

Remarks were heard from Mr. Melvoin regarding the resolution.

The following speakers addressed the Board on the resolution:

- Yvonne Wheeler, Los Angeles County Federation of Labor
- Veronica Alvarado, Parent
- Gabriel Montoya
- Ariana Jackson

- Max Arias, SEIU Local 99

Remarks were heard from Ms. Ortiz Franklin, Dr. Rivas, Mr. Schmerelson, Ms. Gonez, and Ms. Goldberg, in support of the resolution.

Remarks were heard from Superintendent Carvalho regarding labor rights.

After discussion and on roll call vote, version 2 of the resolution was adopted, 7 ayes.

Ms. Ramirez recorded an advisory vote of aye.

The final version of the resolution reads as follows:

Mr. Melvoin, Ms. Ortiz Franklin, Dr. Rivas, Ms. Gonez, Ms. Goldberg, Mr. Schmerelson—
Celebrating Labor Day and Championing Los Angeles’ Workforce (Res-005-23/24) (Waiver of
Board Rule 72)

Whereas, Labor Day became a federal holiday in 1894, commemorating the history and sacrifices of the nation’s growing labor movement as they continued to fight for better working conditions, living wages, and respect for the essential roles they played in building the country’s infrastructure and economy;

Whereas; More than a century later, we celebrate the workers who keep our communities functioning everyday while fighting for their invaluable contributions to be justly compensated and respected;

Whereas, The Los Angeles Unified School District recognizes the dedicated service and invaluable contributions of its hard-working employees;

Whereas, Beyond our school campuses, a workforce of more than 6.5 million people supports our city’s diverse populations and broad range of industries. Each of those workers deserve fair and healthy working conditions, living wages, and respect from the employers and industries that benefit from their labor, and we support our District families that are on strike and out of work;

Whereas, In the last few years, and especially since the COVID-19 pandemic, we have seen both a local and national resurgence of workers’ rights movements and unionization efforts across industries. This includes our own SEIU Local-99, UTLA, and other bargaining units, with whom the District reached historic agreements to ensure the highest minimum wage in the nation; and includes writers, actors, and hospital and hospitality workers, represented by the Writers’ Guild of America (WGA), Screen Actors Guild – American Federation of Television and Radio Artists (SAG-AFTRA), and UNITE HERE Local 11 who are currently striking here in Los Angeles;

Whereas, Studio executives have been publicly quoted as intentionally seeking to “...allow things to drag on until union members start losing their apartments and losing their houses”;

Whereas, Hospital employees at Kaiser Permanente, represented by SEIU United Healthcare Workers (UHW), provide quality care and support for over 47 thousand LAUSD employees and retirees, and are currently in contract negotiations; and

Whereas, The Governing Board of the Los Angeles Unified School District also passed Res-022-

22/23 in May to support the WGA workers on the picket lines and urges a just resolution to their strike; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District celebrates District employees and unions for their hard work and unwavering dedication to serving our students, families, and school communities during its annual recognition of Labor Day on September 4th, 2023;

Resolved further, That the Board reaffirms its support for WGA members, as well as SAG-AFTRA members who have joined the ongoing Hollywood strike – and extends this support to all workers around the world engaged in the struggle for just labor conditions;

Resolved further, That, in solidarity with hospital workers represented by SEIU UHW, the Board of Education calls on the leadership of Kaiser Permanente to negotiate in good faith with union members;

Resolved further, That the Board calls on the City of Los Angeles to enact an eviction moratorium for striking workers;

Resolved further, That the Board calls on the California State legislature to determine and enact policy that would allow striking workers access to unemployment insurance benefits;

Resolved further, That, in solidarity with the UNITE HERE Local 11 workers currently on strike, the District commits to not crossing UNITE HERE Local 11's picket lines and avoid any and all District contracts, subscriptions, event reservations, or other business interactions with hotels that have active labor disputes until such contracts are fairly settled. Furthermore, District staff will consult the fairhotel.org website for a list of any hotels with labor disputes before booking events or hotel stays locally and nationally; and, be it finally

Resolved, That the District commits to supporting District families who are impacted by lost work due to labor strikes by connecting them with community resources.

- - -

President Goldberg resumed the Order of Business.

- - -

CONSENT ITEMS

Mr. McLean made the following announcement:

Tab 21, Board of Education Report No. 031-23/24, Approval of Community Advisory Committee (CAC) Membership, was withdrawn.

Tab 30, Minutes for Board Approval, Min-001-23/24 was withdrawn.

Ms. Goldberg made the following announcement:

Tab 22, Res-023-22/23, Creating a Charter Schools Co-Location Policy to Mitigate Impacts Caused

by Proposition 39 (Noticed 06-13-23), is being referred for discussion to the September 19, 2023 Committee of the Whole meeting.

Items for action below to be adopted by a single vote:

NEW BUSINESS FOR ACTION:

- Tab 1. BOARD OF EDUCATION REPORT NO. 004-23/24
Teamsters Local 572 (Teamsters) 2023-2024 Memorandum of Understanding
- Tab 2. BOARD OF EDUCATION REPORT NO. 005-23/24
Associated Administrators of Los Angeles (AALA – Certificated) 2022-2025 Memorandum of Understanding
- Tab 3. BOARD OF EDUCATION REPORT NO. 010-23/24
Approval of Procurement Actions
- Tab 5. BOARD OF EDUCATION REPORT NO. 003-23/24
Authorization to Execute a Memorandum of Understanding with the Los Angeles Department of Water and Power for the Hydration Station Initiative Program
- Tab 6. BOARD OF EDUCATION REPORT NO. 007-23/24
Define and Approve Three Athletic Facilities Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 7. BOARD OF EDUCATION REPORT NO. 040-23/24
Define and Approve Five Sustainable Environment Enhancement Developments for Schools (SEEDS) Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 8. BOARD OF EDUCATION REPORT NO. 018-23/24
Define and Approve Seven Playground and Campus Exterior Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 9. BOARD OF EDUCATION REPORT NO. 019-23/24
Define and Approve Two Charter School Facilities Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 10. BOARD OF EDUCATION REPORT NO. 020-23/24
Define and Approve 18 Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 11. BOARD OF EDUCATION REPORT NO. 015-23/24
Donations of Money and Materials to the District
- Tab 12. BOARD OF EDUCATION REPORT NO. 016-23/24
Report of Cash Disbursements, Report of Corporate Credit Card Charges
- Tab 13. BOARD OF EDUCATION REPORT NO. 021-23/24
Change in Membership of the California Statewide Delinquent Tax Finance Authority

- Tab 14. BOARD OF EDUCATION REPORT NO. 023-23/24
Renewal of Contract: California Statewide Delinquent Tax Finance Authority, 2023-2025
- Tab 15. BOARD OF EDUCATION REPORT NO. 028-23/24
Application for Exemption from the Required Expenditures for Classroom Teachers' Salaries
- Tab 17. BOARD OF EDUCATION REPORT NO. 001-23/24
Approval of Routine Personnel Actions

Later in the meeting, Mr. McLean read the following statement:

Presented to the Board for approval as part of the routine agenda item are the employment agreements for certificated employees, previously appointed on June 20, 2023.

Government Code section 54953 requires the Board, prior to taking final action, to provide an oral summary of a recommendation for a final action on the salary, salary schedule, or compensation paid in the form of fringe benefits of a local agency executive, including certificated employees, during an open meeting in which the final action is to be taken.

The following certificated employees the Board is considering will receive:

1. Regular health and welfare benefits accorded to 12-month certificated administrative employees of District;
2. Standard senior management District vacation and illness days which are:
24 vacation days, 13 full pay illness days and 87 half pay illness days;
3. Use of District automobile or monthly car allowance of \$250;
4. A term commencing on July 1, 2023 and ending June 30, 2024, and
5. An annual salary as follows:
 - i. \$224,665 for Adaina Brown as Executive Director, Diversity, Equity and Inclusion
 - ii. \$175,560 for Erick Hansen as Executive Director, Strategic Initiatives
 - iii. \$175,560 for Latasha Buck as Executive Director, Virtual Academy and Options Programs

- Tab 19. BOARD OF EDUCATION REPORT NO. 022-23/24
Approval of Adult Education Career Technical Education Advisory Committee
- Tab 20. BOARD OF EDUCATION REPORT NO. 025-23/24
Education Compacts for City of Maywood and City of San Fernando

BOARD MEMBER RESOLUTIONS FOR ACTION

- Tab 23. Mr. Schmerelson, Dr. Rivas, Ms. Goldberg, Ms. Gonez - Suicide Prevention and Awareness Month (Res-002-23/24) (Waiver of Board Rule 72)

Whereas, Suicide is a serious public health problem that takes an enormous toll on families, students, employees, and communities;

Whereas, In 2017, the Centers for Disease Control and Prevention's Youth Risk Behavior Surveillance System (YRBSS) indicated that a large number of Los Angeles Unified School District youth reported that they considered attempting suicide (25 percent of middle school and over 13 percent of high school students) and attempted suicide (10 percent of middle school and 8 percent of high school students);

Whereas, Factors such as discrimination, adverse childhood experiences, stigma, familial and community rejection, mental illness, social networks, and other factors that compromise life functioning may result in elevated suicide risk, particularly for vulnerable student populations. According to the 2021 YRBSS female students were twice as likely to seriously consider attempting suicide than male students, and LGBTQ+ students and students who had same-sex partners were at higher risk than their peers to consider suicide. Additionally, Hispanic and multiracial students were more likely than their peers to experience persistent feelings of sadness and hopelessness;

Whereas, In September 2016, Governor Jerry Brown signed Assembly Bill (AB) 2246, now California Education Code 215, that took effect in 2017-18, setting a requirement for all Local Educational Agencies (LEA), including county offices of education, school districts, state special schools and charter schools that serve pupils in grades 7 to 12 to adopt a policy on pupil suicide prevention that specially addresses the needs of high-risk students;

Whereas, In July 2017, Michelle King, Superintendent of Schools, approved the implementation of the annual online Suicide Prevention and Awareness Training for all District staff;

Whereas, Despite the fact that mental illness is treatable and youth suicide is a preventable public health problem, ninety percent of deaths by suicide can be attributed to mental illness;

Whereas, Suicide rates increased by 36% between the years 2000 and 2021, responsible for being the second leading cause of death for people ages 10-14 and 20-34, according to the Centers for Disease Control (CDC);

Whereas, In the first year of the Coronavirus (COVID-19) pandemic, anxiety and depression increased globally by 25%, according to the World Health Organization;

Whereas, The phone number of the Suicide and Crisis Hotline has changed to 988, available 24 hours a day, 7 days a week;

Whereas, The focus on mental health aligns with the Los Angeles Unified School District's Strategic Plan on Pillar 1B, which focuses on student happiness at their schools, and Pillar 1C, which seeks to eliminate opportunity gaps. Furthermore, this also aligns with Pillars 2A, which establishes welcoming environments, 2B, the whole-child well-being, and 2C, strong social-emotional skills;

Whereas, Children and teens spend a significant amount of their young lives in school, and the personnel who interact with them daily are in a prime position to recognize the warning signs of suicide and make the appropriate referrals for help. School personnel are

instrumental in helping students and their families by identifying students at-risk and linking them to school and community mental health resources;

Whereas, Suicide prevention involves the collective efforts of families and caregivers, the school community, mental health practitioners, local community organizations, and related professionals to reduce the incidence of suicide through education, awareness, and services;

Whereas, Suicide prevention involves inclusive school-wide activities and programs that enhance a sense of belonging, contribute to a safe and nurturing environment, and strengthen protective factors that reduce the risk for students; and

Whereas, National Suicide Prevention Week will be observed from September 10-16, 2023, to help call public attention to the increasing incidence of suicide and to inform about suicide prevention and warning signs of suicide; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District hereby declares September Suicide Prevention Awareness Month in the Los Angeles Unified School District;

Resolved further, That throughout the National Suicide Prevention Month, but especially during National Suicide Prevention Week (September 10-16, 2023) the District will use social media channels and direct communication to District families to raise awareness and promote resources on suicide prevention, especially resources focused on the needs of our most vulnerable students;

Resolved further, That the District will review and update as necessary the resources posted to LAUSD's School Mental Health / Crisis Counseling and Intervention Services website, and make sure that the website prominently features the new Suicide and Crisis Hotline Lifeline: 988;

Resolved further, That the Superintendent or his designee report to the Committee of the Whole within 90 days on the process of hiring Psychiatric Social Workers (PSW) and School Psychologists in order to fully staff all schools, reduce student to staff ratios, and support School Site Suicide/Threat Assessment Staff. The report should also explore the potential of developing regional partnerships with colleges and universities, training opportunities, and workforce pathways for PSWs and other school site mental health professionals; and, be it finally

Resolved, That by the adoption of this resolution, the Board encourages all students, faculty, administrators, and parents to promote a climate of positive behavior support and intervention; monitor students' emotional state and well-being; and make referrals for crisis support and mental health, as needed.

Tab 24. Mr. Schmerelson, Dr. Rivas - Commemorating National Read a Book Day (Res-003-23/24) (Waiver of Board Rule 72)

Whereas, Experts agree that reading aloud to children provides a strong foundation for their educational and professional future, and it is the single most important thing that parents can do to ensure their child's success in reading and in life;

Whereas, Reading stimulates brain activity, improves concentration, strengthens memory, and reduces stress;

Whereas, People who read books tend to be more aware of social complexities and more empathetic, compassionate, and understanding, along with other social benefits;

Whereas, Reading also improves communication, critical thinking, and language comprehension skills, and can make people better writers;

Whereas, on July 10, 2023, Governor Newsom signed SB 114 wherein Section 53008 (a) (2) was added to Part 28 of Division 4 of Title 2 of the Education Code, which calls for early literacy intervention detection of dyslexia, and adapting learning strategies to better-fit student needs;

Whereas, The National Center for Education Statistics identifies 26.5% of US adults as having level 1 reading proficiency, 8.4% as below reading proficiency, and 8.2% could not participate in the study due to complete or nearly complete illiteracy;

Whereas, Students are influenced by educational factors and beyond, such as peers, parents, siblings, grandparents, teachers, co-students, among others;

Whereas, Studies also show that students from low-income backgrounds are more likely to fall behind with reading;

Whereas, Studies show that children who read out loud, especially at home, strengthens their visual imagery, story comprehension, and word meaning;

Whereas, The National Book Foundation is an American nonprofit organization established to raise the cultural appreciation of great writing in America;

Whereas, Schools, libraries, and other literacy organizations participate in National Read a Book Day through read-a-thons, celebrity appearances, book drives, and more;

Whereas, Getting to 100% graduation at the Los Angeles Unified School District takes a community village that begins with parents, grandparents, relatives, and other extended family alike valuing reading, learning, and achieving;

Whereas, The Los Angeles Unified School District has key staff and resources to help both students and parents with their literacy needs, such as librarians, library aids in elementary schools, and a diverse set of books and other learning materials; and

Whereas, Schools and public libraries serve as necessary functions in our community, also filled with vast resources in literacy such as activities, free audiobooks, internet connectivity, and media access; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District shall commemorate September 6, 2023 as National Read a Book Day;

Resolved further, That the Los Angeles Unified School District shall emphasize the importance of reading beyond the classroom and hereby encourages all students, faculty,

administrators, and parents to read a book and engage in activities that highlight the value of reading and learning; and, be it finally

Resolved, That the District shall provide the necessary resources so that educators and parent center directors can speak about the importance of reading and writing with students and parents as aligned with the District's strategic pillars 1A, high-quality instruction, and 3B, accessible information.

RESOLUTIONS REQUESTED BY THE SUPERINTENDENT

- Tab 28. Reappointment of Member to the School Construction Bond Citizens' Oversight Committee (Sup Res-001-23/24)

Resolved, That the Governing Board of the Los Angeles Unified School District ratifies the renomination of Mr. Michael Hamner, representing the American Institute of Architects, as Member to the School Construction Bond Citizens' Oversight Committee for a two-year term commencing on August 25, 2023 and determines that Mr. Hamner is not an employee, official, vendor, contractor, or consultant of the District.

CORRESPONDENCE AND PETITIONS

- Tab 29. Report of Correspondence including Williams Settlement Uniform Complaint Quarterly Report Summary (ROC-001-23/24)

Later in the meeting, Mr. McLean read the following statement:

Before action is taken on the Report of Correspondence regarding the Williams Settlement Uniform Complaint Quarterly Report Summary from the Director of the Educational Equity Compliance Office, a public hearing must be held.

This constitutes a public hearing on the report, and a maximum of 12 individuals who wish to address the Board on this item will be heard. Those who wish to speak and have not already signed-up should sign-up online. Speakers will be called by name.

MISCELLANEOUS BUSINESS

- Tab 31. Adoption of the 2023-2024 Committee Meeting Schedule (001-23/24)

The Consent Items were paused to allow for the Superintendent's Reports.

SUPERINTENDENT'S REPORTS

Remarks were heard from Superintendent Carvalho regarding Tropical Storm Hilary and the decision to close schools.

Pedro Salcido, Deputy Superintendent, Business Services and Operations, presented a brief video highlighting the first day of school.

Mr. Salcido made a presentation highlighting student attendance, the live Attendance Tracker, school safety

initiatives, staffing, and the various preparations for the opening of schools.

Karla Estrada, Ed.D, Deputy Superintendent of Instruction, made a presentation regarding the trainings for Principals to help them better prepare for the 2023-24 school year; and, professional development for teachers.

Dr. Frances Baez, Chief Academic Officer, made a presentation regarding the literacy and numeracy strategy for the 2023-24 school year based on evidence based practices.

Remarks were heard from Board Members regarding the presentation.

District staff responded to questions from Board Members regarding Teacher fill rates, teacher vacancies, student attendance; and, the percentage of students that have devices and connectivity.

The Board requested the following from District staff:

Provide information for Math at the 5th, 8th, and 12th grade levels (referring to Presentation slides 40 and 41).

Provide copies of the Instructional “Look Fors” (referring to Presentation slide 32).

Provide a list of school sites that will receive cooling equipment, and when the schools can expect them.

Provide information on the District goals for tutoring, and how parents can learn about the tutoring options.

Provide more information on the Math framework and the broader concepts.

Provide attendance data for the summer Professional Developments, the optional pupil free day, and the percentage of principals that attended the institute.

Provide additional data on the Division of Adult and Career Education (DACE), such as attendance, staffing, and the classes offered.

Provide the staffing rates for Community Schools.

Provide information on where the District stands on staffing for Ethnic studies.

Provide an update on the Micro-Credentials program, such as how the District can increase the number of courses and promote this program to its workforce.

Provide information on how differentiated learning and strategies plays out in the classroom.

Provide information on how the District can provide resources and data for parents that is easier for them to understand.

Develop an ongoing marketing strategic plan for families not in the District regarding enrollment for two, three, and four year old students.

- - -

President Goldberg modified the Order of Business to allow for the Public Comment time certain.

- - -

PUBLIC COMMENT

The following speakers addressed the Board on the subjects indicated:

Steven Martin, Stonewell Democratic Club Los Angeles	LGBTQ Advocacy
Ruben Duenas, Community Representative	Opposes Res-026-22/23, Creating a Charter Schools Co-Location Policy to Mitigate Impacts Caused by Proposition 39
Maria Luisa Palma, Parent	Respect and transparency for parents
Paula Meneses, Parent	Concerns at Kingsley Elementary School
Kinley Lagrange, Parent	Supports Res-026-22/23
Marie Germaine, UTLA	Supports Res-026-22/23
Raj Makwana, Parent	Opposes Res-026-22/23
Shawna Draxton, WISH Community	Opposes Res-026-22/23
Jasmin Vargas, Jobs to Move America	Electric school buses
Joseph Sullivan, IBEW Local 11	Electric school buses
Elizabeth Padilla, Former LAUSD employee	Opposes Res-026-22/23
Eloisa Galindo and Alicia Baltazar, Parents	Supports Res-026-22/23
Alejandrina Sosa, Teacher	Supports Res-026-22/23
David George, District Employee	Supports Res-026-22/23

- - -

President Goldberg resumed the Order of Business.

- - -

CONSENT ITEMS (continued)

Dr. Rivas moved that the Consent Items be adopted.

Mr. Melvoin seconded the motion.

Remarks were heard from Superintendent Carvalho and Sun Yun Lee, Deputy Chief Business Officer, regarding perfecting the communication protocols for contracts.

Christopher Mount, Chief Procurement Officer, and Ms. Lee, responded to questions from the Board regarding the new procurement policy.

District staff responded to questions from the Board.

Remarks were heard from Board Members.

The Board requested the following from District staff:

Tab 3, Item B – Theodore Payne Foundation:

Provide the in-person training of the planting and maintenance of California native plant materials in Spanish.

Tab 3, Item L – Ventura County Event Medical Standby, LLC; American First Responder; The ATvantage, LLC:

Provide information on what grants schools can apply for so they could fund their own athletic trainer.

Tab 5, Board of Education Report No. 003-23/24, Authorization to Execute a Memorandum of Understanding with the Los Angeles Department of Water and Power for the Hydration Station Initiative Program:

Provide the number of hydration stations that are provided at middle and high schools.

Speakers addressed the Board on the following items on the consent calendar:

Board of Education Report No. 0004-23/24, Teamsters Local 572 (Teamsters) 2023-2024 Memorandum of Understanding

- Juan Mangandi, Parent

Board of Education Report No. 040-23/24, Define and Approve Five Sustainable Environment Enhancement Developments for Schools (SEEDS) Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein

- David Tokofsky, Community Representative

Board of Education Report No. 0018-23/24, Define and Approve Seven Playground and Campus Exterior Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein

- Dianna Shaw, Pomelo Community Charter PTA
- Sabrina Siegel, Parent
- Rachelle Bell, Parent

Board of Education Report No. 019-23/24, Define and Approve Two Charter School Facilities Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein)

- Erin Studer, Executive Director, CHIME Institute

Board of Education Report No. 001-23/24, Approval of Routine Personnel Actions

- Vince Nineli, Community Member

Res-003-23/24, Commemorating National Read a Book Day

- Theresa Sanford, District Employee

ROC-001-23/24, Report of Correspondence including Williams Settlement Uniform Complaint Quarterly Report Summary

- Karina Lopez Zuniga, Parent
- Diana Guillen, Parent
- Maria L. Palma, Parent
- Karla Franco, Parent
- Juan Mangandi, Parent
- Norma Gonzales, Parent
- Maria Daisy Ortiz, Parent
- David Tokofsky, Community Member

Remarks were heard from Mr. Schmerelson and Ms. Goldberg regarding the appeal process, and how parents should be better informed about the process.

001-23/24, Adoption of the 2023-2024 Committee Meeting Schedule

- Maria Daisy Ortiz, Parent

Mr. Schmerelson moved a waiver of Board Rule 72 to allow action on Res-002-23/24 and Res-003-23/24. Dr. Rivas seconded the motion which was adopted, 6 ayes.

Later in the meeting Ms. Ortiz Franklin recorded an aye vote.

The final vote was 7 ayes.

Ms. Ramirez recorded an advisory vote of aye.

Remarks were heard from Mr. Schmerelson and Dr. Rivas regarding Res-002-23/24, Suicide Prevention and Awareness Month.

Remarks were heard from Mr. Schmerelson, Dr. Rivas, and Dr. McKenna regarding Res-003-23/24, Commemorating National Read a Book Day.

On roll call vote, the Consent items were adopted, 6 ayes.

Later in the meeting, Ms. Gonez recorded an aye vote.

The final vote was 7 ayes.

Ms. Ramirez recording an advisory vote of aye.

NEW BUSINESS FOR ACTION

Tab 4. BOARD OF EDUCATION REPORT NO. 011-23/24
Approval of Facilities Contract Actions

Mr. Melvoin moved that the report be adopted. Dr. Rivas seconded the motion.

Remarks were heard from Mr. Melvoin regarding items R (Reyes Electrical Contractor, Inc., dba Reyes Engineering Corp.), S (Telenet VoIP, Inc.), and T (Alternate Power and Construction, Inc., dba Danial's Electric Co.).

The following speaker addressed the Board:

- Robina Suwol, Executive Director, California Safe Schools

The Board requested the following from District staff:

Item OO – Rain Systems, Inc.

Provide information on any water savings to the District with the polymer that is injected in the soil to absorb water, and any environmental impact.

Item PP – Alliance to Save Energy

Provide information on how schools are accessing the EmPowered Program, and how they can find out about the program.

After discussion and on roll call vote, the report was adopted, 6 ayes with the following exception:

- Mr. Melvoin voted no on Item R, Contract No. 4400011681, Reyes Electrical Contractor, Inc., dba Reyes Engineering Corp.; Item S, Contract No. 4400011663, Telenet VoIP, Inc.; and, Item T, Contract No. 4400011666, Alternate Power and Construction, Inc., dba Danial's Electric Co.

Later in the meeting Ms. Gonez recorded an aye vote.

The final vote was 7 ayes.

Ms. Ramirez recorded an advisory vote of aye.

- - -
President Goldberg modified the Order of Business.
- - -

NEW BUSINESS FOR ACTION (continued)

Tab 18. BOARD OF EDUCATION REPORT NO. 002-23/24
Provisional Internship Permits

Mr. Melvoin moved that the report be adopted. Dr. Rivas seconded the motion.

On roll call vote, the report was adopted, 6 ayes.

Later in the meeting Ms. Gonez recorded an aye vote.

The final vote was 7 ayes.

Ms. Ramirez recorded an advisory vote of aye.

- - -

Mr. Melvoin moved to extend the meeting by one hour.

Dr. Rivas seconded the motion, which was adopted, 6 ayes.

Later in the meeting, Ms. Gonez recorded an aye vote. The final vote was 7 ayes.

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President Goldberg resumed the Order of Business

- - -

NEW BUSINESS FOR ACTION (continued)

Tab 16. BOARD OF EDUCATION REPORT NO. 017-23/24
2023-24 Revised Budget

Mr. Melvoin moved that the report be adopted. Mr. Schmerelson seconded the motion.

Introductory remarks were heard from the Superintendent.

David Hart, Chief Business Officer, gave a brief presentation regarding the 2023-24 revised budget, and highlighted the State of California enacted budget.

Mr. Hart responded to a questions regarding the plan to incorporate the labor agreements in the budget.

Remarks were heard from Board Members.

Mr. Hart introduced Nolberto Delgadillo, the new Deputy Chief Business Officer. Remarks were heard from Mr. Delgadillo.

Remarks were heard from Superintendent Carvalho regarding the future of the District's budget.

On roll call vote, the report was adopted, 7 ayes.

Ms. Ramirez was absent.

BOARD MEMBER RESOLUTIONS FOR INITIAL ANNOUNCEMENT

The following resolutions will be for action at the September 12, 2023 Regular Board Meeting:

Tab 26. Mr. Schmerelson - September as Child Welfare and Attendance Month (Res-001-23/24)

Whereas, The Compulsory Education Act was enacted in 1903 and the Governing Board of the Los Angeles Unified School District appointed the first Attendance Officer to enforce compliance with the compulsory attendance mandate, creating the Pupil Services and Attendance Division;

Whereas, In September 2017, the National Child Welfare Workforce Institute celebrated the first National Child Welfare Workforce Development Month, and honored the hard work of child welfare professionals in improving outcomes for children, youth, and families;

Whereas, In our schools, Child Welfare and Attendance Counselors are called Pupil Services and Attendance Counselors (PSA Counselors). They focus on children's safety and wellbeing, strengthening families by providing services and referrals, and they reconnect youth to schools;

Whereas, The pandemic highlighted that our schools are severely underfunded. It also opened our eyes to the importance of supporting the whole child, their socio-emotional learning, and their mental health, making child welfare a priority;

Whereas, Absenteeism is a significant problem that caused learning loss among more than 200,000 LAUSD students during the 2021-2022 school year, as absenteeism and truancy impacts our children regardless of age, race, gender, and socioeconomic status;

Whereas, The rate for chronic absenteeism for African-American students is at 57%, for Latino students at 49%, and for homeless students at 68%;

Whereas, The National Child Welfare Workforce Development Month in September offers an opportunity to recognize and honor the work of Child Welfare and Attendance Counselors, who help vulnerable children and their families. It provides an opportunity to educate the community and policymakers about the effectiveness of truancy and dropout prevention interventions, supported by the California Legislature as outlined in the California Education Code (EC) sections 48240–48244;

Whereas, Pupil Services and Attendance Counselors are frontline professionals who are indispensable in identifying resources and fostering partnerships with community-based organizations to complement existing school programs;

Whereas, Pupil Services and Attendance Counselors conduct assessments to identify issues that may impact attendance and barriers to learning, to facilitate linkages to services that meet the needs of the whole child while simultaneously integrating multi-tiered interventions to promote overall wellness of the family, to address absenteeism, truancy and to support students of culturally diverse populations;

Whereas, Pupil Services and Attendance Counselors use data-driven solutions to identify individual student strengths and needs in order to assist with successful student learning outcomes;

Whereas, Pupil Services and Attendance Counselors increase graduation rates and prevent students from dropping out. They increase access to college pathways, link students and families to services, and provide comprehensive services to foster and homeless youth;

Whereas, Pupil Services and Attendance Counselors re-engage out-of-school youth back into an educational setting, ensuring the successful transition and re-enrollment of all students following juvenile detention;

Whereas, Pupil Services and Attendance Counselors help parents, guardians, tutors, and other heads of households by focusing on personalized pathways to further their children's educational, personal, and social growth; and

Whereas, The Association of Pupil Services and Attendance Counselors (APSAC) has declared the last Tuesday of September as the Child Welfare and Attendance (PSA) Counselor Day; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District hereby declares the month of September 2023, as Child Welfare and Attendance Month and the last Tuesday of September as the Pupil Services and Attendance Counselors Day; and, be it finally

Resolved, That the District will continue to promote attendance awareness through District websites and social media outlets, conducting home visits, engaging families, and taking action with the Association of Pupil Services and Attendance Counselors (APSAC) to strengthen child welfare in our communities.

Tab 27. Ms. Gonez - Celebrating Latino Heritage Month in the Los Angeles Unified School District (Res-004-23/24)

Whereas, The United States has observed Latino Heritage Month from September 15 to October 15 since 1988 to commemorate the contributions, heritage, achievements, and cultural influences of Latino Americans in the United States;

Whereas, Latino Heritage Month also recognizes the intersectionality and diversity of the U.S. Latino population, incorporating indigenous histories and celebrating the independence days of several Latin American countries including: Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua;

Whereas, This month-long recognition serves as an opportunity for all Americans to learn more about Latino history, promote cultural awareness and inclusivity, and celebrate diversity both in the present and in our nation's history;

Whereas, The U.S. Latino population has grown to become the second largest racial or ethnic group in the United States in the last decade, reaching 62.6 million Latinos as of 2021 and accounting for 19% of all Americans;

Whereas, The state of California is home to the largest Latino population in the country, where they comprise 40.3% of the state's overall population, and almost 50% of the population of the County of Los Angeles;

Whereas, Latino students comprise almost 78% of the Los Angeles Unified District student population, underscoring the importance and relevance of Latino Heritage Month among the District's students and families;

Whereas, Recognizing and celebrating Latino Heritage Month as a District furthers the work of our Strategic Plan to provide culturally relevant, empowering curriculum that inspires students to become leaders and advocates for their communities; and

Whereas, The District is committed, above and beyond this commemoration, to empowering students through culturally responsive and inclusive learning environments that celebrates the value and diversity of all its students; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District hereby recognizes and celebrates September 15 through October 15 as Latino Heritage Month;

Resolved further, That the Office of the Superintendent will work to promote educational resources on Latino history, culture, and heritage and make them widely available to staff, students, and families online through the District homepage and social media accounts; and, be it finally

Resolved, That by adoption of this resolution, the Board and Superintendent hereby encourage all students, staff, and families, to commemorate and celebrate the immense historical and cultural contributions that Latino people have made and continue to make here in Los Angeles, California, and the United States.

ADJOURNMENT

Mr. Melvoin moved that the meeting be adjourned in memory of Dr. Stephanie McClay, Principal, Agoura High School, and Betty Patterson Gardin, former District employee. Dr. McKenna moved that the meeting be adjourned in memory of Victor Kimble, former District employee. Ms. Goldberg moved that the meeting be adjourned in memory of Monica Zuniga, Executive Secretary, Office of the Deputy Superintendent of Instruction.

The meeting adjourned at 8:28 p.m.

APPROVED BY THE BOARD:

MS. JACKIE GOLDBERG
PRESIDENT

MR. MICHAEL MCLEAN
EXECUTIVE OFFICER OF THE BOARD

BOARD OF EDUCATION OF THE CITY OF LOS ANGELES
Governing Board of the Los Angeles Unified School District

REGULAR MEETING MINUTES
333 South Beaudry Avenue, Board Room
1:00 p.m., Tuesday, November 14, 2023

The Los Angeles Board of Education acting as the Governing Board of the Los Angeles Unified School District met in regular session on Tuesday, November 14, 2023, at the Administrative Offices, Board Room, 333 South Beaudry Avenue, Los Angeles, California.

Mr. Michael McLean, Executive Officer of the Board, called the meeting to order at 1:07 p.m.

The following Board Members were present: Dr. Rocio Rivas, Mr. Scott Schmerelson, Mr. Nick Melvoin, Ms. Kelly Gonez, Ms. Tanya Ortiz Franklin, and Board President Jackie Goldberg.

Dr. George J. McKenna III was absent.

Student Board Member Karen Ramirez was present.

Superintendent Alberto M. Carvalho was also present.

The pledge of Allegiance was led by students from Van Nuys Middle School, Board District 3.

BOARD PRESIDENT'S REPORTS

RECOGNITION OF CONGRESSWOMAN DIANNE WATSON

Board President Goldberg recognized Congresswoman Dianne Watson for her longtime career in public service and expressed gratitude for her ongoing support and mentorship.

Later in the meeting, Ms. Goldberg further elaborated on the recognition and highlighted Ms. Watson's career achievements.

Board members offered their remarks on Ms. Watson.

A certificate of recognition was presented to Ms. Watson by the Board.

Remarks were heard from Ms. Watson.

RECOGNITION OF MRS. EVELYN GRATTS

Dr. Rivas recognized Mrs. Evelyn Thurman Gratts for her significant contributions to LAUSD and her local community.

Dr. Rivas expressed gratitude to the Belmont Alumni Association for their efforts in amplifying Mrs. Gratts' legacy. She also recognized the presence of the Gratts family at the meeting, including Ellis Gratts, Kermit Gratts, Dartanion Cathirell, Tommie (daughter), and Alisha (great-granddaughter).

Remarks were heard from Board Members and the Gratts family.

LABOR PARTNERS

The following people addressed the Board to express their support for the Project Stabilization Agreement (Board Report No. 113 – 23/24):

Ernesto Medrano, Executive Secretary of the Los Angeles and Orange Counties Building and Construction Trades Council

Eric Brown, IBEW Local 11

Carlos Toledo, Business Representative from United Association Sprinkler Fitters Local 709

Jessica Alonzo, graduate of the apprenticeship readiness program at Slawson Southeast Occupational Center

Rafael, graduate of the MC 3 Program from the Slawson Southeast Occupational Center

Ivan Pimentel, 4th year apprentice electrician with IBEW Local 11

Mr. Schmerelson and Ms. Goldberg made some remarks expressing support for the apprenticeship programs.

Later in the meeting, Ms. Gloria Martinez, Special Education teacher from UTLA spoke on the charter school co-location policy and implementation of safe passage programs.

- - -

Board President Goldberg modified the Order of Business to introduce item 10 for voting.

- - -

NEW BUSINESS FOR ACTION

Tab 10: BOARD OF EDUCATION REPORT NO. 113 – 23/24
Authorization to Execute and Approve the Updated Project Stabilization Agreement

The following speakers addressed the Board:

- Lauren Ahkiam, Los Angeles Alliance for a New Economy
- Ricardo Gonzalez, Cement Masons Local Union 600
- Michael Brierley, International Union of Operating Engineers Local 12
- Kayleigh Wade, Heal the Bay
- Irma Lopez, Parent

Ms. Gonez moved that the report be adopted. Mr. Melvoin seconded the motion.

On roll call vote, the report was adopted, 6 ayes.

Dr. George J. McKenna III was absent.

Ms. Ramirez recorded an advisory vote of aye.

- - -

Board President Goldberg modified the Order of Business.

- - -

SUPERINTENDENT'S REPORTS

Superintendent Carvalho spoke about LAUSD's musical instrument repair shop and the documentary that showcases the shop.

The trailer for the "Last Repair Shop" was presented.

Superintendent Carvalho recognized the following individuals: Ben Proudfoot (Co-director), Kris Bowers (Co-director), Krisztina Tokes (Chief of Facilities Executive), Titus Campos (Administrator of Arts Education Branch), Duane Michaels (Instrument Technician), Dana Atkinson (Instrument Technician), Stepan Bagmanyan (Repair Shop Supervisor), Nana Adwoa Frimpong (Chief of Staff at Breakwater Studios) and Ros Ramzan (Marketing Coordinator at Breakwater Studios).

Co-director, Kris Bowers, provided comments on the film.

Instrument technicians Duane Michaels and Dana Atkinson gave a performance.

Superintendent Carvalho expressed gratitude to the shop members and those involved in creating the documentary.

Board Members shared their remarks.

- - -

President Goldberg resumed the Order of Business.

- - -

BOARD PRESIDENT'S REPORTS

COMMITTEE REPORTS

Dr. Rivas reported on the October 18, 2023, Greening Schools and Climate Resilience Committee meeting.

Ms. Goldberg reported on the October 26, 2023, Curriculum and Instruction Committee meeting.

Ms. Gonez reported on the October 19, 2023, Children and Families in Early Education Committee meeting.

Mr. Schmerelson reported on the November 1, 2023, Special Education Committee meeting.

Dr. Rivas reported on the November 7, 2023, Charter School Committee meeting.

CONSENT ITEMS

Items for action below to be adopted by a single vote:

NEW BUSINESS FOR ACTION

- Tab 1: BOARD OF EDUCATION REPORT NO. 087 – 23/24
Approval of Procurement Actions
- Tab 2: BOARD OF EDUCATION REPORT NO. 058 – 23/24
Approval of Facilities Contracts Actions
- Tab 3: BOARD OF EDUCATION REPORT NO. 073 – 23/24
Approve the Redefinition of the 32nd Street USC Magnets Major Modernization Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 4: BOARD OF EDUCATION REPORT NO. 074 – 23/24
Define and Approve Two Wellness Center Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 5: BOARD OF EDUCATION REPORT NO. 102 – 23/24
Define and Approve Two Charter School Facilities Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 6: BOARD OF EDUCATION REPORT NO. 107 – 23/24
Define and Approve Three Sustainable Environment Enhancement Developments for Schools (SEEDS) Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 7: BOARD OF EDUCATION REPORT NO. 108 – 23/24
Define and Approve 13 Board District Priority and Region Priority Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 8: BOARD OF EDUCATION REPORT NO. 110 – 23/24
Define and Approve the John Marshall High School Synthetic Turf Field Replacement Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 9: BOARD OF EDUCATION REPORT NO. 111 – 23/24
Approve the Definition of Four Classroom Upgrade Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein
- Tab 11: BOARD OF EDUCATION REPORT NO. 114 – 23/24
Compliance With Requirement of Local Bond Measures for Biennial Compensation Survey of Facilities Services Division Managers
- Tab 12: BOARD OF EDUCATION REPORT NO. 103 – 23/24
Report of Cash Disbursements

- Tab 13: BOARD OF EDUCATION REPORT NO. 105 – 23/24
Donations of Money to the District
- Tab 14: BOARD OF EDUCATION REPORT NO. 093 – 23/24
Approval of Routine Personnel Actions
- Tab 16: BOARD OF EDUCATION REPORT NO. 090 – 23/24
Approval of the California Community Schools Partnership Program Grant Award

BOARD MEMBER RESOLUTIONS FOR ACTION

- Tab 17: Dr. McKenna - November as Homeless Youth Awareness Month (Res-011-23/24)
(Noticed October 17, 2023)

Whereas, Congress first declared November as National Homeless Youth Awareness Month in 2007;

Whereas, California passed a resolution recognizing November as California Runaway and Homeless Youth Prevention Month in 2023;

Whereas, November is a time to elevate the issue of youth homelessness and grow the commitment to prevent and end homelessness among young people in the United States;

Whereas, In 2022, an estimated 9,100 youth in Los Angeles County lacked a safe place to live;

Whereas, A disproportionate number of youth experiencing homelessness are members of historically underserved populations;

Whereas, Youth experiencing homelessness are often exposed to dangers, have an increased likelihood of substance abuse, early parenthood, and trafficking, and experience depression and posttraumatic stress disorder;

Whereas, Nearly 70 percent of Los Angeles Unified School District's homeless students were chronically absent during the 2021-22 school year;

Whereas, The District is developing programs such as iAttend to identify homeless students and provide them with needed resources;

Whereas, Research has shown that homeless youth are more likely to score lower on standardized tests, be placed in special education, repeat a grade, transfer schools, and drop out of school;

Whereas, The McKinney-Vento Homeless Assistance Act ensures educational rights and protections for homeless youth;

Whereas, In compliance with the McKinney Vento Homeless Assistance Act, the District's Homeless Education Office was designed to provide assistance to homeless students and families and maximize access to educational, social, and enrichment programs to promote student achievement;

Whereas, The Governing Board of the Los Angeles Unified School District recognizes that homelessness is a serious problem for many students, families, and the City at large; and

Whereas, The Board recognizes the important role education can play in preventing and ending youth homelessness; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District declares November 2023 as Homeless Youth Awareness Month; and, be it finally

Resolved, That the Los Angeles Unified School District recognizes the unique challenges of youth experiencing homelessness and commits to increasing awareness of the issues impacting these students and will continue to support and explore programs, partnerships, and legislation that combat homelessness and remove barriers to success for homeless youth.

Tab 18: Mr. Schmerelson - Commemorating Diwali and Celebrating South Asian Heritage (Res-012-23/24) (Noticed October 17, 2023)

Whereas, Diwali, also known as Deepawali, is a five-day festival observed by more than a billion people across faiths, including Hinduism, Sikhism, Newar, Buddhism, and Jainism;

Whereas, Diwali marks the start of the Hindu New Year: and symbolizes the spiritual victory of light over darkness, good over evil, and knowledge over ignorance;

Whereas, California has the largest Indian population in the United States, with nearly one million residents living within the state;

Whereas, Indian Americans contribute highly to California's economy, community, social services, and diverse culture;

Whereas, The Los Angeles Unified School District acknowledges the growing presence of Indian Americans and others of South Asian heritage in public life, service, and business positions;

Whereas, Diwali is celebrated as an official holiday in India, Nepal, Sri Lanka, Myanmar, Guyana, Fiji, Singapore, Trinidad and Tobago, Malaysia, and Mauritius; now therefore be it

Resolved, That the Governing Board of the Los Angeles Unified School District acknowledges Sunday, November 12, 2023, as Diwali;

Resolved further, That the District recognizes the importance of the South Asian Community, including Indian Americans, to Los Angeles and California as leaders for their contributions to their communities and various sectors such as, but not limited to, academics, health, science, and sports;

Resolved further, In alignment with the District's inclusive practices, the Governing

Board of the Los Angeles Unified School District encourages the Superintendent to support and uplift the Indian American Community and others of South Asian heritage in our schools, workplaces, and communities; and, be it finally

Resolved, That the Board requests that the Superintendent update or create reference guides and resources to inform students, teachers and staff so that proper age appropriate discussions of Diwali can happen in our school sites and classrooms.

Tab 19: Mr. Schmerelson - Celebrating Substitute Educators Day (Res-013-23/24)
(Noticed October 17, 2023)

Whereas, The United States observes Substitute Educators Day, which was instituted by the National Education Association (NEA) and is to be celebrated on Friday during American Education Week;

Whereas, The purpose of this day is to highlight the role and importance of the substitute teacher by providing information about, advocating for, and helping to increase appreciation and respect for this unique professional;

Whereas, Los Angeles Unified School District substitute school employees play an essential role in the maintenance and continuity of daily education for all students, ensure the minimization of learning disruption, and are tasked to provide effective learning plans;

Whereas, The unmatched professionalism of substitute teachers is evidenced by their willingness to be at a school site early in the morning, oversee and execute a quality lesson plan, and provide students with a safe learning environment, all on short notice;

Whereas, These professional educators provide a critical link in the education of public schoolchildren by serving as a bridge to provide continued quality education to children in the temporary absence of regular classroom educators;

Whereas, Our professional substitutes make a valuable and meaningful contribution to the success of our students by ensuring that the time they spend in school is productive;

Whereas, Substitutes are experienced in the adaptation to different school lessons, climates, cultures, and personnel due to changing worksites;

Whereas, In addition to substitute teachers being purveyors of knowledge in the classroom, they also serve our students as role models and mentors;

Whereas, Although the role of the substitute teacher may be different from that of the regular teacher in some aspects, it is equally demanding, essential, and professional; and

Whereas, The District's mission is to provide our students with an education that prepares them to be college and career-ready, which cannot be accomplished without our dedicated and hardworking substitute teachers; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District hereby recognizes and celebrates Friday, November 17, 2023 as Substitute Educator's Day;

Resolved further, That the District highly encourages schools, principals, and staff to recognize the work and labor of substitute educators, assisting them to assimilate to the school culture and climate;

Resolved further, That the Board encourages the Superintendent to develop and update reference guides and development training for substitute educators similar to what is currently available to all other educators; and, be it finally

Resolved, The Board expresses their deep appreciation to our supporting substitute educators in the challenging conditions they face to provide the best education possible for our students and as crucial members of the Los Angeles Unified School District.

Tab 21: Ms. Gonez, Mr. Schmerelson - Celebrating National Special Education Day and Calling for Increased Special Education Funding (Res-015-23/24) (Waiver of Board Rule 72)

Whereas, For the 2023-24 school year the Los Angeles Unified School District proudly serves over 65,000 students receiving special education services, almost one-third of which have moderate-to-severe disabilities;

Whereas, The District provides 38 types of services and supports to students with disabilities in order to provide a free appropriate public education;

Whereas, The chronic underfunding of the federal law now known as the Individuals with Disabilities Education Act of 1975 (IDEA) by the federal government places an additional funding burden on states, local school districts, and taxpayers to pay for needed services, and often means using local budget dollars to cover the federal shortfall, ultimately shortchanging other school programs that students with disabilities often also benefit from;

Whereas, In the 2023-2024 school year, the District plans to spend over \$2 billion in special education costs, with the District's federal IDEA funding reaching only \$133 million, accounting for merely 7% percent of the District's share of costs, woefully short of Congress' commitment upon IDEA's passage to 40 percent of the additional costs necessary to provide a free and appropriate public education to students with disabilities;

Whereas, The grossly inadequate level of funding for special education at both the federal and state level also does not differentiate funding based on the severity of the student's disability and therefore fails to recognize the additional resources required to fully meet the needs of students with moderate to severe disabilities;

Whereas, The majority of the current state funding structure for special education is based on student attendance (AB 602) providing Special Education Local Plan Areas (SELPAs) funding based on their overall student attendance, regardless of how many students with disabilities the SELPA serves or the services they provide; and

Whereas, The District proudly operates 13 Special Education and Career Transition Centers which provide students with a robust instructional program that meets each individual student's unique needs and prepares them and their families for their transition beyond secondary school; now, therefore, be it

Resolved, That the Governing Board of the Los Angeles Unified School District recognizes and celebrates the unique assets and needs of our students with disabilities and is proud to serve them and their families, particularly in light of the shameful historic exclusion of students with disabilities;

Resolved further, That the District formally recognizes December 2 as National Special Education Day this year and every year and encourages all schools, students, and families to celebrate our children with disabilities and the unique assets they contribute to our school communities;

Resolved further, That the Board commits to continued advocacy for additional resources that will adequately resource and sustain the instructional programs and services for our students with disabilities, such as increasing California's funding allocations to meet the increases in special education costs, particularly for students with moderate to severe disabilities, Congress significantly increasing the annual appropriation for IDEA, passing the IDEA Full Funding Act (S. 3213/H.R. 5984), as well as the Keep Our Pact Act (S. 72/H.R. 764), to create a mandatory 10-year path to fully fund both IDEA and Title I of the Every Student Succeeds Act; and, be it finally

Resolved, That the Superintendent is directed to develop more regular opportunities for parents and families of students with disabilities to engage with the District to provide meaningful feedback, opportunities for continuous improvement and strengthen partnerships and resources.

Tab 22: Ms. Ortiz Franklin - Celebrating Read LA! Day (Res-016-23/24)
(Waiver of Board Rule 72)

Whereas, Early literacy is a fundamental building block of a child's education, developing strong reading and comprehension skills, leading to improved communication, critical thinking, and problem-solving abilities and a key determinant of future academic and life success;

Whereas, According to the 2023 California Smarter Balanced assessment results, nearly 60% of all LAUSD third grade students did not meet state standards in English Language Arts; 67% of Latino/x/e students, 73% of Black students, 91% of English Learners, and 68% of economically disadvantaged students in third grade did not meet these standards;

Whereas, Early literacy begins at birth, therefore supporting and equipping families and caregivers in the early years are essential to nurture young children's language development, cognitive and executive function skills and other critical early childhood milestones;

Whereas, Structured literacy instruction in the early grades, following the Science of Reading (SoR), including effective SoR practices for English Learners/Emergent Bilinguals as outlined in the Joint Statement by the Reading League and National Committee for Effective Literacy, has proven to be the most effective way to help children learn to read;

Whereas, All teachers deserve to be provided with science-aligned professional

development and ongoing supports to ensure their students meet or exceed state standards in English Language Arts;

Whereas, Children’s access to high quality early learning environments, enriching summers, tutoring supports, and literacy resources in homes, schools, and communities can reduce educational disparities and bridge opportunity and achievement gaps; and

Whereas, Families In Schools and its coalition partners will launch the Read LA!: *Literacy & Justice for All* campaign on November 14, 2023, mobilizing all of Los Angeles to elevate and prioritize early literacy and work to reverse our literacy crisis, giving every child the right to read; now, therefore, be it

Resolved, That the Board of Education of the Los Angeles Unified School District hereby proclaims November 14 as “Read LA Day” and encourages all Los Angeles leaders and stakeholders, including early education providers, schools, parents, civic leaders, community organizations, policymakers, and funders to recognize and prioritize early literacy as a cornerstone of our children's educational journey.

CORRESPONDENCE AND PETITIONS

Tab 23: Report of Correspondence including Williams Settlement Uniform Complaint Quarterly Report Summary (ROC-004-23/24)

Later in the meeting, Mr. McLean read the following public hearing statement:

Before action is taken on the Report of Correspondence regarding the Williams Settlement Uniform Complaint Quarterly Report Summary from the Director of the Educational Equity Compliance Office, a public hearing must be held.

This constitutes a public hearing on the report, and a maximum of 15 individuals who wish to address the Board on this item will be heard. Those who wish to speak and have not already signed-up should sign-up online at lausd.org/boe. Speakers will be called by name.

Speakers addressed the Board on the following items on the consent calendar:

Board of Education Report No. 073 – 23/24, Approve the Redefinition of the 32nd Street USC Magnets Major Modernization Project and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein

- David Tokofsky, Community Representative

Board of Education Report No. 074 – 23/24, Define and Approve Two Wellness Center Projects and Amend the Facilities Services Division Strategic Execution Plan to Incorporate Therein

- Lucila Racine, Community Representative
- Sara Rodriguez, Parent
- Elisia Baltazar, Parent

Res-012-23/24, Commemorating Diwali and Celebrating South Asian Heritage

- Dhara K Patel
- Tej Patel

Remarks were heard from Mr. Schmerelson regarding the resolution.

Res-013-23/24, Celebrating Substitute Educators Day

Mr. Schmerelson introduced and spoke about the resolution.

- - -

President Goldberg modified the Order of Business to allow action on a time certain item.

- - -

BOARD MEMBER RESOLUTION FOR ACTION

Mr. Melvoin moved the following resolution, with a 3:30 p.m. time certain:

Tab 20: Mr. Melvoin, Ms. Goldberg, Mr. Schmerelson, Ms. Ortiz Franklin - Excellence in Before and Afterschool Programming in LAUSD (Res-014-23/24) (Noticed October 17, 2023)

Whereas, Before and afterschool programs, support students, families and communities. They keep youth safe, inspire learning, and give working parents and guardians peace of mind;

Whereas, The Los Angeles Unified School District (District) is committed to delivering well-rounded, inspiring educational and enrichment experiences during the school day and before and after school as outlined in Pillar 1B of the 2022-2026 Strategic Plan;

Whereas, The average workday for full time workers is 8.4 hours according to the U.S. Bureau of Labor and Statistics, while the average school day for students in California is 6 hours;

Whereas, Quality before and afterschool programs not only promote physical health and wellbeing, but also support academic and social-emotional development and provide a safe and supportive environment for students;

Whereas, According to research at the University of California, Irvine, the University of Wisconsin Madison, and Policy Studies Associates, Inc., students who regularly attended high-quality afterschool programs had significant gains in standardized math test scores;

Whereas, According to the Rose Institute at Claremont Mckenna College, every \$1 invested in afterschool programs saves at least \$3 through increasing youth's earning potential, improving their performance at school, and reducing crime and juvenile delinquency;

Whereas, Effective before and afterschool programs align with and complement the school day instructional goals. This helps reinforce academic skills and concepts while providing additional enrichment and opportunities for hands-on learning;

Whereas, The District and its partners are committed to ensuring students have access to before and afterschool programs in a safe and supportive environment that offers high-quality academic, enrichment, and recreation programs to motivate students to work towards their full potential. Most District students have access to an on-site before and/or afterschool program, although availability and quality may vary from school to school;

Whereas, There are challenges to providing quality before and afterschool programs including attracting and retaining qualified, part-time afterschool employees, developing coherence between the school day and before and afterschool programs, and blending funding to meet the needs of all students while following funding guidelines;

Whereas, There remains unmet demand for high-quality before and afterschool programs, disproportionately impacting low-income families and families of color; now therefore be it

Resolved, That the District recognizes and celebrates Lights on Afterschool Day annually in October. This event celebrates after school programs that keep youth safe, inspire them to learn, and help working families;

Resolved, That advocacy for more before and afterschool funding and support be incorporated into the 2024 District's Advocacy Agenda as a legislative priority at the local, State, and national level;

Resolved, That the District will continue to strengthen before and afterschool program coherence, quality, developmental appropriateness, and accessibility. Progress towards implementing the District's Strategic Plan in this area, including an articulation of the broader goals for before and afterschool programs and metrics of success will be presented to the Board in a public meeting within 120 days. These goals and metrics for success shall be informed by:

- An analysis of current afterschool programs serving District students, including but not limited to
 - Number of students currently participating in afterschool programs, broken down by, grade level, race/ethnicity, school of attendance, SENI band, school designation as appropriate, and region;
 - List of schools providing afterschool programs by type (i.e., District provided vs partner provided, paid program vs. no cost);
 - Student outcomes—including academic and social emotional—associated with participation in afterschool programs offered at District sites; and
- Stakeholder input, including from parents and students, to improve the coherence, quality, and accessibility of before and afterschool programs throughout the District; and, be it finally

Resolved, That the District will participate in local and State conversations and convenings related to before and afterschool programs for youth including around quality standards and impact on student outcomes.

Ms. Goldberg seconded that motion.

The following speakers addressed the Board:

- Adrian Sandoval, Senior Director of Policy and Advocacy at GPSN
- Will Seymour, Founding Member and Executive Director of LACER Afterschool Programs
- Julee Brooks, CEO of Woodcraft Rangers
- Dr. Sandra Cano, Executive Director of City Year Los Angeles
- Lou Calanche, Executive Director of Expand LA
- Maki Draper, Student
- Aida Vega, Parent
- Christopher Jefferson, Senior Vice President at YMCA of Metropolitan Los Angeles

Remarks were heard from Mr. Melvoin on the resolution.

On roll call vote, the resolution was adopted as amended, 6 ayes.

Dr. George J. McKenna III was absent.

Ms. Ramirez recorded an advisory vote of aye.

President Goldberg resumed the Order of Business.

CONSENT ITEMS (continued)

Speakers addressed the board on the following items on the consent calendar:

Res-015-23/24, Celebrating National Special Education Day and Calling for Increased Special Education Funding

- Jayohn, Student
- Maria Luisa Palma, Parent
- Jaleh Johanna Bravo, Synergetic Lab
- Diana Guillen, Parent
- Verence Miron, Parent
- Norma Gonzalez, Parent
- Maria Daisy Ortiz, Parent

Ms. Gonez expressed remarks on the resolution.

ROC-004-23/24, Report of Correspondence including Williams Settlement Uniform Complaint Quarterly Report Summary

- Audrey, Student
- Keyshawn, Student
- Shahala, Student
- Maria Luisa Palma, Parent
- David Tokofsky, Community Representative

- Jaleh Johanna Bravo, Synergetic Lab
- Maria Daisy Ortiz, Parent

Ms. Goldberg paused the Consent Items to allow for the Public Comment time certain.

- - -

President Goldberg modified the Order of Business.

- - -

PUBLIC COMMENT

The following speakers addressed the Board on the subjects indicated:

Jailynn Thomas, Student	Defund the Los Angeles School Police Department
Shaniah Lagon Turner, Student	Defund the Los Angeles School Police Department
Angela Caliz, Student	Defund the Los Angeles School Police Department
Lakell White, Student	Defund the Los Angeles School Police Department
Christian Flagg, Community Coalition	Support for community-based safety programs
Isobel McBride, Student	Support for safe passage programs
Romy Greigo, Student	Support for safe passage programs
Jsané Tyler, Parent	Police free schools
Melanie Juan Cruz, Student	Police free schools
Ansel Rodriguez, InnerCity Struggle	Support for community-based safety programs
Dulce Moreno, Alliance of Californians for Community Empowerment (ACCE)	Police free schools
Matisse Anderson	Police free schools
Rodney	Police free schools
Kathryn Anderson, Parent	Police free schools
Amy Leserman, Jewish Parents Association	Addressing School Antisemitism
Daniella Bloom, Parent	Addressing School Antisemitism
Isabel Aguirre, Parent	Increase support special education
Elizabeth Hernandez, Parent	Charter school co-location
Eloísa, Parent	Defund the Los Angeles School Police Department

- - -

President Goldberg resumed the Order of Business

- - -

CONSENT ITEMS (continued)

Remarks were heard from Board Members and staff on the Consent Items.

Dr. Rivas moved that the Consent Items be adopted. Mr. Schmerelson seconded the motion.

After discussion and on roll call vote, the Consent Items were adopted, 5 ayes.

Later in the meeting, Ms. Ortiz Franklin recorded an aye vote.

The final vote was 6 ayes.

Dr. George J. McKenna III was absent.

Ms. Ramirez was absent.

NEW BUSINESS FOR ACTION (continued):

Tab 15: BOARD OF EDUCATION REPORT NO. 094 – 23/24
Provisional Internship Permits

Mr. Melvoin moved that the report be adopted. Mr. Schmerelson seconded the motion.

On roll call vote, the report was adopted, 6 ayes.

Dr. George J. McKenna III was absent.

Ms. Ramirez was absent.

ADJOURNMENT

Mr. Melvoin moved that the meeting be adjourned in memory of Ms. Emelda Gervacio, former Nora Sterry Elementary School Teacher and Ellen Lipman, former volunteer at Stoner Avenue Elementary School.

Dr. Rivas moved that the meeting be adjourned in memory of Ms. Evelyn Broking, former Annandale Elementary School Teacher.

The meeting adjourned at 5:52 p.m.

APPROVED BY THE BOARD:

MS. JACKIE GOLDBERG
PRESIDENT

MR. MICHAEL MCLEAN
EXECUTIVE OFFICER OF THE BOARD

TAB 26



Los Angeles Unified School District

756

333 South Beaudry Ave,
Los Angeles, CA 90017

Board of Education Report

File #: 006-23/24, **Version:** 1

Special Report

Receipt of The Results of the August 2023 Cops Sale and Comparison of Good Faith Costs of Issuance
Estimates and Actuals (006-23/24)

INTEROFFICE CORRESPONDENCE
Los Angeles Unified School District
Office of the Superintendent

INFORMATIVE**TO:** Members, Board of Education**DATE:** December 19, 2023**FROM:** Alberto M. Carvalho, Superintendent 

SUBJECT: RESULTS OF THE AUGUST 2023 CERTIFICATES OF PARTICIPATION (COPs) SALE AND COMPARISON OF GOOD FAITH COSTS OF ISSUANCE ESTIMATES AND ACTUALS

In August 2023, Moody's Investor Services and Fitch Ratings affirmed the District's general obligation bond ratings at Aa3 (Positive) and Aaa (Stable) and assigned ratings to the District's 2023 Series A Certificates of Participation ("the COPs") of A2 and A-, respectively. The District then successfully sold \$384.26 million of new money COPs on August 17, 2023, generating \$423.5 million of proceeds to fund high-priority capital projects. The sale was also the District's second issuance of Sustainability Bonds. Per the International Capital Market Association ("ICMA"), Sustainability Bonds are bonds (including COPs) where the proceeds will be applied to finance or refinance a combination of both "Green" and "Social" projects. The COPs were evaluated by an independent firm, Kestrel Verifiers, which provided a second-party opinion that reflected the COPs' conformance with the Sustainability Bond Guidelines under ICMA.

The District achieved excellent results on the day of pricing with investor demand far exceeding the \$384.26 million of District COPs available for sale. The District received over \$1.7 billion in orders from more than 40 investors. As a result of the strong market reception, the interest rates on the COPs were reduced over the course of the sale with the COPs sold at a true interest cost of 3.59 percent over 15 years. Though interest rates rose from the date of the original Good Faith costs of issuance estimates, long-term borrowing costs remain affordable in a historical context. The transaction closed on August 31, 2023.

Exhibit A compares the good faith costs of issuance estimates versus the actual costs of issuance.

Please contact Timothy Rosnick at (213) 241-7989 or via email timothy.rosnick@lausd.net if you have any questions.

c: Devora Navera Reed
 Pedro Salcido
 Karla V. Estrada
 Kristen K. Murphy
 Jaime Torrens
 Amanda Wherritt

Patricia Chambers
 Pia Sadaqatmal
 Carol Delgado
 Michael McLean
 David Hart
 Timothy Rosnick

EXHIBIT A
COMPARISON OF GOOD FAITH ESTIMATES & ACTUALS FOR THE COPs

The Good Faith Estimates of Costs of Issuance were as of April 27, 2023, prior to Board approval on June 13, 2023.

- 1. True Interest Cost (“TIC”) of the COPs:** The rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the COPs.

Good Faith Estimate	Actuals	Difference
3.03%	3.59%	0.56%

The primary reason that the TIC of the COPs was higher than estimated in April 2023, is because interest rates rose significantly over this time. Between April 27, 2023, and the pricing date of the COPs, the Federal Reserve Board increased interest rates two times by a total of 50 basis points, and tax-exempt interest rates, as measured by the 10-year MMD index, rose by 49 basis points.

- 2. Finance Charge of the COPs:** The sum of all fees and charges paid to third parties (or costs associated with the COPs). The actual costs of issuance were \$67,580.05 more than the good faith estimates.

Category	Good Faith Estimates	Actuals	Difference
Underwriter’s Discount	\$1,008,858.50	\$1,055,822.37	\$46,963.87
Bond Counsel	110,000.00	108,000.00	(2,000.00)
Disclosure Counsel	130,000.00	130,000.00	0.00
Municipal Advisor	90,000.00	90,000.00	0.00
Rating Fees	217,000.00	168,500.00	(48,500.00)
Title Insurance	263,445.00	286,940.00	23,495.00
Surveyors	0.00	18,745.48	18,745.48
Sustainability Bond Verifier	0.00	22,000.00	22,000.00
Other/Miscellaneous	61,729.30	68,605.00	6,875.70
Total	\$1,881,032.80	\$1,948,612.85	\$67,580.05

The primary reasons that the actual costs of issuance were higher than the Good Faith Estimates by about \$67,580 (3.6%) are because i) the transaction size and proceeds received were 9.4% and 5.9%, respectively, larger than estimated (see 3 below) and some costs of issuance are based on the size of the transaction; ii) the District was able to get the COPs independently certified as Sustainability Bonds which incurred a fee; and iii) the District incurred unexpected surveyor costs related to pledging its properties.

- 3. Amount of Proceeds Received:** The amount of proceeds received by the District for the sale of the COPs less the finance charge of the COPs described in 2 above and any reserves or capitalized interest paid or funded with the proceeds of the COPs.

Good Faith Estimate	Actuals	Difference
\$400,000,000.00	\$423,542,885.00	\$23,542,885.00

- 4. Total Payment Amount:** The total of all payments the District will make to pay debt service on the COPs plus the finance charge of the COPs described in 2 above not paid with the proceeds of the COPs, calculated to the final maturity of the COPs. The total payment amount is 11.8% higher due in part to increased interest rates caused by market conditions and the larger amount of project proceeds generated than originally estimated, which result in additional debt service. The good faith estimate was for the first fiscal year debt service to be \$10.3 million, and \$34.9 million annually through fiscal year 2038. The actual debt service is \$11.3 million the first year and \$36.4 million through fiscal year 2039.

Good Faith Estimate	Actuals	Difference
\$498,650,869.44	\$557,388,702.78	\$58,737,833.34

TAB 27



Los Angeles Unified School District

761

333 South Beaudry Ave,
Los Angeles, CA 90017

Board of Education Report

File #: 007-23/24, **Version:** 1

Special Report

Receipt of Results of the October 2023 Go Bond Sale and Comparison of Good Faith Costs of Issuance
Estimates and Actuals (007-23/24)

INTEROFFICE CORRESPONDENCE

Los Angeles Unified School District
Office of the Superintendent

TO: Members, Board of Education

DATE: January 9, 2024

FROM: Alberto M. Carvalho, Superintendent 

SUBJECT: RESULTS OF THE OCTOBER 2023 GO BOND SALE AND COMPARISON OF GOOD FAITH COSTS OF ISSUANCE ESTIMATES AND ACTUALS

On June 13, 2023, the Board of Education authorized the sale and issuance of General Obligation Bonds in the not-to-exceed amount of \$850 million (Board Report No. 294-22/23). In October 2023, Moody's Investor Services, Fitch Ratings, and KBRA assigned ratings to the District's General Obligation Bonds, Series QRR (2023) ("the Bonds") of Aa3, AAA and AAA, respectively. Subsequently, the District successfully sold \$850 million of the new money Bonds in the same month. The Bonds were issued to finance school facilities projects, including \$525 million of Measure Q Bonds and \$325 million of Measure RR Bonds. The sale was the District's third issuance of Sustainability Bonds. Per the International Capital Market Association ("ICMA"), Sustainability Bonds are bonds where the proceeds will be applied to finance or refinance a combination of both "Green" and "Social" projects. To receive this designation, the Bonds were evaluated by an independent firm, Kestrel Verifiers, which provided a second-party opinion that reflected the Bonds' conformance with the Sustainability Bond Guidelines under ICMA.

Over the two-day pricing period, the District achieved strong pricing results with investor demand far exceeding the \$850 million of District Bonds available for sale. The District received nearly \$2 billion in orders from over 75 investors. As a result of the strong market reception, the interest rates on the Bonds were reduced over the course of the sale with the Bonds sold at a true interest cost of 4.55 percent over 25 years. Though interest rates rose from the date of the original Good Faith costs of issuance estimates, long-term borrowing costs remain affordable in a historical context. The transaction closed on November 7, 2023.

Exhibit A provides a comparison of the good faith estimates versus the actual costs of issuance.

Please contact Timothy Rosnick via email at timothy.rosnick@lausd.net or via phone at (213) 241-7989 if you have any questions.

c: Devora Navera Reed
Pedro Salcido
Karla V. Estrada
Kristen K. Murphy
Jaime G. Torrens
Amanda Wheritt
Patricia Chambers
Pia Sadaqatmal
Carol Delgado
Michael McLean
David Hart
V. Luis Buendia

Nolberto Delgadillo
Timothy S. Rosnick
Krisztina Tokes

Exhibit A
Comparison of Good Faith Estimates & Actuals for the Bonds
(Pursuant to Section 15146 of the California Education Code)

The Good Faith Estimates of Costs of Issuance were as of April 27, 2023, prior to Board approval on June 13, 2023.

- 1. True Interest Cost (“TIC”) of the Bonds:** The rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds.

Good Faith Estimate	Actuals	Difference
3.80%	4.55%	0.75%

The primary reason that the TIC of the Bonds was higher than estimated in April 2023, is because interest rates rose significantly over this period. Between April 27, 2023, and the pricing date of the Bonds, the Federal Reserve Board increased interest rates two times by a total of 50 basis points, and tax-exempt interest rates, as measured by the 10-year MMD index, rose by 124 basis points.

- 2. Finance Charge of the Bonds:** The sum of all fees and charges paid to third parties (or costs associated with the Bonds). The actual costs of issuance were \$73,638 more than the good faith estimates.

Category	Good Faith Estimates	Actuals	Difference
Rating Agency – Moody’s	\$94,250	\$94,250	\$0
Rating Agency – Fitch	\$90,000	\$90,000	\$0
Rating Agency – Kroll	\$90,000	\$90,000	\$0
Bond Counsel	\$100,000	\$98,000	(\$2,000)
Disclosure Counsel	\$130,000	\$130,000	\$0
Municipal Advisor	\$90,000	\$90,000	\$0
Underwriters’ Discount	\$1,469,911	\$1,633,574	\$163,663
Measure RR Election Cost	\$1,225,240	\$1,225,420	\$180
Other Expenses/Contingency	\$163,525	\$75,320	(\$88,205)
Total	\$3,452,926	\$3,526,564	\$73,638

- 3. Amount of Proceeds Received:** The amount of proceeds received by the District for the sale of the Bonds less the finance charge of the Bonds detailed in Table 2 above and any reserves or capitalized interest paid or funded with the proceeds of the Bonds.

Good Faith Estimate	Actuals	Difference
\$846,549,348.89 ⁽¹⁾	\$846,473,435.52	(\$75,913.37) ⁽²⁾

⁽¹⁾ This value represents the correct Good Faith Estimate of proceeds from the April 27, 2023 cash flows; a transcription error led to a larger amount being presented in the Exhibit approved on June 13, 2023.

⁽²⁾ The \$2,275 difference between the increase in Total Finance Charge and the decrease in Proceeds Received is attributable to the rounding contingency in the final cash flows being applied to the Interest and Sinking Fund rather than costs of issuance.

4. **Total Payment Amount:** The total of all payments the District will make to pay debt service (utilizing property tax collections) on the Bonds plus the finance charge of the Bonds described in Table 2 above not paid with the proceeds of the Bonds, calculated to the final maturity of the Bonds. Note, the Total Payment Amount was higher by 7.9% due to significantly higher interest rates.

Good Faith Estimate	Actuals	Difference
\$1,320,260,814.59	\$1,423,935,120.50	\$103,674,305.91

The Total Payment Amount was higher by 7.9% due to significantly higher interest rates.

TAB 28



Los Angeles Unified School District

766

333 South Beaudry Ave,
Los Angeles, CA 90017

Board of Education Report

File #: 010-23/24, **Version:** 1

Special Report

Receipt of the 2022-2023 Annual Audit Financial Report (010-23/24)

INTEROFFICE CORRESPONDENCE
Los Angeles Unified School District
Office of the Superintendent

INFORMATIVE**TO:** Members, Board of Education**DATE:** December 15, 2023**FROM:** Alberto M. Carvalho, Superintendent **SUBJECT: AUDITED ANNUAL FINANCIAL REPORT – 2022-23**

The District's 2022-23 Audited Annual Financial Report (AAFR) has been completed and shall be filed with the Los Angeles County Office of Education, (LACOE) the California Department of Education (CDE) and the State Controller's Office (SCO) no later than December 15, 2023, per Education Code section 41020(h). In addition, pursuant to Education Code section 41020, by January 30, 2024, the Board of Education shall review the results of the annual audit at a public meeting.

The District received *unmodified*¹ opinions on its financial statements, federal and state compliance audits, which indicate the accuracy of the District's financial data for school year 2022-23.

Financial Results

In 2022-23, the Statement of Changes in Net Position shows that the District's Net Position increased by \$3.9 billion during the year. The Unrestricted Net Position, which is negative, improved by \$2.2 billion, from -\$15.4 billion to -\$13.2 billion. The negative Unrestricted Net Position is largely the result of our other postemployment (OPEB) liability and pension liabilities for various retirement plans. The noted improvement is primarily attributable to the receipt of new programs funded by the California Department of Education (CDE), and reallocation of certain costs to optimize the utilization of the one-time grants.

In fiscal year 2022-23, the District continued to receive one-time funding for COVID-19 that helped address student learning gaps and sustain in-person learning in schools and the District's operations. For the fiscal year ending on June 30, 2023, the District spent \$1.6 billion on COVID-19 related expenses.

Another highlight in this year's AAFR is the adoption of Government Accounting Standard Board (GASB) Statement No. 96, Subscription-based Information Technology Arrangements (SBITAs), which is the new accounting standard that better meets the information needs of users of financial statements by improving accounting and financial reporting for software contracts by government entities. It now requires all software contracts meeting GASB 96 criteria to be reported as a liability and an intangible right to use asset.

¹ An *unmodified* or "clean" opinion is issued when the auditor is able to state that the financial statements are fairly presented in all material respects in conformity with generally accepted accounting principles (GAAP). A *qualified* opinion is issued when the auditor states that the financial statements are not fairly presented in some material respect in conformity with GAAP. The annual audit includes the review of the District's financial statements and compliance with state and federal program requirements, including a review of the District's internal controls.

Federal and State Compliance Audits Results

In fiscal year 2023, auditors conducted a comprehensive assessment of various compliance areas. A total of eight federal programs and 31 state compliance requirements underwent scrutiny. The audit resulted in 18 audit findings with a cumulative questioned cost amounting to \$808.5 million². The *questioned costs* mainly pertain to the following:

- i) Current Expense Formula (CEF) – (\$687.6 million)
The District did not meet the minimum 55% threshold of spending General Fund resources on classroom teacher salaries and benefits per EC Section 41372. The District's percentage spent was only 47.05%, attributed to a substantial allocation of funds beyond classroom teacher salaries and benefits. Further, the lower ratio is influenced by the significant increase in COVID-19 expenditures which are part of the denominator in the formula. These expenditures include purchases of devices, connectivity, instructional software licenses, and other necessary expenses to support in-person learning and the safety of students and staff. To address this issue, the District will seek a waiver request from the Los Angeles County of Education (LACOE) this year, as permitted by Education Code Section 41372. In the previous year (2021-22), the District faced a similar finding, and the waiver request was approved by LACOE, exempting the District from the corrective action and questioned costs.
- ii) Transitional Kindergarten – (\$8.2 million)
In the sampled schools, there were five (5) District schools that exceeded an average class size of 24 pupils, and twenty-four (24) District schools failed to meet the minimum adult-to-student 1:12 ratio requirement in transitional kindergarten. As an effect, the District incurred penalties for not meeting the ratio requirements.
- iii) Immunization – (\$0.1 million)
The District enrolled several students in Kindergarten/1st grade and 7th/8th grade that were not compliant with the immunization requirements. These students remained in attendance throughout the entire school year. Consequently, the District is ineligible to claim any revenue derived from the average daily attendance generated by these students.
- iv) Unduplicated Pupil Count – (\$0.7 million)
Thirty-four (34) students along with one (1) student from an affiliated charter school were found to have unsupported eligibility in the Free or Reduced Price Meals (FRPM) or English Learner (EL) categories. In addition, some EL students did not undergo ELPAC assessment due to chronic illness. As an effect, the District is disallowed to claim for revenues, however the District may submit an appeal for consideration with appropriate documentation.
- v) Instructional Days and Time – (\$111.85 million)
During March 2023, a three-day work stoppage resulted in District and affiliated charter schools falling short of the required 180 days of instruction and the minimum instructional minutes requirement. On December 12, 2023, the Board of Education (Board) authorized an Instructional Time Penalty Waiver request be submitted to LACOE.

² Details of the audit findings can be found in the AAFR under Schedule of Findings and Questioned Costs.

Other Considerations

During the audit of the District's financial statements, the auditors used the District's internal controls (over financial reporting)) as a basis for designing an audit methodology to validate and render an opinion on the District's financial statements. Their audit did not, however, include an evaluation or subsequent opinion on the effectiveness of the District's internal controls themselves. The auditors identified a material weakness in internal controls pertaining to the Facilities Services Division's proper accounting treatment for grant related revenues, and a significant deficiency in internal controls pertaining to Information Technology Division's (ITD) network vulnerability management program. In addition, the auditors noted deficiencies in internal controls over the collection of Form 700s and the collection and reconciliation of student body investment funds in the management letter issued to the District.

Attached to this informative is the required auditor's communication to the Board, also known as SAS 114, regarding their responsibilities as it relates to the audit of the District (Appendix B).

Next Steps

The District continues to remain fully committed to remain compliant with Federal and State guidelines. There is a continued focus on resolving the remaining audit findings, improving our internal controls and recordkeeping process, and ensuring compliance with State and Federal program requirements. In addition, the District is advocating for legislative changes that would allow us to more easily adapt in this ever-changing environment, so the District does not miss out on critical support on many important issues.

The District's net financial position continues to be negative, however various budget strategies have been identified to help address the effects of declining enrollment on revenue, and to mitigate structural deficits and long-term liabilities, including looking at options to address the District's OPEB and net pension liabilities.

Please see Appendix A for the Summary of the District's Statement of Net Position.

If you have any questions, please contact Nolberto Delgadillo, Deputy Chief Business Officer, Finance, via email at n.delgadillo@lausd.net or by phone at 213.241.2736.

Appendix: A – Summary Statements of Net Position

B – SAS 114

C – Distribution list

c: Devora Navera Reed
 Pedro Salcido
 Karla V. Estrada
 Kristen K. Murphy
 Jaime Torrens
 Amanda Wherritt
 Patricia Chambers
 Pia Sadaqatmal
 Carol Delgado
 Michael McLean

Appendix A- Summary Statements of Net Position (in thousands)

As of fiscal years ended June 30, 2021, 2022 and 2023, total net positions are as follows:

	2021	2022	2023
	Restated*		
Current Assets	\$ 8,557,740	\$ 8,993,699	\$ 11,893,489
Capital Assets, net	15,037,507	15,380,283	15,757,952
Total Assets	23,595,338	24,373,982	27,651,441
Deferred Outflows of Resources	4,203,087	3,723,083	5,564,111
Total Assets and Deferred Outflows of Resources	\$ 27,798,425	\$ 28,097,065	\$ 33,215,552
Current Liabilities	1,483,315	1,547,470	2,114,406
Long-term Liabilities	31,658,384	27,136,289	27,622,402
Total Liabilities	33,141,699	28,683,759	29,736,808
Deferred Inflows of Resources	4,791,391	7,572,724	7,729,290
Total Liabilities and Deferred Inflow of Resources	\$ 37,933,090	\$ 36,256,483	\$ 37,466,098
Net Position:			
Net investment in capital assets	4,791,391	3,614,823	4,141,883
Restricted for:			
Debt service	1,094,376	1,073,923	1,152,339
Program activities	711,574	2,528,420	3,681,025
Unrestricted	(16,357,535)	(15,376,584)	(13,225,793)
Total Net Position	\$ (9,760,194)	\$ (8,159,418)	\$ (4,250,546)

*Restatement of the beginning balance for the fiscal year ended June 30, 2021, was due to the implementation of GASB Statement No. 87 (Leases) in fiscal year 2021-22.



LAUSD
UNIFIED



Audited Annual Financial Report

For Fiscal Year Ended June 30, 2023



2022-23
Los Angeles, California

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

**AUDITED ANNUAL
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2023**

MR. ALBERTO M. CARVALHO
SUPERINTENDENT OF SCHOOLS

MR. PEDRO SALCIDO
DEPUTY SUPERINTENDENT,
BUSINESS SERVICES AND OPERATIONS

MR. DAVID D. HART
CHIEF BUSINESS OFFICER

MR. V. LUIS BUENDIA
DEPUTY CHIEF BUSINESS OFFICER, FINANCE

MS. JOY MAYOR
CONTROLLER
(April 29, 2021 to September 15, 2023)



**PREPARED BY
ACCOUNTING AND DISBURSEMENTS DIVISION**

**333 S. BEAUDRY AVENUE
LOS ANGELES, CALIFORNIA 90017**

LOS ANGELES UNIFIED SCHOOL DISTRICT

Audited Annual Financial Report

Year Ended June 30, 2023

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LOS ANGELES UNIFIED SCHOOL DISTRICT

Audited Annual Financial Report

Year Ended June 30, 2023

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LOS ANGELES UNIFIED SCHOOL DISTRICT

Audited Annual Financial Report

Year Ended June 30, 2023

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INTRODUCTORY SECTION

Los Angeles Unified School District

Administrative Offices

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

December 13, 2023

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

Dear Board Members:

The Audited Annual Financial Report (AAFR) of the Los Angeles Unified School District (District), for the fiscal year ended June 30, 2023, 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.

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 2022-23 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 1.

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, 2023, the District operated 434 elementary schools, 78 middle/junior high schools, 87 senior high schools, 59 options schools, 30 multi-level schools, 12 special education schools, 67 magnet schools and 262 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 89 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, 2023, the District employed 35,145 certificated, 31,211 classified, and 5,721 unclassified employees. Enrollment as of September 2022 was 422,276 students in K-12 schools, 32,427 students in adult schools and centers, and 7,678 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 October 2023 UCLA Anderson Forecast does not expect a mild, near-term recession but instead predicts a weak economy in 2024 and slow growth in 2025. Gross domestic product (GDP) will fall to 0.9% in the fourth quarter of 2024 and will rise to 2.4% by the fourth quarter of 2025. However, there are notable risks to the economy and forecast namely the Russia/Ukraine and China/Taiwan conflicts, impact of the 2024 election result to national economic policy in 2025, negative impact of interest rates on expansion, and climate change. The forecast report also noted that while monetary policy tightened, fiscal policies enacted through the Creating Helpful Incentives to Produce Semiconductors (CHIPS) Act, the Infrastructure Act, and the Inflation Reduction Act added significant demand to the economy and increased investments thus averting the occurrence of a recession. Another contributing factor in the avoidance of a recession is that the interest-sensitive sectors of housing and autos were not overbuilt and in fact, were still recovering from unmet demand during the pandemic.

The UCLA Anderson Forecast also expects inflation rates to remain above the 2% goal stated by the Federal Reserve. Based on the table below, inflation rates for 2023 have been above 3% and still above pre-pandemic levels.

U.S. Monthly Inflation Rates

Month	2019	2020	2021	2022	2023
January	1.6%	2.5%	1.4%	7.5%	6.4%
February	1.5%	2.3%	1.7%	7.9%	6.0%
March	1.9%	1.5%	2.6%	8.5%	5.0%
April	2.0%	0.3%	4.2%	8.3%	4.9%
May	1.8%	0.1%	5.0%	8.6%	4.0%
June	1.6%	0.6%	5.4%	9.1%	3.0%
July	1.8%	1.0%	5.4%	8.5%	3.2%
August	1.7%	1.3%	5.3%	8.3%	3.7%
September	1.7%	1.4%	5.4%	8.2%	3.7%
October	1.8%	1.2%	6.2%	7.7%	3.2%
November	2.1%	1.2%	6.8%	7.1%	N/A
December	2.3%	1.4%	7.0%	6.5%	N/A

Source: Bureau of Labor Statistics / N/A Not Available

The UCLA Anderson Forecast is anticipating California's economy to grow faster than the U.S. economy. The largest gains in jobs for the state are in the sectors of health care and social services, public and private education, construction, leisure and hospitality group, and durable goods manufacturing. A May 2023 report from the Legislative Analyst's Office (LAO) projects a state budget shortfall larger than the state administration's projections reaching a difference of \$10 billion by 2026-27 due to variations in revenue and spending estimates. Ahead of its annual Fiscal Outlook report scheduled for release in December 2023, LAO is estimating the statutory COLA for 2024-25 to be about 1 percent which is significantly down from the 3.94 percent estimated for 2024-25 at the 2023-24 Enacted State Budget. The Governor is required to submit a balanced budget proposal to the Legislature for 2024-25 by January 10, 2024. At that time, the proposal shall provide details on the State's spending plan including Proposition 98.

Superintendent's Strategic Plan

In June 2021, the Board of Education approved a set of four powerful goals outlining expected student outcomes by 2026. These goals establish a philosophy on the 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 has been 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 new and inspiring approaches that will best serve students, as well as the proven work of educators, school leaders, and support staff. The strategies included in this plan will constantly evolve and adapt to exemplify the best in public education. These elements are also not intended to stand alone but to be interconnected and to influence or support one another. While the priorities and strategies may be categorized in a particular area, each piece will work together in a coherent system to provide an exceptional education program to ensure all students graduate ready for the world.



Financial Information

The District maintains internal accounting controls designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use and disposition and to provide reliable records for preparing financial statements and maintaining accountability for 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.

Financial Results

In 2022-23, the Statement of Changes in Net Position shows that the District's Net Position increased by \$3.9 billion during the year. The Unrestricted Net Position, which is negative, improved by \$2.2 billion from -\$15.4 billion to -\$13.2 billion. The negative Unrestricted Net Position is largely the result of our other postemployment benefits (OPEB) liability and pension liabilities for various retirement plans. The noted improvement is primarily attributable to the receipt of new programs funded by the California Department of Education (CDE), and reallocation of certain costs to optimize the utilization of the one-time grants.

In fiscal year 2022-23, the District continued to receive one-time funding for COVID-19 that helped sustain the District's operations, address student learning gaps, and sustained in-person learning in schools. For the fiscal year ended June 30, 2023, the District spent \$1.6 billion on COVID-19 related expenses.

Another highlight in this year's AAFR is the adoption of Government Accounting Standard Board (GASB) Statement No. 96, Subscription-based Information Technology Arrangements (SBITAs), which is the new accounting standard that better meets the information needs of financial statement users by improving accounting and financial reporting for software contracts by government entities. It requires that all software contracts meeting GASB 96 criteria must report a liability and an intangible right to use asset.

Audit Results

There were 8 federal programs and 31 state compliance requirements that were audited. The examination resulted in 18 audit findings with a total *questioned costs* of \$808.5 million. The *questioned costs* mainly pertain to the District not meeting the Current Expense Formula (CEF). The District did not meet the minimum 55% minimum threshold of spending General Fund resources on classroom teacher salaries and benefits per EC Section 41372. The District's percentage spent is only 47.05%. This is due to a significant amount of dollars spent on expenditures other than classroom teacher salaries and benefits necessary to provide safe return to campus and in-person learning to students brought about by the COVID-19 pandemic. Further, the ratio is lower due to the significant increase in COVID-19 expenditures which are part of the denominator in the formula. Examples of these expenditures include

purchases of devices, connectivity, instruction software licenses, and other necessary expenses to support In-Person learning and the safety of students and staff. The District shall engage with the Los Angeles County Office of Education (LACOE) to seek a waiver request this year, which is allowed under Education Code Section 41372. In 2021-22, the District had the same finding and LACOE approved the waiver which exempted the District from the corrective action and questioned costs.

Furthermore, the District did not meet the minimum instructional days and instructional minutes requirements per EC Section 46207, 46208 and 47612.5. This was due to a work stoppage in March 2023 resulting in the closure of all District schools, for 3 days. For school samples identified as exceptions, the District offered 177 instructional days and not the minimum 180-day requirement. Given that the instructional minutes provided by all district schools surpass the state's minimum requirement, it's noteworthy that the non-compliant schools identified exclusively comprised secondary schools (grades 9-12). The District plans to file for the Instructional Time Penalty Waiver with LACOE.

For the 2022-23 school year, the District also failed to meet the average transitional kindergarten class enrollment and adult-to-pupil ratio requirements pursuant to EC Section 48000. The District's sampled school sites which offered transitional kindergarten and identified with audit findings, exceeded the 24 pupils average class enrollment and the average of at least one adult for every 12 pupils for transitional kindergarten classrooms. The District has put mechanisms in place to track the compliance of transitional kindergarten average class size and adult-to-pupil ratio for school year 2023-24. A Toolkit and job aids were created and distributed to support school sites and district administrators to ensure enrollment ratios are followed.

Other audit findings noted were on Immunization and Unduplicated Pupil Count. The common finding is due to the lack of supporting documents for some of the samples tested. This in effect disallows the District to claim for any revenue resulting from average daily attendance generated by the tested samples identified as exceptions.

The District continues to remain fully committed and be compliant with Federal and State guidelines. There is a continued focus to resolve remaining audit findings, improve our internal controls and record keeping process, and ensure that compliance with State and Federal program requirements are met.

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:

V. Luis Buendia
Deputy Chief Business Officer, Finance

Nolberto Delgadillo
Deputy Chief Business Officer, Finance

David D. Hart
Chief Business Officer

BOARD OF EDUCATION

Jackie Goldberg, President
Board District 5

Dr. George J. McKenna III
Board District 1

Dr. Rocio Rivas
Board District 2

Scott Schmerelson
Board District 3

Nick Melvoin
Board District 4

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

David D. Hart
Chief Business Officer

V. Luis Buendia
Deputy Chief Business Officer, Finance

Nolberto Delgadillo
Deputy Chief Business Officer, Finance
(effective July 21, 2023)

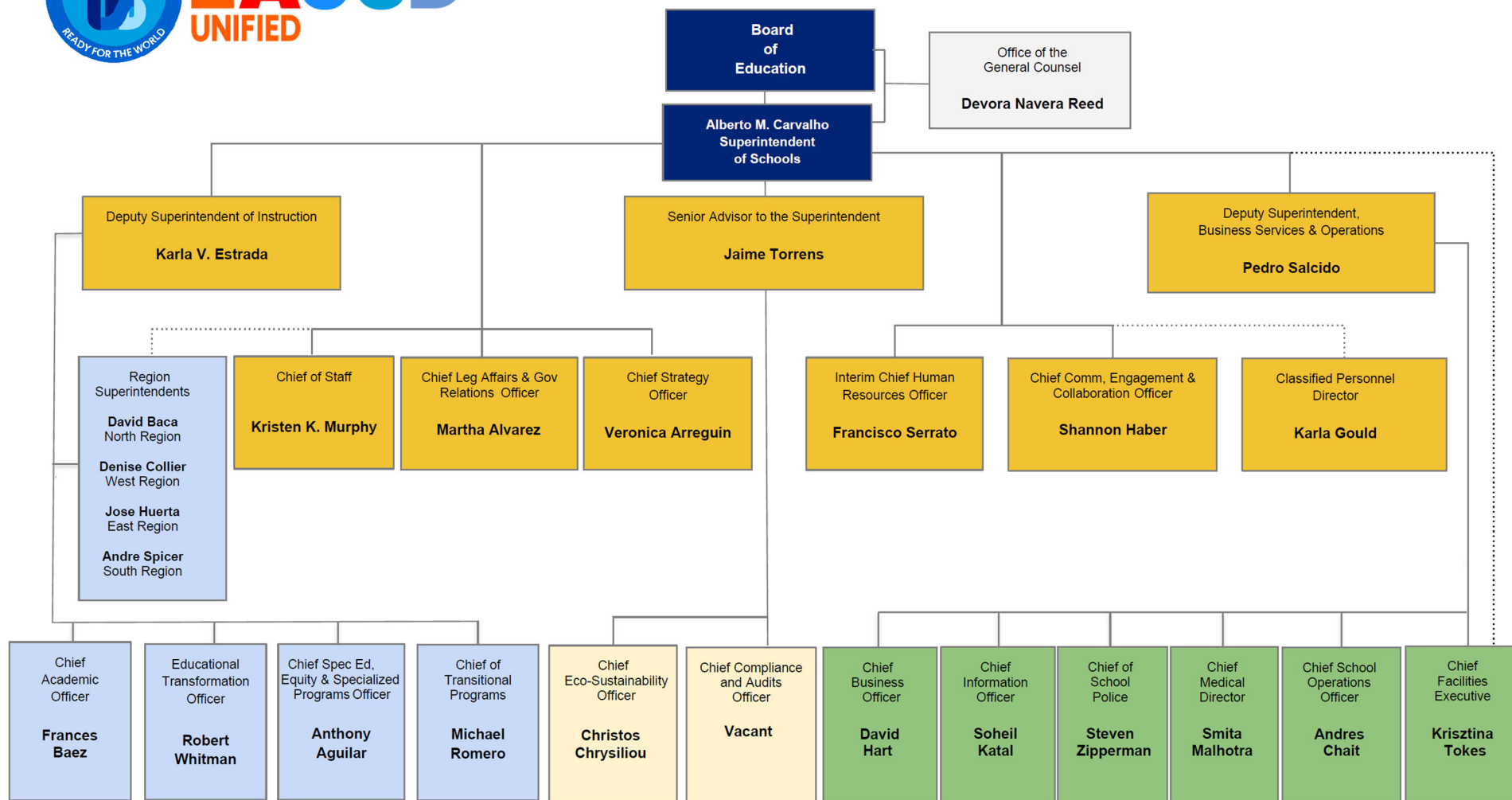
REGION OFFICIALS

as of December 15, 2023

	Region Superintendent	Administrator of Instruction	Administrator of Operations	Administrator of Parent & Community Engagement
North:	Dr. David Baca	Dr. Alma Flores Mylene Keipp	Jose Razo	Laura Fuentes Dr. Jeremiah Gonzalez
South:	Andre Spicer	Alma Kimura Rafael Balderas	Mira Pranata, <i>Interim</i>	Leticia Estrada de Carreon
East:	Jose Huerta	Cristina Munoz Dr. Lourdes Ramirez-Ortiz	Gilberto Martinez	Megan Guerrero
West:	Denise Collier	Andrew Jenkins	Dr. Debra Bryant	(Vacant)



2023-2024 Organization Chart



FINANCIAL SECTION



SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS
BRANARD C. SIMPSON, CPA
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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, 2023, 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, 2023, 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(q) to the basic financial statements, on July 1, 2022, the District adopted the new accounting and disclosure requirements of Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.



The CPA. Never Underestimate The Value.™



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 5 to 15 and the required supplementary information on pages 77 to 85 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 on pages 86 to 113, 119, 122 to 128, and 137, and the schedule of expenditures of federal awards and related notes on pages 138 to 141, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 and the supplementary information on pages 115 to 118, 120 to 121, and 129 to 136 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 13, 2023, 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 black ink that reads "Simpson & Simpson".

Los Angeles, California
December 13, 2023

LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

As management of the Los Angeles Unified School District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2023.

We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-viii of this report.

Financial Highlights

- The liabilities plus deferred inflows of resources of the District exceeded its assets plus deferred outflows of resources at the close of the most recent fiscal year by \$4.3 billion (deficit net position). The negative net position is primarily comprised of an unrestricted \$13.2 billion deficit, which includes net pension liabilities for various retirement plans totaling \$6.7 billion and net other postemployment benefits (OPEB) liability totaling \$8.5 billion. The District's total net position increased by \$3.9 billion from the prior year.
- Long term liabilities increased by \$0.5 billion primarily due to increase in change of actuarial assumptions in the net pension liability.
- As of the close of the 2023 fiscal year, the District's governmental funds reported combined ending fund balances of \$8.9 billion, an increase of \$2.4 billion from the fiscal year ended June 30, 2022.
- At the end of the current fiscal year, assigned and unassigned fund balances for the General Fund, including reserve for economic uncertainties, was \$0.9 billion, or 10% of total General Fund expenditures.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between these elements as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. 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 in this statement for some items that will only result in cash flows in future fiscal periods.

Each of the government-wide financial statements relates to functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District are all related to public education.

The government-wide financial statements can be found on pages 16-17 of this report.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

Fund financial statements. 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.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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 District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains 21 individual governmental funds. In the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances, separate columns are presented for General Fund, District Bonds Fund, Bond Interest and Redemption Fund, and all other funds. Individual account data for all other nonmajor governmental funds are provided in the form of *combining statements* elsewhere in 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 the budget.

The governmental fund financial statements can be found on pages 18 and 20 of this report.

Proprietary funds. The District maintains Internal Service Funds as the only type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for Health and Welfare Benefits, Workers' Compensation Self-Insurance, and Liability Self-Insurance. Because all of these services benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

It is the District's practice to record estimated claim liabilities at the present value of the claims, in conformity with the accrual basis of accounting, for all its internal service funds.

The proprietary fund financial statements can be found on pages 23-25 of this report.

Notes to basic financial statements. The notes provide additional information that is essential to 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 26-75 of this report.

Combining and individual fund schedules and statements. Combining schedules and statements consisting of the budget to actual comparisons for District Bonds Fund, Bond Interest and Redemption Fund, the individual accounts within the nonmajor governmental funds, and the internal service funds are

LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

presented immediately following the required supplementary information. Combining and individual fund schedules and statements can be found on pages 86-113 of this report.

Government-wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the District, liabilities plus deferred inflows of resources exceeded assets plus deferred outflows of resources by \$4.3 billion at the close of the most recent year.

The District's net position reflects its investments in capital assets (\$4.1 billion) (e.g., land, buildings, and equipment), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investments in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The District's restricted net position of \$4.8 billion represents resources that are subject to external restrictions on how they may be used. The majority of this pertains to capital projects funds, debt services funds, and various programs such as Arts, Music, and Instructional Materials Discretionary Block Grant, Learning Recovery Emergency Block Grant, Kitchen Infrastructure and Training Funds, and Literacy Coaches and Reading Specialists Grant Program. The remaining negative balance in unrestricted net position (-\$13.2 billion) resulted primarily from the net pension liability for various retirement plans totaling \$6.7 billion and the net OPEB liability totaling \$8.5 billion.

At the end of the 2023 fiscal year, the District is able to report positive balances in all categories of net position except for unrestricted net position.

The \$0.4 billion increase in net capital assets primarily relates to costs incurred for school modernization projects throughout the District which is higher compared to the recognition of depreciation expense.

Long-term liabilities increased by \$0.5 billion primarily due to increase in change of actuarial assumptions in the net pension liability.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

Summary Statements of Net Position (in thousands)

As of June 30, 2023 and 2022:

	Governmental Activities	
	2023	2022
Current Assets	\$ 11,893,489	\$ 8,993,699
Capital Assets, net	15,757,952	15,380,283
Total Assets	27,651,441	24,373,982
Deferred Outflows of Resources	5,564,111	3,723,083
Current Liabilities	2,114,406	1,547,470
Long-term Liabilities	12,409,724	12,638,389
Net Pension Liability	6,730,407	4,311,675
Net Other Postemployment Benefits Liability	8,482,271	10,186,225
Total Liabilities	29,736,808	28,683,759
Deferred Inflows of Resources	7,729,290	7,572,724
Net Position:		
Net investment in capital assets	4,141,883	3,614,823
Restricted for:		
Debt service	1,152,339	1,073,923
Program activities	3,681,025	2,528,420
Unrestricted	(13,225,793)	(15,376,584)
Total Net Position	\$ (4,250,546)	\$ (8,159,418)

LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

Summary Statements of Changes in Net Position (in thousands)

Years ended June 30, 2023 and 2022:

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for services	\$ 168,351	\$ 157,424
Operating grants and contributions	5,323,415	4,917,729
Capital grants and contributions	223,810	261,523
Total Program Revenues	<u>5,715,576</u>	<u>5,336,676</u>
General Revenues:		
Property taxes levied for general purposes	2,102,924	1,854,404
Property taxes levied for debt service	1,093,217	967,767
Property taxes levied for community redevelopment	55,694	48,947
State aid not restricted to specific purpose	4,491,309	4,183,846
Grants, entitlements, and contributions not restricted to specific programs	221,467	134,647
Unrestricted investment earnings	(23,186)	(144,178)
Miscellaneous	81,034	43,249
Total General Revenues	<u>8,022,459</u>	<u>7,088,682</u>
Total Revenues	<u>13,738,035</u>	<u>12,425,358</u>
Expenses:		
Instruction	\$ 4,558,356	\$ 4,714,575
Support Services:		
Support services – students	552,649	1,134,663
Support services – instructional staff	869,837	844,210
Support services – general administration	115,813	151,426
Support services – school administration	560,724	614,633
Support services – business	258,764	443,287
Operation and maintenance of plant services	898,066	898,224
Student transportation services	172,738	169,703
Data processing services	118,973	108,031
Operation of noninstructional services	558,572	612,394
Facilities acquisition and construction services	165,545	140,579
Other uses	6,970	5,553
Interest expense	407,889	396,253
Depreciation – unallocated	584,267	591,051
Total Expenses	<u>9,829,163</u>	<u>10,824,582</u>
Changes in Net Position	<u>3,908,872</u>	<u>1,600,776</u>
Net Position – Beginning of Year	(8,159,418)	(9,760,194)
Net Position – End of Year	<u>\$ (4,250,546)</u>	<u>\$ (8,159,418)</u>

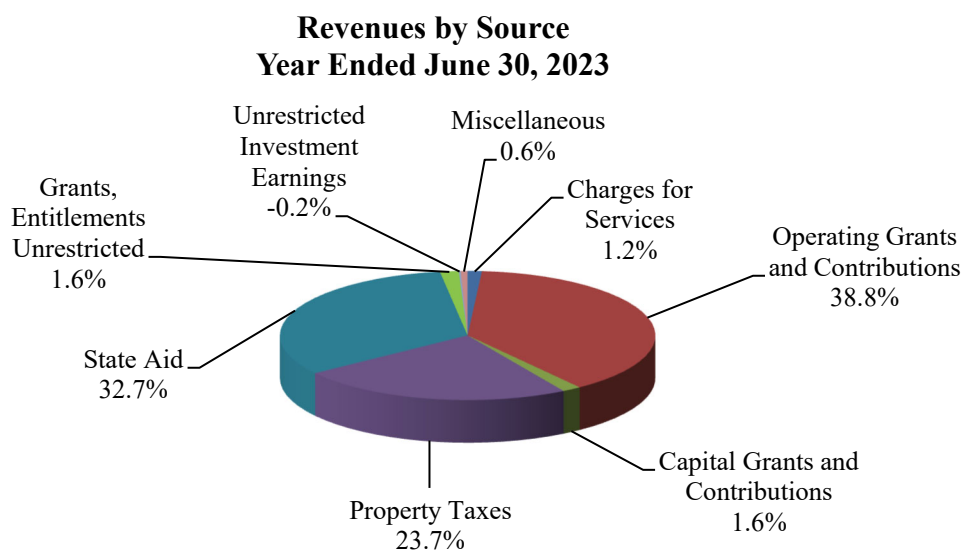
LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

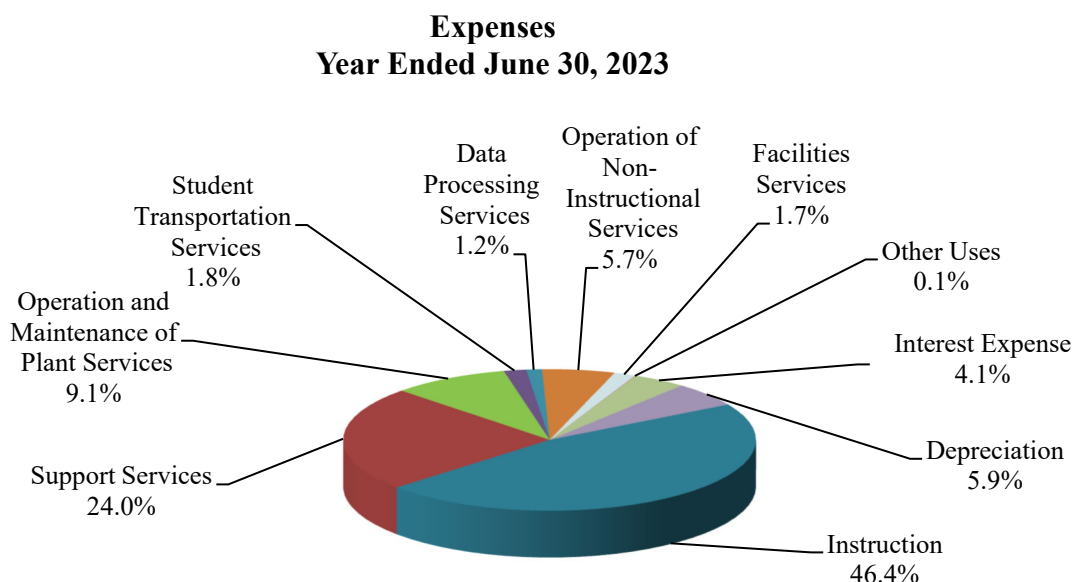
June 30, 2023

At the end of the current fiscal year, the District's net position increased by \$3.9 billion from the prior year primarily due to (1) reallocation of certain costs to optimize the utilization of the one-time grants, and (2) revenue recognitions of the State funded programs such as Arts, Music, and Instructional Materials Discretionary Block Grant, Learning Recovery Emergency Block Grant, Kitchen Infrastructure and Training Funds, and Literacy Coaches and Reading Specialists Grant Program.

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



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



LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

Financial Analysis of the Governmental Funds

As noted earlier, the District uses fund accounting to facilitate compliance with finance-related requirements.

Governmental funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. Committed, assigned, and unassigned balances comprise the unrestricted fund balances and may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$8.9 billion, an increase of \$2.4 billion in comparison with the prior year. Approximately 62.8% of this total combined ending fund balance consists of the assigned fund balance totaling \$0.5 billion (5.9%) and nonspendable and restricted fund balances totaling \$5 billion (56.9%), which can only be spent for specific purposes because of laws and regulations or grantor restrictions. The committed fund balance of \$2.9 billion, 32.9% of the total combined ending balance, is self-imposed policies by the District's higher level of decision-making authority. The remaining \$0.4 billion (4.3%) of this total combined ending fund balance constitutes reserved for economic uncertainties fund balance totaling \$0.2 billion (2.7%), and unassigned fund balance totaling \$0.2 billion (1.6%) which includes spendable amounts not contained in the other classifications.

The General Fund is the primary operating fund of the District. At the end of the 2023 fiscal year, the unassigned fund balance of the General Fund was \$0.4 billion, while the total fund balance \$5.7 billion. The fund balance of the District's General Fund increased by \$2.4 billion during the current fiscal year. This is primarily attributable to the revenue recognitions of the State funded programs such as Arts, Music, and Instructional Materials Discretionary Block Grant, Learning Recovery Emergency Block Grant, Kitchen Infrastructure and Training Funds, and Literacy Coaches and Reading Specialists Grant Program.

Other changes in fund balances in the governmental funds are detailed as follows (in thousands):

	Other Governmental Funds					Total
	District Bonds	Bond Interest and Redemption	Special Revenue	Debt Service	Other Capital Projects	
Fund Balance, June 30, 2023:						
Nonspendable						
Revolving cash and imprest funds	\$ 500	\$ —	\$ 16	\$ —	\$ —	\$ 16
Inventories	—	—	19,041	—	—	19,041
Prepays	234	—	44	—	—	44
Restricted	1,234,840	1,305,162	284,169	436	307,709	592,314
Assigned	—	—	5,871	—	10,351	16,222
Unassigned	—	—	(8,192)	—	—	(8,192)
Total	1,235,574	1,305,162	300,949	436	318,060	619,445
Fund Balance, July 1, 2022	1,315,137	1,174,108	218,234	13,382	447,917	679,533
Increase (decrease) in fund balance	\$ (79,563)	\$ 131,054	\$ 82,715	\$ (12,946)	\$ (129,857)	\$ (60,088)

LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

The fund balance decreased during the current year for the District Bonds due to continued spending for school modernization projects and renovation. The increase of \$131.1 million in Bond Interest and Redemption was attributable to the increase in property tax levy for local bond debt service. Special Revenue funds increased by \$82.7 million primarily due to the Cafeteria Fund in which overall revenues are higher generated from the meal programs during the year.

Debt Service Fund decreased by \$13 million due to the release of the debt service reserve fund during the refunding of COPs 2012A and COPs 2012B.

The decrease of \$0.1 billion for the Capital Projects is primarily due to spending on projects in the County School Facilities Bonds and Capital Facilities Fund combined with project cost transfers out to other funds.

Proprietary funds. The District's proprietary funds provide the same type of information found in government-wide financial statements.

At the end of the year, the District's proprietary funds have an unrestricted net position of \$0.4 billion, a net increase of \$0.07 billion in the current year.

General Fund Budgetary Highlights

The District closely monitors and reviews its revenue and expenditure data to ensure that a sufficient ending balance is maintained. This monitoring and review occur from budget development 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 on the State's Enacted Budget and 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 2022-23 General Fund Original Final Budget and the Modified Final Budget resulted in a \$1.3 billion higher budgeted ending balance of \$4.0 billion from \$2.7 billion. Adjustments to the Original Final Budget included a decrease in beginning balance of \$0.2 billion, an increase in budgeted revenues and financing sources of \$1.7 billion, and an increase in budgeted expenditures and other financing uses of \$0.1 billion.

The decrease in beginning balance of \$0.2 billion was to reflect the actual ending balance as of June 30, 2022, as opposed to the estimated ending balance as of June 30, 2022. The net increase in budgeted revenues and other financing sources of \$1.7 billion was mostly due to an increase in LCFF revenue of \$0.5 billion, higher grant funding of \$0.2 billion, recognition of Arts, Music, and Instructional Materials Discretionary Block Grant and Learning Recovery Emergency Block Grant totaling \$0.8 billion in state revenues, and Expanded Learning Opportunities (ELO) Grant of \$0.1 billion in federal revenue.

The increase in estimated expenditures and other financing uses of \$0.1 billion was mostly attributable to the program implementation of Expanded Learning Opportunities (ELO) Grant.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

Actual vs. Modified Final Budget

The unfavorable variance of \$0.7 billion in revenues and other financing sources between the Actual and Modified Final Budget was mostly due to adjustments on multi-year grants and COVID-related funds which are budgeted in their entirety but earned only to the extent of actual expenditures incurred.

The favorable variance of \$2.4 billion in expenditures and other financing uses between the Actual and the Modified Final Budget was mostly from COVID-related and 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 favorable variances were in Books and Supplies (\$1.3 billion), Certificated Salaries (\$0.4 billion) and Services and Other Operating Expenditures (\$0.3 billion).

Differences between the Actual and Modified Final Budget resulted in a \$1.7 billion higher ending balance of \$5.7 billion from \$4.0 billion.

Capital Assets and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$15.8 billion (net of accumulated depreciation), 2.46% increase from the 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, and the recognition of subscription assets under GASB 96.

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

	Governmental Activities	
	2023	2022
Sites	\$ 3,101,518	\$ 3,100,671
Improvement of sites	323,162	334,963
Buildings and improvements	9,098,155	9,306,858
Equipment	367,061	395,607
Construction in progress	2,777,727	2,185,368
Lease assets	54,970	56,816
Subscription assets	35,359	—
Total	<u>\$ 15,757,952</u>	<u>\$ 15,380,283</u>

Additional information on the District's capital assets can be found in Note 7 on pages 40-41 of this report.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Management's Discussion and Analysis

June 30, 2023

Debt Administration

Long-term obligations. At the end of the current fiscal year, the District had total long-term obligations of \$27.6 billion. Of this amount, \$11.5 billion is comprised of debt to be repaid by voter approved property taxes and not by the General Fund of the District.

The District's total long-term obligations increased by \$0.5 billion (1.8%) during the current fiscal year. The increase was primarily due to increase in change of actuarial assumptions in the net pension liability.

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

	Governmental Activities	
	2023	2022
General Obligation (GO) Bonds	\$ 11,448,075	\$ 11,612,001
Certificates of Participation (COPs)	101,109	127,611
Capital Lease Obligations	55,818	57,374
Subscription-based Information Technology Agreements	32,296	—
Liability for Compensated Absences	90,932	86,722
Liability for Other Employee Benefits	24,891	29,594
Self-insurance Claims	656,603	725,087
Net Pension Liability	6,730,407	4,311,675
Other Postemployment Benefits (OPEB)	8,482,271	10,186,225
Total	<u>\$ 27,622,402</u>	<u>\$ 27,136,289</u>

Long-Term Credit Ratings

Below are the District's long-term credit ratings as of June 30, 2023, 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 "Aa3" and "A2", respectively, with a Positive Outlook. In addition, Moody's assigned an "A1" issuer rating to the District.
2. Fitch Ratings (Fitch) rated the District's GO bonds as "AAA" with a Stable Outlook and provided an Issuer Default Rating of "A" with a Stable Outlook
3. Standard & Poor's (S&P) rated the District's GO bonds as "AA-" with a Stable Outlook.
4. Kroll Bond Rating Agency (KBRA) rated the District's GO bonds as "AAA" with a Stable Outlook.

Prior to 2008, the District purchased municipal bond insurance and/or reserve surety bond policies at the time of issuance for some of its COPs and bonds. Moody's, S&P and Fitch assigned insured ratings of "Aaa", "AAA" and "AAA", respectively, on said COPs and bonds at the time of issuance. Subsequent to February 1, 2008, the rating agencies downgraded the ratings of certain bond insurers, including all of those who had issued bond insurance policies and/or surety bonds on these District issues.

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, 2023, is \$21.9 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 and 12 on pages 65-68 of this report.

LOS ANGELES UNIFIED SCHOOL DISTRICT**Management's Discussion and Analysis**

June 30, 2023

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 Business 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 Business Officer, Los Angeles Unified School District, P.O. Box 513307-1307, Los Angeles, California 90051-1307.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Statement of Net Position

June 30, 2023

(in thousands)

	Governmental Activities
Assets:	
Cash in county treasury, in banks, and on hand	\$ 10,097,712
Cash held by trustee	299,495
Investments	14,335
Lease receivable	14,590
Property taxes receivable	109,754
Accounts receivable, net	1,185,590
Accrued interest receivable	88,532
Prepays	21,957
Inventories	52,972
Accounts receivable, noncurrent	3,708
Other assets	4,844
Capital assets:	
Sites	3,101,518
Improvement of sites	896,849
Buildings and improvements	17,691,090
Equipment	2,636,623
Construction in progress	2,777,727
Lease assets	65,532
Subscription assets	55,256
Less accumulated depreciation	(11,466,643)
Total Capital Assets, Net of Depreciation	15,757,952
Total Assets	27,651,441
Deferred Outflows of Resources	5,564,111
Liabilities:	
Vouchers and accounts payable	485,433
Contracts payable	128,594
Accrued payroll	772,959
Accrued interest	265,549
Other payables	350,045
Unearned revenue	111,826
Long-term liabilities:	
Portion due within one year	981,120
Portion due after one year	11,428,604
Net pension liability	6,730,407
Net other post-employment liabilities	8,482,271
Total Liabilities	29,736,808
Deferred Inflows of Resources	7,729,290
Net Position:	
Net investment in capital assets	4,141,883
Restricted for:	
Debt service	1,152,339
Program activities	3,681,025
Unrestricted	(13,225,793)
Total Net Position	\$ (4,250,546)

See accompanying notes to basic financial statements.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Statement of Activities
Year Ended June 30, 2023
(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	\$ 4,558,356	\$ 18,784	\$ 2,808,565	\$ —	\$ (1,731,007)
Support Services – students	552,649	997	346,096	—	(205,556)
Support Services – instructional staff	869,837	97	682,675	—	(187,065)
Support Services – general administration	115,813	—	(145)	—	(115,958)
Support Services – school administration	560,724	—	202,159	—	(358,565)
Support Services – business	258,764	12,188	229,097	—	(17,479)
Operation and maintenance of plant services	898,066	32,515	254,002	—	(611,549)
Student transportation services	172,738	—	17,448	—	(155,290)
Data processing services	118,973	—	3,120	—	(115,853)
Operation of non-instructional services	558,572	742	722,469	—	164,639
Facilities acquisition and construction services*	165,545	103,028	56,972	173,923	168,378
Other Uses	6,970	—	81	—	(6,889)
Interest expense	407,889	—	876	49,887	(357,126)
Depreciation – unallocated**	584,267	—	—	—	(584,267)
Total Governmental Activities	<u>\$ 9,829,163</u>	<u>\$ 168,351</u>	<u>\$ 5,323,415</u>	<u>\$ 223,810</u>	<u>\$ (4,113,587)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					2,102,924
Property taxes, levied for debt service					1,093,217
Property taxes, levied for community redevelopment					55,694
State aid not restricted to specific purpose					4,491,309
Grants, entitlements, and contributions not restricted to specific programs					221,467
Unrestricted investment earnings					(23,186)
Miscellaneous					81,034
Total General Revenues					<u>8,022,459</u>
Change in Net Position					3,908,872
Net Position – Beginning of Year					<u>(8,159,418)</u>
Net Position – End of Year					<u>\$ (4,250,546)</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, 2023
(in thousands)

			Bond		
	General	District Bonds	Interest and Redemption	Other Governmental	Total Governmental
Assets:					
Cash in county treasury, in banks, and on hand	\$ 6,146,465	\$ 1,415,572	\$ 1,007,359	\$ 540,321	\$ 9,109,717
Cash held by trustee	—	—	299,495	—	299,495
Investments	—	—	—	14,335	14,335
Lease receivable	12,374	—	—	2,216	14,590
Taxes receivable	—	—	109,754	—	109,754
Accounts receivable – net	1,020,322	—	—	104,346	1,124,668
Accrued interest receivable	57,822	15,265	—	6,173	79,260
Prepays	10,714	234	—	44	10,992
Inventories	33,931	—	—	19,041	52,972
Other assets	—	—	—	69	69
Total Assets	7,281,628	1,431,071	1,416,608	686,545	10,815,852
Deferred Outflows of Resources	—	—	—	—	—
Total Assets and Deferred Outflows of Resources	\$ 7,281,628	\$ 1,431,071	\$ 1,416,608	\$ 686,545	\$ 10,815,852
Liabilities and Fund Balances:					
Vouchers and accounts payable	\$ 408,475	\$ 55,047	\$ —	\$ 12,719	\$ 476,241
Contracts payable	6,424	120,764	—	1,403	128,591
Accrued payroll	734,506	11,886	—	29,378	775,770
Accrued interest	844	—	—	—	844
Other payables	311,623	7,800	—	8,689	328,112
Unearned revenue	99,131	—	—	12,695	111,826
Total Liabilities	1,561,003	195,497	—	64,884	1,821,384
Deferred Inflows of Resources:					
Property taxes	—	—	109,754	—	109,754
Build America Bond Subsidy	—	—	1,692	—	1,692
Leases	12,374	—	—	2,216	14,590
Total Deferred Inflows of Resources	12,374	—	111,446	2,216	126,036
Fund Balances:					
Nonspendable	47,514	734	—	19,101	67,349
Restricted	1,843,005	1,234,840	1,305,162	—	4,383,007
Restricted, reported in:					
Special revenue funds	—	—	—	284,169	284,169
Debt service funds	—	—	—	436	436
Capital projects funds	—	—	—	307,709	307,709
Committed	2,920,908	—	—	—	2,920,908
Assigned	510,899	—	—	—	510,899
Assigned, reported in:					
Special revenue funds	—	—	—	5,871	5,871
Capital projects funds	—	—	—	10,351	10,351
Unassigned:					
Reserved for economic uncertainties	238,780	—	—	—	238,780
Unassigned	147,145	—	—	(8,192)	138,953
Total Fund Balances	5,708,251	1,235,574	1,305,162	619,445	8,868,432
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 7,281,628	\$ 1,431,071	\$ 1,416,608	\$ 686,545	\$ 10,815,852

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, 2023
(in thousands)

Total Fund Balances – Governmental Funds	\$ 8,868,432
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 \$27,224,595 and the accumulated depreciation is \$11,466,643.	15,757,952
Prepaid subscription software expenditures are reported as subscription assets in the governmental activities.	(2,679)
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.	109,754
Federal subsidies for debt service expenditures are recognized in the governmental funds only when the corresponding interest expenditure is recognized.	1,692
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.	3,708
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.	366,609
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.	(12,014,467)
Deferred outflow/inflow of resources – refunding charges are not reported in the governmental funds.	23,906
Proportionate share of net pension liability and related deferred inflow/outflow of resources are not reported in the governmental funds.	(5,537,072)
Net other post-employment benefits liability and related deferred inflow/outflow of resources are not reported in the governmental funds.	(11,828,381)
Total Net Position – Governmental Activities	<u>\$ (4,250,546)</u>

See accompanying notes to basic financial statements.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds

Year Ended June 30, 2023

(in thousands)

	General	District Bonds	Bond Interest and Redemption	Other Governmental	Total Governmental
Revenues:					
Local Control Funding Formula sources	\$ 6,594,216	\$ —	\$ —	\$ —	\$ 6,594,216
Federal revenues	2,304,229	—	69,549	427,684	2,801,462
Other state revenues	2,681,901	—	3,173	568,375	3,253,449
Other local revenues	196,178	36,576	1,112,021	236,405	1,581,180
Total Revenues	11,776,524	36,576	1,184,743	1,232,464	14,230,307
Expenditures:					
Current:					
Certificated salaries	3,474,867	—	—	113,602	3,588,469
Classified salaries	1,346,138	23,480	—	235,014	1,604,632
Employee benefits	2,592,961	12,212	—	224,141	2,829,314
Books and supplies	670,470	1,495	—	201,181	873,146
Services and other operating expenditures	1,272,082	65,031	—	39,293	1,376,406
Capital outlay	111,072	730,802	—	185,963	1,027,837
Debt service – principal	20,402	3	565,335	24,001	609,741
Debt service – bond, COPs, and capital leases interest	2,014	—	524,048	4,438	530,500
Other outgo	6,920	—	—	50	6,970
Transfers of indirect costs – interfund	(24,020)	—	—	24,020	—
Total Expenditures	9,472,906	833,023	1,089,383	1,051,703	12,447,015
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	2,303,618	(796,447)	95,360	180,761	1,783,292
Other Financing Sources (Uses):					
Transfers in	41,049	270,846	—	41,674	353,569
Transfers out	(15,560)	(53,962)	—	(284,047)	(353,569)
Premium on bonds issued	—	—	35,694	—	35,694
Payment to refunded COPs escrow agent	—	—	—	(73,373)	(73,373)
Capital Leases	3,489	—	—	36	3,525
Proceeds from sale of capital assets	264	—	—	—	264
Proceeds from SBITAs	47,068	—	—	1,131	48,199
Proceeds from sale of bonds	—	500,000	—	—	500,000
Proceeds from refunding COPs	—	—	—	73,730	73,730
Total Other Financing Sources (Uses)	76,310	716,884	35,694	(240,849)	588,039
Net Changes in Fund Balances	2,379,928	(79,563)	131,054	(60,088)	2,371,331
Fund Balances, July 1, 2022	3,328,323	1,315,137	1,174,108	679,533	6,497,101
Fund Balances, June 30, 2023	\$ 5,708,251	\$ 1,235,574	\$ 1,305,162	\$ 619,445	\$ 8,868,432

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
Year Ended June 30, 2023
(in thousands)

Net Changes in Fund Balances – Governmental Funds	\$ 2,371,331
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.	374,992
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.	57,661
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.	94,408
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.	(14,711)
In the statement of activities, compensated absences and other retirement benefits are measured the employees earned during the year. In the governmental funds, however, by the amounts expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(15)
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.	1,591
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.	74,529
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.	(891)
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.	(26,571)
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.	453,745
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.	522,803
Change in Net Position of Governmental Activities	<u>\$ 3,908,872</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 Year Ended June 30, 2023 (in thousands)

	Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues:				
Local Control Funding Formula sources	\$ 6,085,362	\$ 6,598,392	\$ 6,594,216	\$ (4,176)
Federal revenues	2,823,278	3,017,375	2,304,229	(713,146)
Other state revenues	1,717,894	2,623,539	2,681,901	58,362
Other local revenues	168,120	220,801	196,178	(24,623)
Total Revenues	10,794,654	12,460,107	11,776,524	(683,583)
Expenditures:				
Current:				
Certificated salaries	3,772,450	3,886,111	3,474,867	411,244
Classified salaries	1,260,838	1,463,157	1,346,138	117,019
Employee benefits	2,798,406	2,764,420	2,592,961	171,459
Books and supplies	2,793,773	2,016,144	670,470	1,345,674
Services and other operating expenditures	1,045,868	1,549,135	1,272,082	277,053
Capital outlay	17,908	111,166	111,072	94
Debt service – principal	93	20,429	20,402	27
Debt service – bond, COPs, and capital leases interest	10	18,074	2,014	16,060
Other outgo	5,326	6,926	6,920	6
Transfers of indirect costs – interfund	(30,404)	(23,928)	(24,020)	92
Total Expenditures	11,664,268	11,811,634	9,472,906	2,338,728
Excess (Deficiency) of Revenues Over (Under) Expenditures	(869,614)	648,473	2,303,618	1,655,145
Other Financing Sources (Uses):				
Transfers in	40,367	41,049	41,049	—
Transfers out	(35,719)	(18,167)	(15,560)	2,607
Leases	—	—	3,489	3,489
Proceeds from sale of capital assets	—	264	264	—
Proceeds from SBITAs	—	—	47,068	47,068
Total Other Financing Sources (Uses)	4,648	23,146	76,310	53,164
Net Changes in Fund Balances	(864,966)	671,619	2,379,928	1,708,309
Fund Balances, July 1, 2022	3,567,607	3,328,323	3,328,323	—
Fund Balances, June 30, 2023	\$ 2,702,641	\$ 3,999,942	\$ 5,708,251	\$ 1,708,309

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, 2023

(in thousands)

Assets:

Cash in county treasury, in banks, and on hand	\$ 987,994
Accounts receivable – net	60,922
Accrued interest and dividends receivable	9,272
Prepays	13,640
Other assets	4,774

Total Assets

1,076,602

Deferred Outflows of Resources

7,725

Liabilities:

Current:

Vouchers and accounts payable	9,192
Accrued payroll	1,457
Other payables	21,021
Estimated liability for self-insurance claims	232,300
Total Current Liabilities	263,970

Noncurrent:

Estimated liability for self-insurance claims	424,303
Net other postemployment benefits liability	9,758
Net pension liability	11,440
Total Noncurrent Liabilities	445,501

Total Liabilities

709,471

Deferred Inflows of Resources

8,247

Total Net Position – Unrestricted

\$ 366,609

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
Year Ended June 30, 2023
(In thousands)

Operating Revenues:

In-District premiums	\$ 1,414,692
Others	11,704
Total Operating Revenues	<u>1,426,396</u>

Operating Expenses:

Classified salaries	6,422
Employee benefits	1,872
Supplies	421
Premiums and claims expenses	1,345,264
Claims administration	16,046
Other contracted services	1,501
Total Operating Expenses	<u>1,371,526</u>
Operating Income	<u>54,870</u>

Nonoperating Revenues (Expenses):

Investment income	19,708
Miscellaneous expense	(48)
Total Nonoperating Revenues	<u>19,660</u>
Changes in Net Position	<u>74,530</u>
Total Net Position, July 1, 2022	<u>292,079</u>
Total Net Position, June 30, 2023	<u><u>\$ 366,609</u></u>

See accompanying notes to basic financial statements.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Statement of Cash Flows

Proprietary Funds

Governmental Activities – Internal Service Funds

Year Ended June 30, 2023

(in thousands)

Cash Flows from Operating Activities:

Cash payments to employees for services	\$ (9,659)
Cash payments for goods and services	(1,431,361)
Receipts from assessment to other funds	1,414,692
Receipts from other operating revenue	11,704
Net Cash Used by Operating Activities	<u>(14,624)</u>

Cash Flows from Investing Activities:

Earnings on investments	12,947
Cash Provided by Investing Activities	<u>12,947</u>
Net Decrease in Cash and Cash Equivalents	(1,677)

Cash and Cash Equivalents, July 1

989,671

Cash and Cash Equivalents, June 30

\$ 987,994

Reconciliation of Operating Income to Net Cash Used by Operating Activities:

Operating Income	\$ 54,870
Adjustments to reconcile operating income to net cash used by operating activities:	
Net decrease in pension and other postemployment benefits expense from actuarial valuation	(1,627)
Change in Assets: Decrease (Increase)	
Accounts receivable	(19,631)
Prepays	42,921
Change in Liabilities: Increase (Decrease)	
Vouchers and accounts payable	3,733
Accrued payroll	264
Other payables	(26,671)
Estimated liability for self-insurance claims – current	(125,720)
Estimated liability for self-insurance claims – noncurrent	57,237
Total Adjustments	<u>(69,494)</u>
Net Cash Used by Operating Activities	<u>\$ (14,624)</u>

See accompanying notes to basic financial statements.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(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 Audited Annual 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, 28th Floor, Los Angeles, CA 90017.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(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, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which are primarily supported by fees and service charges. 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.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements on pages 18 and 20. Nonmajor funds are aggregated in a single column.

(c) Measurement Focus and Basis of Accounting

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and trust funds. 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 susceptible to accrual, i.e., 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 the "susceptibility to accrual" 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 susceptible to accrual.

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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(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 2022-23:

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.

District Bonds Fund – 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 Election of 2002; Building Account – Measure R, established to account for bond proceeds received by the passage of such measure in Election of 2004; Building Account – Measure Y, established to account for bond proceeds received by the passage of such measure in Election of 2005; and Building Account – Measure Q, established to account for bond proceeds received by the passage of such measure in Election of 2008; Measure RR, established to account for bond proceeds received by the passage of such measure in Election of 2020.

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 (Proposition BB, Measure K, Measure R, Measure Y, Measure Q, and Measure RR). Revenues are derived from ad valorem taxes levied upon all taxable property in the District.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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 2022-23.

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, State School Building Lease-Purchase, County School Facilities Bonds, Special Reserve – Community Redevelopment Agency, Special Reserve, Special Reserve – FEMA – Earthquake, and Special Reserve – FEMA – Hazard Mitigation. The District Bonds Fund (Measure K, Measure R, Measure Y, Measure Q, and Measure RR) is reported separately as a major fund in fiscal year 2022-23.

In Fiscal Year 2023-24, the Board of Education approved the closure of the State School Building Lease-Purchase Fund. As of the fiscal year's conclusion on June 30, 2023, all projects associated with this fund have been finalized and there are no anticipated future expenditures.

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.

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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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.

(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 minor (sub) object and by individual 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 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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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. At June 30, 2023, there were no balances in due to/from other funds.

(i) Inventories

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. Inventories of the Student Body are managed at the school level. Balances of inventory accounts are offset by corresponding reservations of fund balance, which indicate that these amounts are not available for appropriation and expenditure.

(j) Capital Assets

Capital assets, which include sites, improvement of sites, buildings and improvements, equipment, the right to use leased equipment, 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.

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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

<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, 2023.

(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, as a practice, does not accrue a liability for unused sick leave since accumulated sick leave is not a vested benefit. 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.

(m) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and 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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(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 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) 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 2022-23, the District received \$1.7 billion of local property taxes, \$0.4 billion of EPA, and \$4.4 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 bridge the gap between current funding levels and the new LCFF target levels. As of 2022-23, 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

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

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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.

(p) 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.

(q) New Pronouncements

The District adopted GASB Statement No. 96, Subscription-based Information Technology Arrangements (SBITAs). The implementation of this standard provides guidance on the accounting and financial reporting for SBITAs for governments. The Statement is based on the principle that SBITAs are financings 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). It establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. Additionally, the Statement provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA. The new SBITA standard also requires enhanced disclosure which include a general description of a SBITA arrangement, the total amount of subscription assets and the related accumulated amortization, the amount of outflow of resources recognized from SBITA contracts that are not included in the measurement of the liability, and the disclosure of the long-term effect of SBITA arrangements on a government's resources (see Note 14). The implementation of the SBITAs does not require a restatement of the beginning balance.

GASB Statement No. 99, Omnibus 2022, addresses a variety of clarifications and practices, such as requirements related to derivatives, leases, public-private partnerships, and availability payment arrangements (PPPs), and SBITAs that were identified during the implementation and application of certain GASB Statements. The effective periods of Statement No. 99 covered multiple fiscal years. The District implemented the applicable requirements, specifically related to the Statement Nos. 87 and 96.

(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.

The District did not have any TRANs issuance in fiscal year 2022-23.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(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 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 \$12,014,467 difference are as follows (in thousands):

Bonds payable	\$ (11,448,075)
Certificates of Participation (COPs)	(101,109)
Lease obligations	(55,818)
Liability for compensated absences	(87,942)
Liability for other employee benefits	(23,611)
Subscription-based Information Technology Arrangements (SBITAs)	(32,296)
Accrued interest	(264,705)
Other	<u>(911)</u>
Adjustment to reduce <i>total fund balances – governmental funds</i> to arrive at <i>net position – governmental activities</i>	<u>\$ (12,014,467)</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 \$374,992 difference are as follows (in thousands):

Capital related expenditures	\$ 1,027,838
Cost of the capital assets sold	(354)
Depreciation expense	<u>(652,492)</u>
Net adjustment to decrease net changes in <i>total fund balances – governmental funds</i> to arrive at <i>changes in net position – governmental activities</i>	<u>\$ 374,992</u>

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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 reductions to liabilities in the statement of net position." The details of this \$57,661 difference are as follows (in thousands):

Debt issued or incurred:

General Obligation (GO) Bonds	\$ (500,000)
Certificates of Participation (COPs)	(73,730)
Lease obligations	(3,525)
Subscription based information technolog arrangements (SBITAs)	(48,199)

Principal repayments:

GO Bonds	565,335
COPs	10,460
Lease obligations	5,082
SBITAs	15,903

Payments to escrow agent for refunding:

Refunding COPs	86,335
----------------	--------

Net adjustment to increase net changes in *total*
fund balances – governmental funds to arrive at
changes in net position – governmental activities

\$ 57,661

(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 \$129.8 million.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(5) Cash and Investments

Cash and investments as of June 30, 2023, are classified in the accompanying basic financial statements as follows (in thousands):

Statement of net position:

Cash	\$ 10,097,712
Investments	14,335
Cash held by trustee	299,495
Total cash and investments	<u>\$ 10,411,542</u>

Cash and investments as of June 30, 2023, consist of the following (in thousands):

Cash on hand (cafeteria change funds)	\$ 26
Deposits with financial institutions and Los Angeles County Pool	10,397,181
Investments	14,335
Total cash and investments	<u>\$ 10,411,542</u>

Deposits with financial institutions include: (1) cash in the Los Angeles County Pooled Surplus Investment Fund with fair market adjustment (\$10,054.1 million); (2) cash held by fiscal agents or trustees (\$299.5 million); (3) cash deposited with various other financial institutions for imprest funds of schools and offices (\$10.7 million); and cash in the Student Activity Special Revenue Fund (\$32.8 million).

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.

Except for investments by trustees of Certificates of Participation (COPs) proceeds, 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 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	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 bonds and limited to highest 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

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Year Ended June 30, 2023

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, 2023, 61.50% of District funds in the County PSI Fund does not exceed one year. The weighted average days to maturity of its portfolio was 753 days. In addition, variable-rate notes that comprised 0.01% 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 less than A-1 from Standard & Poor's (S&P), P-1 from Moody's Investors Service (Moody's), or F1 from Fitch Ratings (Fitch). The County PSI 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, 2023, 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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(6) Accounts Receivable, net

Receivables by Fund at June 30, 2023, consist of the following (in thousands):

	General	Other Governmental	Internal Service Funds	Total
Accrued grants and entitlements	\$ 994,730	\$ 102,203	\$ —	\$ 1,096,933
Other	25,592	2,143	60,922	88,657
Total Accounts Receivable, Net	<u>\$ 1,020,322</u>	<u>\$ 104,346</u>	<u>\$ 60,922</u>	<u>\$ 1,185,590</u>

(7) Capital Assets

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

	Balance, June 30, 2022	Increases	Decreases	Balance, June 30, 2023
Governmental activities:				
Capital assets, not being depreciated:				
Sites	\$ 3,100,671	\$ 847	\$ —	\$ 3,101,518
Construction in progress	2,185,368	932,741	(340,382)	2,777,727
Total capital assets, not being depreciated	5,286,039	933,588	(340,382)	5,879,245
Capital assets, being depreciated:				
Improvement of sites	877,373	19,476	—	896,849
Buildings and improvements	17,399,352	291,824	(86)	17,691,090
Equipment	2,574,996	67,136	(5,509)	2,636,623
Lease assets	62,006	3,526	—	65,532
Subscription assets*	—	55,256	—	55,256
Total capital assets, being depreciated	20,913,727	437,218	(5,595)	21,345,350
Less accumulated depreciation for:				
Improvement of sites	(542,410)	(31,277)	—	(573,687)
Buildings and improvements	(8,092,494)	(500,457)	16	(8,592,935)
Equipment	(2,179,389)	(95,489)	5,316	(2,269,562)
Lease assets	(5,190)	(5,372)	—	(10,562)
Subscription assets*	—	(19,897)	—	(19,897)
Total accumulated depreciation	(10,819,483)	(652,492)	5,332	(11,466,643)
Total capital assets, being depreciated, net	10,094,244	(215,274)	(263)	9,878,707
Governmental activities capital assets, net	<u>\$ 15,380,283</u>	<u>\$ 718,314</u>	<u>\$ (340,645)</u>	<u>\$ 15,757,952</u>

*New category for the District's subscription assets, and related accumulated amortization, have been added due to the implementation of GASB 96 (see note 1q).

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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

Governmental activities:

Facilities acquisition and construction	\$ 584,267
Instruction	21,745
Operation and maintenance of plant services	11,906
Student transportation services	9,111
Data processing services	11,274
Support services - business	6,643
Operation of noninstructional services	1,143
Support services - instructional staff	4,777
Support services - school administration	911
Support services - students	612
Support services - general administration	103
Total depreciation expense – governmental activities	<u>\$ 652,492</u>

(8) Deferred Outflows and Inflows of Resources

District's deferred outflows and inflows of resources as of June 30, 2023, are comprised of the following (in thousands):

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Debt refunding charges	\$ 51,099	\$ 27,193
Lease - GASB 87	—	14,590
Pension contributions subsequent to measurement date	1,034,127	—
OPEB contributions subsequent to measurement date	235,929	—
Difference in contribution	19,887	120,681
Unamortized differences between projected and actual earnings on plan investments	2,337,938	2,169,462
Unamortized differences between expected and actual experience	15,505	1,736,001
Unamortized differences arising from changes of assumptions	1,608,798	3,486,320
Unamortized differences arising from change in proportion of net pension liability	183,583	131,986
Unamortized differences arising from change in proportion of deferred outflow	77,245	—
Unamortized differences arising from change in proportion of deferred inflow	—	43,057
Total	<u>\$ 5,564,111</u>	<u>\$ 7,729,290</u>

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(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 benefit 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 (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, 2023, is summarized in the following table (in thousands):

CalPERS – Safety Plan	\$ 118,237
CalPERS – Miscellaneous Plan	2,690,237
CalSTRS	3,921,933
Total	<u>\$ 6,730,407</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 Safety, the 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, 2023, are summarized as follows:

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hiring date		
Benefit formula	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age: minimum	50	57
Monthly benefit, as a % of eligible compensation	3.0%	2.70%
Required employee contribution rates	9.00%	13.75%
Required employer contribution rates	50.130%	50.130%

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

Employees Covered

At June 30, 2023, the following employees were covered by the benefit terms for the Safety Plan:

	<u>Safety</u>
Inactive employees or beneficiaries currently receiving the benefits	422
Inactive employees entitled to, but not yet receiving benefits	264
Active employees	<u>230</u>
Total	<u><u>916</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, 2023, the contributions to the Safety Plan amounted to \$12.4 million.

Net Pension Liability

The District's net pension liability for the Safety Plan of \$118.2 million at June 30, 2023, 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, 2022, using an annual actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability of the Safety Plan is shown below.

Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021, actuarial valuations were determined using the following actuarial assumptions:

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

	Safety
Valuation date	June 30, 2021
Measurement date	June 30, 2022
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 ⁽¹⁾	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

⁽¹⁾ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and post-retirement mortality rates include 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 CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increases, mortality and retirement dates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Change of Assumptions

Effective with the June 30, 2021, valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021.

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 above, unless the liability impact is deemed to be material by the plan actuary. There was no change in benefit terms.

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 assumed that contributions from plan members will be

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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 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	Safety	
	Assumed Asset Allocation	Real Return ^(a,b)
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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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/ (Asset)
Balance at June 30, 2022	\$ 476,365	\$ 412,919	\$ 63,446
Changes recognized for the measurement period:			
Service cost	9,325	—	9,325
Interest on the total pension liability	32,354	—	32,354
Differences between expected and actual experience	(12,925)	—	(12,925)
Changes of assumptions	11,355	—	11,355
Contributions from the employer	—	14,583	(14,583)
Contributions from employees	—	2,307	(2,307)
Net investment income	—	(31,315)	31,315
Benefit payments, including refunds of employee contributions	(21,132)	(21,132)	—
Administrative expense	—	(257)	257
Net changes	18,977	(35,814)	54,791
Balance at June 30, 2023	\$ 495,342	\$ 377,105	\$ 118,237

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, 2022. 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 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):

	Safety		
	1.00% Decrease (5.90%)	Current Discount Rate (6.90%)	1.00% Increase (7.90%)
District's net pension liability	\$ 189,772	\$ 118,237	\$ 60,066

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2023, the District recognized pension expense \$7.7 million for the Safety Plan. As of June 30, 2023, the District reported deferred outflows and deferred inflows of resources related to pensions (Safety Plan) as follows (in thousands):

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 7,150	\$ —
Differences between expected and actual experience	144	9,377
Net difference between projected and actual earnings on pension plan investments	18,903	—
District contributions subsequent to the measurement date	12,359	—
Total	<u>\$ 38,556</u>	<u>\$ 9,377</u>

The amounts above are net of outflows and inflows recognized in the 2022-23 measurement period expense.

The \$12.4 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 liability in the year ending June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows (in thousands):

	Safety
	Deferred Outflows (Inflows) of Resources
Year ended June 30	
2024	\$ 1,833
2025	1,745
2026	1,319
2027	11,923

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

Payable to the Pension Plan

The District's contribution for all members to the Safety Plan for the fiscal year ended June 30, 2023, 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, 2023.

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, 2023, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hiring date		
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years 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	25.370%	25.370%

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, 2023, the contributions to the Miscellaneous Plan amounted to \$357.9 million.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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

At June 30, 2023, the District reported a net pension liability of \$2.7 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, 2022, 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, 2021, rolled forward to June 30, 2022, using standard update procedures. The District's proportion of the net pension liability was based on the 2021-22 fiscal year employer contributions calculated by CalPERS. At June 30, 2022, the District's proportion rate was 7.818392%.

For the year ended June 30, 2023, the District recognized pension expense of \$326.0 million for the Miscellaneous Plan. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions (Miscellaneous Plan) from the following sources (in thousands):

	Miscellaneous	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 12,337	\$ 66,948
Difference between projected and actual earnings on pension plan investments	827,338	511,323
Change of assumption	199,008	—
Change in NPL proportion	—	25,081
Change in proportion of deferred outflow	3,281	—
Change in proportion of deferred inflow	—	3,244
Difference in contribution	11,080	18,234
District contributions subsequent to the measurement date	357,900	—
Total	<u>\$ 1,410,944</u>	<u>\$ 624,830</u>

The \$357.9 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, 2023. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows (in thousands):

	Miscellaneous
	Deferred Outflows (Inflows) of Resources
Year ended June 30	
2024	\$ 76,464
2025	92,138
2026	65,309
2027	194,303

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

Actuarial Methods and Assumptions

The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions:

	Miscellaneous
Valuation date	June 30, 2021
Measurement date	June 30, 2022
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 ⁽¹⁾	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

⁽¹⁾ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and post-retirement mortality rates include 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 CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement dates. The Experience Study report can be obtained at CalPERS website under Forms and Publications.

Change of Assumptions

Effective with the June 30, 2021, valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021.

Discount Rate

The discount rate used to measure the total pension liability of the Miscellaneous Plan was reduced from 7.15% to 6.90%. The projection of cash flows used to determine the discount rate assumed 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 was then adjusted to account for assumed administrative expenses of 10 Basis points.

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 and asset allocation. The target allocation shown was adopted by the CalPERS Board effective on July 1, 2014.

Asset Class	Miscellaneous	
	Assumed Target Allocation	Real Return ^{(a),(b)}
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 seven years as of June 30, 2022. 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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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		
	Current		
	Decrease	Discount Rate	Increase
	(5.90%)	(6.90%)	(7.90%)
District's proportionate share of the net pension liability	\$ 3,886,184	\$ 2,690,237	\$ 1,701,831

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).

Payable to the Pension Plan

The District's contribution for all members to the Miscellaneous Plan for the fiscal year ended June 30, 2023, 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, 2023.

(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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

The Plan's provisions and benefits in effect at June 30, 2023, are summarized as follows:

	CalSTRS	
	On or before December 31, 2012	On or after January 1, 2013
Hiring date		
Benefit formula	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age: Minimum	50-55 (30 years of service credit)	55 (5 years of service credit)
Monthly benefit, as a % of eligible compensation	1.1% - 2.4%	1.16% - 2.4%
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.

Assembly Bill (AB 1469) enacted in Chapter 47, Statutes of 2014 is projected to fully fund the CalSTRS Defined Benefit (DB) Program in 32 years through 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. Member contribution increases will be phased in over the next three years and increase by an additional 2.25% of payroll for CalSTRS 2% at 60 members and an additional 1.205% for CalSTRS 2% at 62 members. Effective July 1, 2020, the Board 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. The Board cannot increase the rate by more than 0.50% in a fiscal year, and if there is no unfunded actuarial obligation, the contribution rate imposed to pay for the 1990 benefit structure would be reduced to 0%.

The total employer contribution rate will remain at 19.100% of creditable compensation for the 2022-23 fiscal year. However, the California Legislature and the Governor, through the adoption of the 2020 Budget Act, repurposed previous supplemental contributions intended to reduce the employers' unfunded actuarial obligation to provide additional short-term rate relief. The employers' contribution rate has been reduced by 2.95% for fiscal year 2020-21 and by 2.18% for fiscal year 2021-22. As a result, the effective total employer contribution rate was equal to 16.15% of creditable compensation for the 2020-21 fiscal year and 16.92% of creditable compensation for the 2021-22 fiscal year. Effective with the 2021-22 fiscal year, the board will have limited authority to adjust the contribution rate to amortize the remaining unfunded actuarial obligation by the 2046 deadline.

For the year ended June 30, 2023, the contributions to the CalSTRS' TRF amounted to \$663.9 million.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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

At June 30, 2023, the District reported a net pension liability of \$3.9 billion for its proportionate share of the CalSTRS net pension liability. The net pension liability was measured as of June 30, 2022, 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 2021-22 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 non-employer contributing entities. At June 30, 2022, the District's proportion rate was 5.497%.

For the year ended June 30, 2023, the District recognized pension expense of \$203.9 million. At June 30, 2023, 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	\$ 3,024	\$ 286,544
Difference between projected and actual earnings	1,447,296	1,658,139
Change of assumption	183,250	—
Change in NPL proportion	183,583	106,905
Change in proportion of deferred outflow	73,964	—
Change in proportion of deferred inflow	—	39,813
Difference in contribution	8,807	102,447
District contributions subsequent to the measurement date	663,868	—
Total	<u>\$ 2,563,792</u>	<u>\$ 2,193,848</u>

The \$663.9 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 liability in the year ending June 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows:

	CalSTRS
Year ended June 30	Deferred Outflows (Inflows) of Resources
2024	\$ (63,342)
2025	(196,931)
2026	(255,004)
2027	284,170
2028	(38,635)
Thereafter	(24,182)

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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, 2021, and rolling forward the total pension liability to June 30, 2022. In determining the total pension liability, the financial reporting actuarial valuation used the following actuarial methods and assumptions:

Valuation date	June 30, 2021
Experience study	July 1, 2015 through June 30, 2018
Actuarial cost method	Entry age normal
Investment rate of return*	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

*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%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10%) and assuming that contributions and benefit payments and administrative expenses occur mid year. Based on those assumptions, the CalSTRS' TRF fiduciary net position 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 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 best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The 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 2020 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. Best estimates of 20-year geometrically linked real rates of return and the assumed asset allocation for each major asset class as of June 30, 2022, are summarized in the following table:

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

Asset Class	CalSTRS	
	Assumed Asset Allocation	Long-Term* Expected Real Rate of Return
Public equity	42.00 %	4.80 %
Real estate	15.00	3.60
Private equity	13.00	6.30
Fixed income	12.00	1.30
Risk mitigating strategies	10.00	1.80
Inflation sensitive	6.00	3.30
Cash/liquidity	2.00	(0.40)
	<u>100.00 %</u>	

* 20-year average

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, 2022. 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		
	Decrease (6.10%)	Current Discount Rate (7.10%)	Increase (8.10%)
District's proportionate share of the net pension liability	\$ 6,487,175	\$ 3,921,933	\$ 1,604,794

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.

Payable to the Pension Plan

The District's contribution for all members to the CalSTRS' TRF for the fiscal year ended June 30, 2023, 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, 2023.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(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, 2023, there are 55,381 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, 2023, the District recognized pension expense of \$6.2 million. The District does not have any forfeited amounts.

The District's contributions for all members for the fiscal years ended June 30, 2023, 2022, and 2021 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 72 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.
- 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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

- 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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

Employees Covered

As of June 30, 2023, actuarial valuation, the following current and former employees were covered by the benefit terms under the District's OPEB Plan:

Active employees	59,010
Inactive employees or beneficiaries currently receiving benefits	40,013
Inactive employees entitled to, but not yet receiving benefits	<u>139</u>
Total	<u>99,162</u>

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 2022-23, the District contributed a total of \$235.9 million to the OPEB Plan.

Net OPEB Liability

The District's net OPEB liability of \$8.5 billion at June 30, 2023, 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, 2022, actuarial valuation report (dated June 2023). The total OPEB liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions:

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

Valuation date	July 1, 2022
Measurement date	June 30, 2022
Actuarial cost method	Entry Age Normal Cost
Discount rate	3.70%
Payroll growth	2.75% per annum
Salary increases	2000-2019 CalPERS Experience Study
Investment rate of return	6.10%
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 ¹	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 [6.66% - 4.50%]; Post 65 [9.43% - 4.50%] Medicare Advantage Plans Post 65 Kaiser [7.66% - 4.50%]; Anthem PPO [10.88% - 4.50%]; Health Net/Anthem EPO [7.66% - 4.50%] Dental & Vision - 5.00%

⁽¹⁾The Experience Study reports may be accessed on the CalPERS website www.calpers.ca.gov under Forms and Publications.

Changes of Assumptions

During the measurement period ended June 30, 2022, the following assumptions were changed from the prior valuation:

1. Assets—\$469,939,493 as of June 30, 2022 measurement date.
2. Municipal Bond Rate—3.54% as of June 30, 2022 (2.16% as of June 30, 2021), based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.
3. Contributions—Ad hoc additional contribution of \$211 million is scheduled to be made for each of the fiscal years ending 2023, 2024, and 2025.
4. Expected Return on Assets—6.10% as of June 30, 2022 (7.00% as of June 30, 2021), per District's revised expectation for CalPERS' CERBT Strategy 1 asset allocation.
5. Discount Rate—3.70% as of June 30, 2022 (2.20% as of July 1, 2021), after reassessment based on updated assets and municipal bond rate as of June 30, 2022.

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, 2030. This results in a single equivalent rate of 3.7% (rounded down to 10 basis points) as of July 1, 2022, 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 3.54% as of July 1, 2022.

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.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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 and asset allocation.

Asset Class	Assumed Asset Allocation	1-5 Year Projected Compound Return ¹	1-5 Projected General Inflation Rate Assumption ¹	1-5 Projected Real Rate of Return ²
Global equity	49.00%	6.80%	2.40%	4.40%
Fixed income	23.00	1.40	2.40	(1.00)
REITs	20.00	5.40	2.40	3.00
TIPS	5.00	0.60	2.40	(1.80)
Commodities	3.00	3.20	2.40	0.80
Total	100.00%			

Asset Class	Assumed Asset Allocation	1-20 Year Projected Compound Return ¹	1-20 Projected General Inflation Rate Assumption ¹	1-20 Projected Real Rate of Return ²
Global equity	49.00%	6.80%	2.30%	4.50%
Fixed income	23.00	3.70	2.30	1.40
REITs	20.00	6.00	2.30	3.70
TIPS	5.00	2.80	2.30	0.50
Commodities	3.00	3.40	2.30	1.10
Total	100.00%			

¹ Adopted by the CalPERS Board of Administration in November 2021.

² The Projected Real Rate of Return is the Compound Return, adjusted for inflation.

Asset Class	Assumed Asset Allocation	6-20 Year Projected Compound Return ³	6-20 Projected General Inflation Rate Assumption ³	6-20 Projected Real Rate of Return ⁴
Global equity	49.00%	6.80%	2.30%	4.50%
Fixed income	23.00	4.50	2.30	2.20
REITs	20.00	6.20	2.30	3.90
TIPS	5.00	3.60	2.30	1.30
Commodities	3.00	3.50	2.30	1.20
Total	100.00%			

³ Implied Returns and Inflation for Years 6-20 are calculated from the Board Approved Values for Years 1-5 and Years 1-20.

⁴ The Implied Real Rate of Return is the Compound Return, adjusted for inflation.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

Changes in the OPEB Liability

The changes 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, 2022 (Based on 06/30/2021 Measurement Date)	<u>\$ 10,729,054</u>	<u>\$ 542,829</u>	<u>\$ 10,186,225</u>
Changes recognized for the fiscal year			
Service cost	450,849	—	450,849
Interest on the total OPEB liability	243,430	—	243,430
Changes of assumptions	(2,240,059)	—	(2,240,059)
Benefit payments	(231,063)	(231,063)	—
Contributions – employer	—	231,063	(231,063)
Net investment income	—	(72,625)	72,625
Other expenses – administrative expense	—	(264)	264
Net changes	<u>(1,776,843)</u>	<u>(72,889)</u>	<u>(1,703,954)</u>
Ending Balance, June 30, 2023 (Based on 06/30/2022 Measurement Date)	<u>\$ 8,952,211</u>	<u>\$ 469,940</u>	<u>\$ 8,482,271</u>

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, 2023 (in thousands):

	Decrease (2.70%)	Current Discount Rate (3.70%)	Increase (4.70%)
Net OPEB liability	\$ 9,888,005	\$ 8,482,271	\$ 7,334,262

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 measurement period ended June 30, 2023 (in thousands):

	1.00% Decrease	Trend Rate	1.00% Increase
Net OPEB liability	\$ 7,049,609	\$ 8,482,271	\$ 10,332,532

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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

For the fiscal year ended June 30, 2023, the District recognized a decrease in OPEB expense of \$523.8 million. At June 30, 2023, 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	\$ 44,401	\$ —
Changes of assumptions	1,219,390	3,486,320
Difference between expected and actual experience	—	1,373,132
District contributions subsequent to the measurement date	235,929	—
Total	<u>\$ 1,499,720</u>	<u>\$ 4,859,452</u>

The table below lists the amortization bases included in the deferred outflows/inflows as of June 30, 2023 (in thousands):

Date Established	Type of Base	Period		Balance		Annual Amortization
		Original	Remaining	Original	Remaining	
6/30/2022	Asset (gain)/loss	5.00	4.00	\$ 110,605	\$ 88,483	\$ 22,121
6/30/2022	Assumptions	7.44	6.44	(2,240,059)	(1,938,976)	(301,083)
6/30/2021	Liability (gain)/loss	7.78	5.78	1,143,508	(849,547)	(146,981)
6/30/2021	Asset (gain)/loss	5.00	3.00	(86,000)	(51,600)	(17,200)
6/30/2021	Assumptions	7.78	5.78	(93,876)	(69,743)	(12,066)
6/30/2020	Asset (gain)/loss	5.00	2.00	16,664	6,666	3,333
6/30/2020	Assumptions	7.16	4.16	2,098,757	1,219,390	293,122
6/30/2019	Liability (gain)/loss	7.25	3.25	(1,167,998)	(523,585)	(161,103)
6/30/2019	Asset (gain)/loss	5.00	1.00	4,258	852	852
6/30/2019	Assumptions	7.25	3.25	(1,965,158)	(880,933)	(271,056)
6/30/2018	Asset (gain)/loss	5.00	0.00	(1,759)	-	(352)
6/30/2018	Assumptions	7.33	2.33	(580,167)	(184,419)	(79,150)
6/30/2017	Assumptions	7.50	1.50	(2,061,247)	(412,249)	(274,833)
	Total charges				<u>\$ (3,595,661)</u>	<u>\$ (944,396)</u>

The \$235.9 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, 2024.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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):

<u>Year ended June 30</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2024	\$ (944,044)
2025	(807,479)
2026	(620,365)
2027	(252,926)
2028	(413,230)
Thereafter	(557,617)

(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 several self-insurance funds (Internal Service Funds) as follows: the Workers' Compensation Self-Insurance Fund, the Liability Self-Insurance Fund, and the Health and Welfare Benefits Fund. These funds account for the uninsured risk of loss and pay for insurance premiums, management fees, and related expenses. The District is self-insured for its Workers' Compensation Insurance Program and partially self-insured for the Health and Welfare and Liability Insurance Programs. Premium payments to Health Maintenance Organizations for medical benefits and to outside carriers for vision services, dental services, and optional life insurance are paid out of the Health and Welfare Benefits Fund.

Excess insurance has been purchased for physical property loss damages, which provides \$500.0 million limit above a \$1.0 million self-insured retention. Excess insurance has been purchased for general liability, which currently provides \$35.0 million limit above a \$5.0 million self-insurance retention. No settlements exceeded insurance coverage in the last five fiscal years that ended June 30, 2023.

The District has implemented an Owner Controlled Insurance Program (OCIP) covering new construction and renovation projects funded by school bonds. Under an OCIP, the District provides general liability and workers' compensation insurance coverage for construction contractors. Because contractors remove insurance costs from their bids, potential savings accrue to the District. Under the District's OCIP program, workers' compensation coverage with statutory limits and primary general liability and excess liability coverage with limits of \$102.0 million have been underwritten by six major insurance carriers.

The District has also purchased contractors' pollution liability insurance coverage for the construction program. The policy protects contractors and the District from losses resulting from pollution liability related incidents occurring during 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. The total limit available on the other policies is \$50.0 million.

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 incurred claims and their values. Individual reserves are continuously monitored and reviewed and as settlements are made, or reserves adjusted, differences are reflected in current operations.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

The amount of the total claims liabilities recorded for health and welfare, workers' compensation, and liability self-insurance was \$656.6 million. Changes in the reported liabilities since July 1, 2021, are summarized as follows (in thousands):

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2022-2023				
Health and welfare benefits	\$ 23,307	\$ 284,375	\$ (285,939)	\$ 21,743
Workers' compensation self-insurance	383,450	56,614	(80,916)	359,148
Liability self-insurance	318,330	97,454	(140,072)	275,712
Total	\$ 725,087	\$ 438,443	\$ (506,927)	\$ 656,603
2021-2022				
Health and welfare benefits	\$ 21,044	\$ 254,299	\$ (252,036)	\$ 23,307
Workers' compensation self-insurance	403,645	52,406	(72,601)	383,450
Liability self-insurance	185,152	170,413	(37,235)	318,330
Total	\$ 609,841	\$ 477,118	\$ (361,872)	\$ 725,087

(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; and automation of certain business processes. The COPs outstanding as of June 30, 2023, are as follows (in thousands):

COP Issue	Sale Date	Original Principal Amount	Outstanding June 30, 2023	Interest Rates to Maturity		Final Maturity
				Min	Max	
2020A Refunding	10/27/2020	\$ 28,390	\$ 24,140	2.250	5.000	2034
2022 Refunding	8/30/2022	73,730	73,730	3.095	3.095	2030
			<u>\$ 97,870 *</u>			

* The total amount shown above excludes net unamortized premium of \$3.2 million.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(12) Long-Term Obligations

The following is a summary of changes in long-term obligations for the year ended June 30, 2023 (in thousands):

	July 1, 2022	Additions	Deductions	Other Changes**	Balance, June 30, 2023	Due Within One Year	Interest Expense
General Obligation Bonds*	\$ 11,612,001	\$ 500,000	\$ 565,335	\$ (98,591)	\$11,448,075	\$ 709,809	\$ 391,933
Certificates of Participation*	127,611	73,730	96,570	(3,662)	101,109	11,269	4,083
Lease obligations	57,374	3,526	5,082	—	55,818	4,437	1,096
Liability for compensated absences	86,722	103,619	99,409	—	90,932	3,993	—
Liability for other employee benefits	29,594	—	4,703	—	24,891	2,377	—
Self-Insurance claims (Note 10)	725,087	438,443	506,927	—	656,603	232,300	—
SBITAs Liability ***	—	48,199	15,903	—	32,296	16,935	867
Total	\$ 12,638,389	\$1,167,517	\$1,293,929	\$ (102,253)	\$12,409,724	\$981,120	\$ 397,979

* The amounts shown above include unamortized premiums and discounts.

** Premium on bonds and premium and discount amortization.

*** Due to adoption of GASB No. 96.

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

Year Ending June 30	General Obligation Bonds		Certificates of Participation		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 589,460	\$ 517,618	\$ 10,540	\$ 3,231	\$ 600,000	\$ 520,849
2025	594,450	488,320	10,915	2,855	605,365	491,175
2026	899,575	455,744	11,295	2,464	910,870	458,208
2027	936,840	429,979	11,700	2,059	948,540	432,038
2028	611,270	376,085	12,125	1,638	623,395	377,723
2029-2033	3,215,635	1,409,163	38,215	2,728	3,253,850	1,411,891
2034-2038	2,171,780	551,976	3,080	83	2,174,860	552,059
2039-2043	1,151,355	234,229	—	—	1,151,355	234,229
2044-2048	534,360	39,401	—	—	534,360	39,401
	\$ 10,704,725	\$ 4,502,515	\$ 97,870	\$ 15,058	\$ 10,802,595	\$ 4,517,573

The General Obligation (GO) Bonds outstanding balance as of June 30, 2023, consists of the following (in thousands):

Bond Issue	Sale Date	Original Principal Amount	Outstanding June 30, 2023	Interest Rates to Maturity		Final Maturity
				Min	Max	
KRY (2009-BAB) ^(a)	10/15/2009	\$ 1,369,800	\$ 1,369,800	5.750%	5.755%	2034
Election of 2005, H (2009)	10/15/2009	318,800	318,800 ^(b)	1.540	1.540	2025
RY (2010-BAB) ^(a)	3/4/2010	1,250,585	1,250,585	6.758	6.758	2034
Election of 2005, J-1 (2010) ^(c)	5/6/2010	190,195	190,195 ^(b)	5.981	5.981	2027
Election of 2005, J-2 (2010) ^(c)	5/6/2010	100,000	100,000 ^(b)	5.720	5.720	2027
2011A-1 Refunding	11/1/2011	206,735	27,435	5.000	5.000	2023
2014B Refunding	6/26/2014	323,170	72,850	5.000	5.000	2026
2014C Refunding	6/26/2014	948,795	652,145	3.000	5.000	2031
2014D Refunding	6/26/2014	153,385	80,420	5.000	5.000	2030
2015A Refunding	5/28/2015	326,045	108,075	5.000	5.000	2025
Election of 2008, A (2016)	4/5/2016	648,955	340,420	3.500	5.000	2040
2016A Refunding	4/5/2016	577,400	207,820	5.000	5.000	2030
2016B Refunding	9/15/2016	500,855	498,240	2.000	5.000	2032
2017A Refunding	5/25/2017	1,080,830	860,225	2.000	5.000	2027
Election of 2005, Series M-1 (2018)	3/8/2018	117,005	105,025	3.000	5.250	2042
Election of 2008, Series B-1 (2018)	3/8/2018	1,085,440	979,365	4.000	5.250	2042
2019A Refunding	5/29/2019	594,605	485,340	3.000	5.000	2034
Series RYQ (2020)	4/30/2020	942,940	760,535	4.000	5.000	2044
2020A Refunding	10/6/2020	302,000	285,715	3.000	5.000	2033
Measure Q, Series C (2020)	11/10/2020	1,057,060	874,660	3.000	5.000	2045
2021A Refunding	4/29/2021	196,310	190,220	4.000	5.000	2032
Series RYRR (2021)	11/10/2021	494,140	432,425	2.625	5.000	2046
2021B Refunding	11/10/2021	48,855	47,015	1.245	1.888	2028
GOB, Series QRR (2022)	11/22/2022	500,000	467,415	5.000	5.250	2047
			<u>\$ 10,704,725</u> *			

* The total amount shown above excludes unamortized premium and discount of \$743.4 million

(a) Issued under Build America Bonds (BABs), a taxable bond program for which the federal government initially subsidized 35% of the interest cost.

(b) Includes accumulated set-aside deposits for Qualified School Construction Bonds totaling \$299.5 million representing \$156.6 million for Election of 2005, H (2009) (Tax Credit Bonds) and \$142.9 million for Election of 2005, J-1 and J-2 (2010) (Federally Taxable Direct Subsidy Bonds).

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

On August 30, 2022, the District refinanced the Refunding Certificates of Participation, 2012 Series A and 2012 Series B (Headquarters Building Project) (collectively the “2012 COPs”) through the issuance of the \$73.73 million 2022 Lease Agreement via a private placement. The District solicited a formal bid request to potential purchasers. The selected bidder provided an interest rate of 3.095% along with favorable redemption terms that will allow the District to refinance the 2022 Lease Agreement in the future if it is financially advantageous to do so. Additionally, the refinancing allowed the District to shorten the final maturity to 2030, which is one-year shorter than the final maturity of the 2012 COPs. The refunding will save the District approximately \$11.26 million in debt service payments throughout the life of the 2022 Lease Agreement.

Annual debt service savings are approximately \$1.25 million through the final maturity of the 2022 Lease Agreement. Net present value savings are \$10.06 million, 10.66% of the refunded COPs, which is above the District's Board policy of 3.00% for a current refunding.

On November 8, 2022, the District issued \$500 million of new money General Obligation Bonds, Series QRR (Dedicated Unlimited Ad Valorem Property Tax Bonds) (Sustainability Bonds), to finance additional school modernization and IT projects. The bonds received ratings of "AAA", "AAA", and "Aa3" from Fitch, KBRA, and Moody's, respectively.

The arbitrage 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. As of June 30, 2023, there was no positive arbitrage rebate or yield restriction liability accrued.

Debt Liquidation

Payments on the General Obligation Bonds and Certificates of Participation are made through the debt service funds. The employee benefits liability for retirement bonus are all paid out of the General Fund, while the compensated absences portion are liquidated from different governmental funds and proprietary funds. In fiscal year 2023, approximately 93% of compensated absences has been paid by the General Fund, 6% by the District Bonds Fund, and 1% from Proprietary Funds.

The self-insurance claims and other postemployment benefits are generally liquidated through the internal service funds, which 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 90% of the cost, the Cafeteria Fund carries 5%; and the Child Development Fund carries 3%; 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 building, air monitoring space, 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 payment 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. 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. 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 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.

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

Lessor: The District is a lessor for noncancellable leases of building. 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 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 as Lessee

The District, as a lessee, has entered into lease agreements involving building spaces, parking lots, antenna spaces, and computer equipment. The opening balance of the lease liability was recorded in the amount of \$57.4 million. During the year, the District entered into new agreements and renewals, for an addition of \$3.5 million. Fiscal Year 2022-23 amortization was \$5.1 million. As of June 30, 2023, the total value of the lease liability was \$55.8 million. As of June 30, 2023, the total value of the right-to-use asset was recorded at a cost of \$65.5 million with accumulated amortization of \$10.6 million.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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

Year Ending June 30	Principal	Interest	Total
2024	\$ 4,437	\$ 1,096	\$ 5,533
2025	4,372	1,016	5,388
2026	1,451	958	2,409
2027	432	949	1,381
2028	422	941	1,363
2029 - 2033	2,247	4,565	6,812
2034 - 2038	2,499	4,314	6,813
2039 - 2043	2,777	4,036	6,813
2044 - 2048	3,086	3,727	6,813
2049 - 2053	3,428	3,384	6,812
2054 - 2058	3,808	3,005	6,813
2059 - 2063	4,229	2,584	6,813
2064 - 2068	4,696	2,117	6,813
2069 - 2073	5,213	1,599	6,812
2074 - 2078	5,788	1,025	6,813
2079 - 2083	6,424	388	6,812
2084	509	2	511
	<u>\$ 55,818</u>	<u>\$ 35,706</u>	<u>\$ 91,524</u>

The District as Lessor

The District, as a lessor, has entered into lease agreements involving building spaces, office spaces, and parking lots. The opening balance of the lease receivable was recorded in the amount of \$13.7 million. During the year, the District entered into new agreements or an addition of \$2.7 million. The District recognized the total of \$1.8 million in lease revenue and \$0.3 million in interest revenue during the fiscal year 2022-23. Also, the District has a deferred inflow of resources associated with leases that will be recognized over the lease term. As of June 30, 2023, the balance of the deferred inflow of resources was \$14.6 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

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

measured as the initial amount of the subscription liability, adjusted for subscription payment 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.

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. 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. The subscription term includes the noncancellable period of the lease. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price 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 subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

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

During the year, 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. A total initial subscription liability was recorded in the amount of \$48.2 million. As of June 30, 2023, the total value of the lease liability was \$32.3 million. As of June 30, 2023, the total value of the right-to-use asset was recorded at a cost of \$55.3 million with accumulated amortization of \$19.9 million.

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

Year Ending June 30	Principal	Interest	Total
2024	\$ 16,935	\$ 867	\$ 17,802
2025	10,963	536	11,499
2026	4,380	167	4,547
2027	17	1	18
2028	1	—	1
	<u>\$ 32,296</u>	<u>\$ 1,571</u>	<u>\$ 33,867</u>

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(15) Interfund Transfers

Interfund transfers are eliminated on the government-wide statement of activities but are reported on the fund financial statements. These consist of transfers for exchange of services or reimbursement of expenditures. In addition, interfund transactions are also made to move revenue collected in one fund to another fund where the resources are spent or accounted for, in accordance with budgetary authorization through which resources are to be expended. Transfers between funds for the year ended June 30, 2023, were as follows (in thousands):

From	To	Purpose	Amount
General Fund	Building Fund – Measure R	Reimbursement of capital expenditures	\$ 85
General Fund	Building Fund – Measure Y	Reimbursement of capital expenditures	25
General Fund	Building Fund – Measure Q	Reimbursement of capital expenditures	290
General Fund	Building Fund – Measure RR	Reimbursement of capital expenditures	4
General Fund	Capital Services Fund	Debt service	14,821
General Fund	Special Reserve Fund	Reimbursement of capital expenditures	335
Building Fund – Measure R	Building Fund – Measure K	Reimbursement of capital expenditures	18
Building Fund – Measure R	Building Fund – Measure Q	Reimbursement of capital expenditures	21,982
Building Fund – Measure R	County School Facilities - Prop 47	Reimbursement of capital expenditures	90
Building Fund – Bond Proceeds	Building Fund – Measure Q	Reimbursement of capital expenditures	213
Building Fund – Measure K	County School Facilities - Prop 47	Reimbursement of capital expenditures	14,231
Building Fund – Measure Y	Building Fund – Measure Q	Reimbursement of capital expenditures	5,509
Building Fund – Measure Y	County School Facilities - Prop 47	Reimbursement of capital expenditures	8
Building Fund – Measure Q	General Fund	Reimbursement of capital expenditures	348
Building Fund – Measure Q	Building Fund – Measure R	Reimbursement of capital expenditures	14
Building Fund – Measure Q	Building Fund – Measure K	Reimbursement of capital expenditures	13
Building Fund – Measure Q	Special Reserve Fund	Reimbursement of capital expenditures	20
Building Fund – Measure RR	General Fund	Reimbursement of capital expenditures	10,324
Building Fund – Measure RR	Building Fund – Measure R	Reimbursement of capital expenditures	153
Building Fund – Measure RR	Building Fund – Measure Q	Reimbursement of capital expenditures	1,252
Capital Facilities Fund	Building Fund – Measure R	Reimbursement of capital expenditures	137
State School Bld Lease Purchase	Special Reserve Fund	Transfer of Balance	12,169
County School Facilities – Prop 47	Building Fund – Measure R	Reimbursement of capital expenditures	171
County School Facilities – Prop 47	Building Fund – Measure K	Reimbursement of capital expenditures	1,072
County School Facilities – Prop 47	Building Fund – Measure Q	Reimbursement of capital expenditures	238,647
Capital Services Fund	General Fund	Debt Service	357
Special Reserve Fund – CRA	General Fund	Reimbursement of expenditures	30,000
Special Reserve Fund	General Fund	Transfer of Revenue	20
Special Reserve Fund	Building Fund – Measure R	Reimbursement of capital expenditures	919
Special Reserve Fund	Building Fund – Measure Y	Reimbursement of capital expenditures	10
Special Reserve Fund	Building Fund – Measure Q	Reimbursement of capital expenditures	332
Total			<u>\$ 353,569</u>

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(16) Fund Equity

The following is a summary of non-spendable, restricted, committed, assigned, and unassigned fund balances at June 30, 2023 (in thousands):

	General	District Bonds	Bond Interest and Redemption	Other Governmental
Nonspendable:				
Revolving cash and imprest funds	\$ 2,869	\$ 500	\$ —	\$ 16
Inventories	33,931	—	—	19,041
Prepays	10,714	234	—	44
Total Nonspendable Balances	47,514	734	—	19,101
Restricted for:				
Child Nutrition: School Programs	—	—	—	171,223
Child Development	—	—	—	16,578
Child Development - Other Local	—	—	—	907
FEMA Public Assistance Funds	3	—	—	601
CA Learning Communities for School Success Program	5,682	—	—	—
A-G Completion Improvement Grant	44,626	—	—	—
Educator Effectiveness	126,641	—	—	—
Art, Music & Instructional Block Grant	243,222	—	—	—
Learning Recovery Block Grant	637,266	—	—	—
Special Education	4,642	—	—	—
Special Education: Early Education Individuals with Exceptional Needs (Infant Program)	33,433	—	—	—
Classified Employee Professional Development Block Grant	2,472	—	—	—
State School Facilities Projects	—	—	—	88,007
County School Facilities	—	—	—	12,071
Capital Facilities	—	—	—	39,704
Literacy Coaches & Reading Specialist Grant	82,890	—	—	—
Child Nutrition: Kitchen Infrastructure	69,322	—	—	—
Adult Education	—	—	—	39,785
Adult Education - Other State	—	—	—	7,364
Calworks	—	—	—	2,039
Debt Service Reserve	—	—	1,305,162	—
District Bonds	—	1,234,840	—	—
Expanded Learning Opportunities Program	505,578	—	—	—
Expanded Learning Opportunities Grant	316	—	—	—
Expanded Learning Opportunity Paraprofessional	19,485	—	—	—
Other Federal	11,171	—	—	—
Other Local	53,346	—	—	—
Other State	2,910	—	—	—
Special Reserve - Other Local	—	—	—	33,855
Special Reserve - FEMA Other State	—	—	—	1,745
Student Activity Funds	—	—	—	46,273
Tax Override	—	—	—	416
Special Reserve - Community Redevelopment Agency	—	—	—	131,726
Capital Services	—	—	—	20
Total Restricted Balances	1,843,005	1,234,840	1,305,162	592,314
Committed to:				
Ongoing program needs	2,920,908	—	—	—
Assigned to:				
Subsequent year expenditures	510,899	—	—	16,222
Unassigned:				
Reserved for economic uncertainties	238,780	—	—	—
Unassigned	147,145	—	—	(8,192)
Total Fund Balances	\$ 5,708,251	\$ 1,235,574	\$ 1,305,162	\$ 619,445

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

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 assigned amounts to be reduced first, before the 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 2% 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 may be developed to restore reserve balances.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Basic Financial Statements

Year Ended June 30, 2023

(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 regarding the District's approach to address the COVID pandemic. 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 services/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 2022-2023 the District entered into approximately 68 contracts with a combined value of \$464.3 million. The durations of the contracts range from 90 days to five years.

(18) Subsequent Events

In August 2023, the District sold \$384.26 million of new money COPs on August 17th. The COPs were issued to finance projects related to cybersecurity, student enrollment, information and support, data analytics and reporting, campus security systems, the acquisition of electric buses, and the electrification of bus yards. The COPs were sold at a true interest cost of 3.59 percent over 15 years. The transaction closed on August 31st.

In October 2023, the District sold \$850 million of the new money Bonds on October 24th. The Bonds were issued to finance school facilities projects, including \$525 million of Measure Q Bonds and \$325 million of Measure RR Bonds. The Bonds sold at a true interest cost of 4.55 percent over 25 years. The transaction closed on November 7th.

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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, 2023
(Dollar amounts in thousands)
(unaudited)

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
Total OPEB Liability						
Service cost	\$ 634,089	\$ 523,203	\$ 380,844	\$ 291,399	\$ 437,026	\$ 450,849
Interest on the total OPEB liability	490,582	561,040	460,486	330,177	271,654	243,430
Differences between expected and actual experience	—	—	(1,167,998)	—	(1,143,508)	—
Changes of benefit terms	—	(3,842,546)	(1)	—	—	—
Changes in assumptions	(2,061,247)	(580,166)	(1,965,158)	2,098,757	(93,876)	(2,240,059)
Benefit payments	(264,763)	(305,521)	(287,040)	(221,166)	(231,192)	(231,063)
Net change in total OPEB liability	(1,201,339)	(3,643,990)	(2,578,867)	2,499,167	(759,896)	(1,776,843)
Total OPEB liability – beginning	16,413,979	15,212,640	11,568,650	8,989,783	11,488,950	10,729,054
Total OPEB liability – ending (a)	<u>\$ 15,212,640</u>	<u>\$ 11,568,650</u>	<u>\$ 8,989,783</u>	<u>\$ 11,488,950</u>	<u>\$ 10,729,054</u>	<u>\$ 8,952,211</u>
Plan fiduciary net position						
Contributions – employer	\$ 342,763	\$ 425,521	\$ 287,040	\$ 221,166	\$ 231,192	\$ 231,063
Net investment income	20,995	23,893	23,970	14,563	117,080	(72,625)
Benefit payments	(264,763)	(305,521)	(287,040)	(221,166)	(231,192)	(231,063)
Administrative expense	(103)	(172)	(190)	(205)	(240)	(264)
Net change in plan fiduciary net position	98,892	143,721	23,780	14,358	116,840	(72,889)
Plan fiduciary net position – beginning	145,238	244,130	387,851	411,631	425,989	542,829
Plan fiduciary net position – ending (b)	<u>244,130</u>	<u>387,851</u>	<u>411,631</u>	<u>425,989</u>	<u>542,829</u>	<u>469,940</u>
Net OPEB liability – ending (a) - (b)	<u>\$ 14,968,510</u>	<u>\$ 11,180,799</u>	<u>\$ 8,578,152</u>	<u>\$ 11,062,961</u>	<u>\$ 10,186,225</u>	<u>\$ 8,482,271</u>
Plan fiduciary net position as a percentage of the total OPEB liability	1.60%	3.35%	4.58%	3.71%	5.06%	5.25%
Covered – employee payroll	\$ 3,905,000	\$ 3,728,000	\$ 4,062,000	\$ 4,174,000	\$ 4,192,000	\$ 4,307,000
Net OPEB liability as percentage of covered – employee payroll	383.32%	299.91%	211.18%	265.04%	242.99%	196.94%

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

Schedule of Contributions
For the Year Ended June 30, 2023

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

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, 2023

(Dollar amounts in thousands)

(unaudited)

	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>
Total Pension Liability			
Service cost	\$ 8,284	\$ 8,240	\$ 8,861
Interest on total pension liability	22,121	23,128	25,394
Differences between expected and actual experience	—	(4,558)	11,191
Changes in assumptions	—	(5,860)	—
Changes in benefits terms	—	—	—
Benefit payments, including refunds of employee contributions	(12,325)	(12,853)	(13,653)
Net change in total pension liability	18,080	8,097	31,793
Total pension liability – beginning	296,973	315,053	323,150
Total pension liability – ending (a)	<u>\$ 315,053</u>	<u>\$ 323,150</u>	<u>\$ 354,943</u>
Plan fiduciary net position			
Contributions – employer	\$ 8,341	\$ 9,347	\$ 8,701
Contributions – employee	2,717	2,825	3,064
Net investment income (net of administrative expenses)	37,066	5,185	1,196
Benefit payments	(12,325)	(12,853)	(13,653)
Plan to plan resource movement	—	1	(3)
Net change in plan fiduciary net position	35,799	4,505	(695)
Plan fiduciary net position – beginning	213,160	248,959	253,464
Plan fiduciary net position – ending (b)	<u>248,959</u>	<u>253,464</u>	<u>252,769</u>
Net pension liability – ending (a) - (b)	<u>\$ 66,094</u>	<u>\$ 69,686</u>	<u>\$ 102,174</u>
Plan fiduciary net position as a percentage of the total pension liability	79.02%	78.44%	71.21%
Covered – employee payroll	\$ 26,213	\$ 27,384	\$ 31,786
Net pension liability as percentage of covered – employee payroll	252.14%	254.48%	321.45%

* Fiscal year 2014-15 was the first year of implementation, therefore only nine years are shown.

See accompanying independent auditor's report.

<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>
\$ 10,331	\$ 10,073	\$ 10,054	\$ 11,066	\$ 10,479	\$ 9,325
26,815	27,428	28,862	30,547	32,058	32,354
(1,831)	(2,039)	(1,660)	536	(2,306)	(12,925)
23,771	(11,622)	—	—	—	11,355
—	—	—	211	—	—
(14,041)	(15,498)	(16,060)	(17,165)	(18,587)	(21,132)
45,045	8,342	21,196	25,195	21,644	18,977
354,943	399,988	408,330	429,526	454,721	476,365
<u>\$ 399,988</u>	<u>\$ 408,330</u>	<u>\$ 429,526</u>	<u>\$ 454,721</u>	<u>\$ 476,365</u>	<u>\$ 495,342</u>
\$ 9,711	\$ 10,746	\$ 12,751	\$ 14,619	\$ 14,984	\$ 14,583
3,352	3,291	3,505	3,348	2,936	2,307
28,500	22,418	19,647	15,665	76,690	(31,572)
(14,041)	(15,498)	(16,060)	(17,165)	(18,587)	(21,132)
(15)	(176)	(307)	(164)	—	—
27,507	20,781	19,536	16,303	76,023	(35,814)
252,769	280,276	301,057	320,593	336,896	412,919
280,276	301,057	320,593	336,896	412,919	377,105
<u>\$ 119,712</u>	<u>\$ 107,273</u>	<u>\$ 108,933</u>	<u>\$ 117,825</u>	<u>\$ 63,446</u>	<u>\$ 118,237</u>
70.07%	73.73%	74.64%	74.09%	86.68%	76.13%
\$ 33,239	\$ 33,381	\$ 33,097	\$ 34,582	\$ 29,289	\$ 31,588
360.16%	321.36%	329.14%	340.72%	216.62%	374.31%

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, 2023

(Dollar amounts in thousands)

(unaudited)

	2014-2015	2015-2016	2016-2017	2017-2018
Actuarially determined contribution	\$ 9,342	\$ 10,397	\$ 11,392	\$ 11,057
Contributions in relation to the actuarially determined contributions	(9,342)	(10,397)	(11,392)	(11,057)
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —
Covered – employee payroll	\$ 39,837	\$ 42,476	\$ 43,788	\$ 43,799
Contributions as a percentage of covered – employee payroll	23.45%	24.48%	26.02%	25.24%

Notes to Schedule:

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

Valuation date	6/30/2012	6/30/2013	6/30/2014	6/30/2015
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	15 Year Smoothed Market	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	Varies by entry age and service	3.3% to 14.2% depending on age, service and type of	Varies by entry age and service	Varies by entry age and service
Payroll growth	3.0%	3.0%	3.0%	3.0%
Investment rate of return	7.5% net of pension plan investment and administrative expenses; includes inflation.	7.5%	7.5%	7.5%
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 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.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA 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 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.

* Fiscal year 2014-15 was the first year of implementation, therefore only nine years are shown.

See accompanying independent auditor's report.

2018-2019	2019-2020	2020-2021	2021-2022	2022-23
\$ 12,992	\$ 14,611	\$ 13,900	\$ 12,215	\$ 12,359
(12,992)	(14,611)	(13,900)	(12,215)	(12,359)
\$ —	\$ —	\$ —	\$ —	\$ —
\$ 46,849	\$ 45,139	\$ 34,583	\$ 29,289	\$ 31,588
27.73%	32.37%	40.19%	41.71%	39.13%

6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020
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 Percent of Payroll	Level Dollar	Level Dollar
Market Value of Assets	Market Value of Assets	Market Value of Assets	Market Value of Assets	Market Value of Assets
2.75% compounded annually	2.63% compounded annually	2.50% compounded annually	2.50% compounded annually	2.50% 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
3.0%	2.9%	2.75%	2.75%	2.75%
7.5%	7.25%	7.00%	7.00%	7.00%
The probabilities of retirement are based on the 2014 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.
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 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.

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 Public Employees' Retirement System

(CalPERS) – Miscellaneous Plan

For the Year Ended June 30, 2023

(Dollar amounts in thousands)

(unaudited)

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

	2014-2015	2015-2016	2016-2017	2017-2018
District's proportion of the net pension liability (asset)	9.3936%	8.7047%	8.3405%	8.1507%
District's proportionate share of the net pension liability (asset)	\$ 1,066,402	\$ 1,283,081	\$ 1,647,254	\$ 1,945,775
District's covered-employee payroll	\$ 839,116	\$ 1,016,759	\$ 1,078,634	\$ 1,108,784
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	127.09%	126.19%	152.72%	175.49%
Plan fiduciary net position as a percentage of the total pension liability	83.38%	79.43%	73.90%	71.87%

2. Schedule of District Contributions

	2014-2015	2015-2016	2016-2017	2017-2018
Contractually required contribution				
District contributions	\$ 113,398	\$ 119,193	\$ 144,467	\$ 166,342
Contributions in relation to the contractually required contribution	113,398	119,193	144,467	166,342
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —
District's covered-employee payroll	1,016,759	1,078,634	1,108,784	1,116,870
Contributions as a percentage of covered-employee payroll	11.15%	11.05%	13.03%	14.89%

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	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	20-year 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.
Asset valuation method	Actuarial 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%	7.50%
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 6/30/09 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.

* Fiscal year 2014-15 was the first year of implementation, therefore only nine years are shown.

See accompanying independent auditor's report.

2018-2019	2019-2020	2020-2021	2021-2022	2022-23
7.9678%	8.0858%	7.8905%	7.8531%	7.8184%
\$ 2,124,474	\$ 2,356,549	\$ 2,421,053	\$ 1,596,877	\$ 2,690,237
\$ 1,116,870	\$ 1,228,585	\$ 1,221,081	\$ 1,256,381	\$ 1,449,675
190.22%	191.81%	198.27%	127.10%	185.58%
70.85%	70.05%	70.00%	80.97%	69.76%
2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
\$ 205,346	\$ 224,546	\$ 243,447	\$ 286,190	\$ 357,900
205,346	224,546	243,447	286,190	357,900
\$ —	\$ —	\$ —	\$ —	\$ —
1,228,585	1,221,081	1,256,381	1,449,675	1,595,725
16.71%	18.39%	19.38%	19.74%	22.43%

6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021
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 Dollar	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.
Market value of Assets	Market value of Assets	Market value of Assets	Market value of Assets	Market value of Assets
2.75%	2.63%	2.50%	2.50%	2.30%
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	Varies by entry age and duration of service
7.15%	7.15%	7.15%	7.15%	6.90%
CalPERS Experience Study	CalPERS Experience Study	CalPERS Experience Study	CalPERS Experience Study	CalPERS Experience Study
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.	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.	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.	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.	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.

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, 2023

(Dollar amounts in thousands)

(unaudited)

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

	2014-2015	2015-2016	2016-2017	2017-2018
District's proportion of the net pension liability (asset)	5.7380%	5.9320%	5.5890%	5.3050%
District's proportionate share of the net pension liability (asset)	\$ 3,353,000	\$ 3,993,660	\$ 4,520,439	\$ 4,906,064
District's covered-employee payroll	\$ 2,585,154	\$ 2,771,643	\$ 2,834,892	\$ 2,865,305
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	129.70%	144.09%	159.46%	171.22%
Plan fiduciary net position as a percentage of the total pension liability	76.52%	74.02%	70.04%	69.46%

2. Schedule of District Contributions

	2014-2015	2015-2016	2016-2017	2017-2018
Contractually required contribution				
District contributions	\$ 245,474	\$ 302,716	\$ 358,073	\$ 407,198
Contributions in relation to the contractually required contribution	245,474	302,716	358,073	407,198
Contribution deficiency (excess)	\$ —	\$ —	\$ —	\$ —
District's covered-employee payroll	2,771,643	2,834,892	2,865,305	2,833,461
Contributions as a percentage of covered-employee payroll	8.86%	10.68%	12.50%	14.37%

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	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	30 years	32 years	31 years	30 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%	3.00%	2.75%
Salary increases	3.75%	3.75%	3.75%	3.50%
Investment rate of return	7.50%	7.50%	7.50%	7.25%
Retirement age	Experience Tables	Experience Tables	Experience Tables	Experience Tables
Mortality	RP-2000 Series Table	RP-2000 Series Table	RP-2000 Series Table	110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table

* Fiscal year 2014-15 was the first year of implementation, therefore only nine years are shown.

See accompanying independent auditor's report.

2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
5.1840%	5.3820%	5.4030%	5.5680%	5.4970%
\$ 4,764,511	\$ 4,980,791	\$ 5,396,309	\$ 2,651,352	\$ 3,921,933
\$ 2,833,461	\$ 3,052,549	\$ 2,825,924	\$ 3,093,726	\$ 3,385,125
168.15%	163.17%	190.96%	85.70%	115.86%
70.99%	72.56%	71.82%	87.21%	81.20%

2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
\$ 483,163	\$ 508,985	\$ 497,701	\$ 563,921	\$ 663,868
483,163	508,985	497,701	563,921	663,868
\$ —	\$ —	\$ —	\$ —	\$ —
3,052,549	2,825,924	3,093,726	3,385,125	3,342,646
15.83%	18.01%	16.09%	16.66%	19.86%

6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021
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
29 years	28 years	27 years	26 years	25 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
2.75%	2.75%	2.75%	2.75%	2.75%
3.50%	3.50%	3.50%	3.50%	3.50%
7.10%	7.10%	7.10%	7.10%	7.00%
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-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

LOS ANGELES UNIFIED SCHOOL DISTRICT

District Bonds Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Year Ended June 30, 2023

(in thousands)

	Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues:				
Federal revenues	\$ —	\$ —	\$ —	\$ —
Other local revenues	4,758	4,758	36,576	31,818
Total Revenues	4,758	4,758	36,576	31,818
Expenditures:				
Current:				
Classified salaries	122,909	47,592	23,480	24,112
Employee benefits	62,773	19,581	12,212	7,369
Books and supplies	1,337	32,131	1,495	30,636
Services and other operating expenditures	1,774	155,241	65,031	90,210
Capital outlay	1,237,466	733,130	730,802	2,328
Debt service – principal	—	3	3	—
Total Expenditures	1,426,259	987,678	833,023	154,655
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(1,421,501)	(982,920)	(796,447)	186,473
Other Financing Sources (Uses):				
Transfers in	—	270,846	270,846	—
Transfers out	(10,337)	(53,962)	(53,962)	—
Proceeds from sale of bonds	500,000	500,000	500,000	—
Total Other Financing Sources (Uses)	489,663	716,884	716,884	—
Net Changes in Fund Balances	(931,838)	(266,036)	(79,563)	186,473
Fund Balances, July 1, 2022	1,498,826	1,315,137	1,315,137	—
Fund Balances, June 30, 2023	\$ 566,988	\$ 1,049,101	\$ 1,235,574	\$ 186,473

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

Year Ended June 30, 2023

(in thousands)

	Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues:				
Federal revenues	\$ 69,548	\$ 69,549	\$ 69,549	\$ —
Other state revenues	—	—	3,173	3,173
Other local revenues	912,096	912,096	1,112,021	199,925
Total Revenues	981,644	981,645	1,184,743	203,098
Expenditures:				
Debt service – principal	379,558	565,558	565,335	223
Debt service – bond, COPs, and capital leases interest	602,086	524,056	524,048	8
Total Expenditures	981,644	1,089,614	1,089,383	231
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	—	(107,969)	95,360	203,329
Other Financing Sources (Uses):				
Premium on bonds issued	—	—	35,694	35,694
Total Other Financing Sources (Uses)	—	—	35,694	35,694
Net Changes in Fund Balances	—	(107,969)	131,054	239,023
Fund Balances, July 1, 2022	1,009,656	1,174,108	1,174,108	—
Fund Balances, June 30, 2023	\$ 1,009,656	\$ 1,066,139	\$ 1,305,162	\$ 239,023

See accompanying independent auditor's report.

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LOS ANGELES UNIFIED SCHOOL DISTRICT

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 State School Building Lease – Purchase Fund is used to account for State apportionments received in accordance with State Education Code Sections 17700-17780. Projects are funded by the State subject to appropriation of funds in the State Budget and by grant apportionments received from the State School Building Lease-Purchase Bond Law of 1982. The District may be required to transfer to this fund any available monies from other funds as the District's contribution to a particular project.

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 School Bonds Funding for K-12 School and Community College Facilities Initiative Statute (2016 Proposition 51).

LOS ANGELES UNIFIED SCHOOL DISTRICT**Nonmajor Governmental Funds**

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.

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.

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LOS ANGELES UNIFIED SCHOOL DISTRICT

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2023

(in thousands)

Special Revenue

	Student Activity	Adult Education	Child Development	Cafeteria
Assets:				
Cash in county treasury, in banks, and on hand	\$ 32,836	\$ 46,971	\$ 33,524	\$ 115,552
Cash held by trustee	—	—	—	—
Investments	14,335	—	—	—
Lease receivable	—	—	—	—
Accounts receivable – net	349	13,795	8,395	72,253
Accrued interest receivable	—	342	540	1,255
Prepays	—	—	—	44
Inventories	4,168	—	—	14,873
Other Assets	69	—	—	—
Total Assets	51,757	61,108	42,459	203,977
Total Assets and Deferred Outflows of Resources	\$ 51,757	\$ 61,108	\$ 42,459	\$ 203,977
Liabilities and Fund Balances:				
Vouchers and accounts payable	\$ —	\$ 2,687	\$ 992	\$ 7,143
Contracts payable	—	21	—	—
Accrued payroll	—	9,215	11,627	8,321
Other payables	1,316	665	2,240	1,430
Unearned revenue	—	2	11,750	943
Total Liabilities	1,316	12,590	26,609	17,837
Deferred Inflows of Resources	—	—	—	—
Fund Balances:				
Nonspendable	4,168	16	—	14,917
Restricted	46,273	49,188	17,485	171,223
Assigned	—	5,871	—	—
Unassigned	—	(6,557)	(1,635)	—
Total Fund Balances	50,441	48,518	15,850	186,140
Total Liabilities, Deferred Inflows of Resources and Fund	\$ 51,757	\$ 61,108	\$ 42,459	\$ 203,977

See accompanying independent auditors' report.

Debt Service

Total	Tax Override	Capital Services	Total
\$ 228,883	\$ 412	\$ 20	\$ 432
—	—	—	—
14,335	—	—	—
—	—	—	—
94,792	—	—	—
2,137	4	—	4
44	—	—	—
19,041	—	—	—
69	—	—	—
359,301	416	20	436
<u>\$ 359,301</u>	<u>\$ 416</u>	<u>\$ 20</u>	<u>\$ 436</u>
\$ 10,822	\$ —	\$ —	\$ —
21	—	—	—
29,163	—	—	—
5,651	—	—	—
12,695	—	—	—
58,352	—	—	—
—	—	—	—
19,101	—	—	—
284,169	416	20	436
5,871	—	—	—
(8,192)	—	—	—
300,949	416	20	436
<u>\$ 359,301</u>	<u>\$ 416</u>	<u>\$ 20</u>	<u>\$ 436</u>

LOS ANGELES UNIFIED SCHOOL DISTRICT

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2023

(in thousands)

	Capital			
	Building	Capital Facilities Account	State School Building Lease – Purchase	County School Facilities Bonds
Assets:				
Cash in county treasury, in banks, and on hand	\$ 9,946	\$ 34,454	\$ —	\$ 87,257
Cash held by trustee	—	—	—	—
Investments	—	—	—	—
Lease receivable	114	—	—	—
Accounts receivable – net	—	8,619	—	—
Accrued interest receivable	109	416	—	1,472
Prepays	—	—	—	—
Inventories	—	—	—	—
Other Assets	—	—	—	—
Total Assets	10,169	43,489	—	88,729
Total Asset and Deferred Outflows of Resources	\$ 10,169	\$ 43,489	\$ —	\$ 88,729
Liabilities and Fund Balances:				
Vouchers and accounts payable	\$ 1	\$ 1,489	\$ —	\$ 44
Contracts payable	38	464	—	186
Accrued payroll	83	70	—	2
Other payables	528	1,762	—	490
Unearned revenue	—	—	—	—
Total Liabilities	650	3,785	—	722
Deferred Inflows of Resources	114	—	—	—
Fund Balances:				
Nonspendable	—	—	—	—
Restricted	—	39,704	—	88,007
Assigned	9,405	—	—	—
Unassigned	—	—	—	—
Total Fund Balances	9,405	39,704	—	88,007
Total Liabilities, Deferred Inflows of Resources and Fund	\$ 10,169	\$ 43,489	\$ —	\$ 88,729

See accompanying independent auditors' report.

Projects

Special Reserve – Community Redevelopment Agency	Special Reserve	Special Reserve – FEMA – Earthquake	Special Reserve – FEMA – Hazard Mitigation	Total	Total Nonmajor Governmental Funds
\$ 130,526	\$ 45,619	\$ 2,489	\$ 715	\$ 311,006	\$ 540,321
—	—	—	—	—	—
—	—	—	—	—	14,335
—	2,102	—	—	2,216	2,216
—	935	—	—	9,554	104,346
1,378	615	26	16	4,032	6,173
—	—	—	—	—	44
—	—	—	—	—	19,041
—	—	—	—	—	69
131,904	49,271	2,515	731	326,808	686,545
<u>\$ 131,904</u>	<u>\$ 49,271</u>	<u>\$ 2,515</u>	<u>\$ 731</u>	<u>\$ 326,808</u>	<u>\$ 686,545</u>
\$ 49	\$ 314	\$ —	\$ —	\$ 1,897	\$ 12,719
82	612	—	—	1,382	1,403
42	18	—	—	215	29,378
5	253	—	—	3,038	8,689
—	—	—	—	—	12,695
178	1,197	—	—	6,532	64,884
—	2,102	—	—	2,216	2,216
—	—	—	—	—	19,101
131,726	45,927	2,345	—	307,709	592,314
—	45	170	731	10,351	16,222
—	—	—	—	—	(8,192)
131,726	45,972	2,515	731	318,060	619,445
<u>\$ 131,904</u>	<u>\$ 49,271</u>	<u>\$ 2,515</u>	<u>\$ 731</u>	<u>\$ 326,808</u>	<u>\$ 686,545</u>

LOS ANGELES UNIFIED SCHOOL DISTRICT

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2023

(in thousands)

	Special Revenue			
	Student Activity	Adult Education	Child Development	Cafeteria
Revenues:				
Federal revenues	\$ —	\$ 27,918	\$ 26,584	\$ 371,374
Other state revenues	—	130,803	187,597	89,249
Other local revenues	39,431	1,458	658	961
Total Revenues	39,431	160,179	214,839	461,584
Expenditures:				
Current:				
Certificated salaries	—	58,767	54,835	—
Classified salaries	—	18,888	61,959	128,480
Employee benefits	—	35,489	67,232	108,201
Books and supplies	29,475	8,048	6,557	156,983
Services and other operating expenditures	7,308	16,367	4,944	4,298
Capital outlay	316	1,388	233	63
Debt service – principal	—	478	101	—
Debt service – bond, COPs, and capital leases interest	—	—	5	—
Other outgo	—	50	—	—
Transfers of indirect costs – interfund	—	4,736	8,515	10,769
Total Expenditures	37,099	144,211	204,381	408,794
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,332	15,968	10,458	52,790
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Payment to refunded COPs escrow agent	—	—	—	—
Capital Leases	—	—	36	—
Proceeds from Refunding COPS	—	—	—	—
Proceeds from SBITAs	—	943	188	—
Total Other Financing Sources (Uses)	—	943	224	—
Net Changes in Fund Balances	2,332	16,911	10,682	52,790
Fund Balances, July 1, 2022	48,109	31,607	5,168	133,350
Fund Balances, June 30, 2023	\$ 50,441	\$ 48,518	\$ 15,850	\$ 186,140

See accompanying independent auditor's report.

Debt Service			
Total	Tax Override	Capital Services	Total
\$ 425,876	\$ —	\$ —	\$ —
407,649	—	—	—
42,508	12	76	88
876,033	12	76	88
113,602	—	—	—
209,327	—	—	—
210,922	—	—	—
201,063	—	—	—
32,917	—	—	—
2,000	—	—	—
579	—	23,422	23,422
5	—	4,433	4,433
50	—	—	—
24,020	—	—	—
794,485	—	27,855	27,855
81,548	12	(27,779)	(27,767)
—	—	14,821	14,821
—	—	(357)	(357)
—	—	(73,373)	(73,373)
36	—	—	—
—	—	73,730	73,730
1,131	—	—	—
1,167	—	14,821	14,821
82,715	12	(12,958)	(12,946)
218,234	404	12,978	13,382
\$ 300,949	\$ 416	\$ 20	\$ 436

LOS ANGELES UNIFIED SCHOOL DISTRICT

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Year Ended June 30, 2023

(in thousands)

	Capital			
	Building	Capital Facilities Account	State School Building Lease – Purchase	County School Facilities Bonds
Revenues:				
Federal revenues	\$ —	\$ —	\$ —	\$ —
Other state revenues	—	—	—	160,047
Other local revenues	1,373	106,206	6,435	7,539
Total Revenues	1,373	106,206	6,435	167,586
Expenditures:				
Current:				
Certificated salaries	—	—	—	—
Classified salaries	811	572	—	1
Employee benefits	398	318	—	1
Books and supplies	2	1	—	—
Services and other operating expenditures	601	2,199	—	520
Capital outlay	—	130,689	—	37,044
Debt service – principal	—	—	—	—
Debt service – bond, COPs, and capital leases interest	—	—	—	—
Other outgo	—	—	—	—
Transfers of indirect costs – interfund	—	—	—	—
Total Expenditures	1,812	133,779	—	37,566
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(439)	(27,573)	6,435	130,020
Other Financing Sources (Uses):				
Transfers in	—	—	—	14,329
Transfers out	(213)	(137)	(12,169)	(239,890)
Payment to COPs escrow agent	—	—	—	—
Facilities revolving funds	—	—	—	—
Proceeds from Refunding COPS	—	—	—	—
Proceeds from SBITAs	—	—	—	—
Total Other Financing Sources (Uses)	(213)	(137)	(12,169)	(225,561)
Net Changes in Fund Balances	(652)	(27,710)	(5,734)	(95,541)
Fund Balances, July 1, 2022	10,057	67,414	5,734	183,548
Fund Balances, June 30, 2023	\$ 9,405	\$ 39,704	\$ —	\$ 88,007

See accompanying independent auditor's report.

Projects					
Special Reserve – Community Redevelopment Agency	Special Reserve	Special Reserve – FEMA – Earthquake	Special Reserve – FEMA – Hazard Mitigation	Total	Total Nonmajor Governmental Funds
\$ —	\$ 1,808	\$ —	\$ —	\$ 1,808	\$ 427,684
—	679	—	—	160,726	568,375
56,685	15,401	55	115	193,809	236,405
56,685	17,888	55	115	356,343	1,232,464
—	—	—	—	—	113,602
242	24,061	—	—	25,687	235,014
121	12,381	—	—	13,219	224,141
—	115	—	—	118	201,181
819	2,237	—	—	6,376	39,293
441	14,261	—	1,528	183,963	185,963
—	—	—	—	—	24,001
—	—	—	—	—	4,438
—	—	—	—	—	50
—	—	—	—	—	24,020
1,623	53,055	—	1,528	229,363	1,051,703
55,062	(35,167)	55	(1,413)	126,980	180,761
—	12,524	—	—	26,853	41,674
(30,000)	(1,281)	—	—	(283,690)	(284,047)
—	—	—	—	—	(73,373)
—	—	—	—	—	36
—	—	—	—	—	73,730
—	—	—	—	—	1,131
(30,000)	11,243	—	—	(256,837)	(240,849)
25,062	(23,924)	55	(1,413)	(129,857)	(60,088)
106,664	69,896	2,460	2,144	447,917	679,533
\$ 131,726	\$ 45,972	\$ 2,515	\$ 731	\$ 318,060	\$ 619,445

LOS ANGELES UNIFIED SCHOOL DISTRICT

Special Revenue Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Year Ended June 30, 2023

(in thousands)

	Student Activity Special Revenue			Variance with Final Budget – Favorable (Unfavorable)
	Budget		Actual	
	Original	Final		
Revenues:				
Federal revenues	\$ —	\$ —	\$ —	\$ —
Other state revenues	—	—	—	—
Other local revenues	29,882	29,882	39,431	9,549
Total Revenues	29,882	29,882	39,431	9,549
Expenditures:				
Current:				
Certificated salaries	—	—	—	—
Classified salaries	—	—	—	—
Employee benefits	—	—	—	—
Books and supplies	23,042	44,380	29,475	14,905
Services and other operating expenditures	3,776	7,376	7,308	68
Capital outlay	338	338	316	22
Debt Service – principal	—	—	—	—
Debt service – bond, COPs, and capital leases interest	—	—	—	—
Other outgo	—	—	—	—
Transfers of indirect costs – interfund	—	—	—	—
Total Expenditures	27,156	52,094	37,099	14,995
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	2,726	(22,212)	2,332	24,544
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Capital Leases	—	—	—	—
Proceeds from SBITAs	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Changes in Fund Balances	2,726	(22,212)	2,332	24,544
Fund Balances, July 1, 2022	49,613	48,109	48,109	—
Fund Balances, June 30, 2023	\$ 52,339	\$ 25,897	\$ 50,441	\$ 24,544

See accompanying independent auditor's report.

Adult Education				Child Development			
Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)	Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
Original	Final			Original	Final		
\$ 18,504	\$ 20,038	\$ 27,918	\$ 7,880	\$ 5,584	\$ 6,323	\$ 26,584	\$ 20,261
129,590	130,668	130,803	135	173,663	225,803	187,597	(38,206)
1,210	1,618	1,458	(160)	—	365	658	293
149,304	152,324	160,179	7,855	179,247	232,491	214,839	(17,652)
61,623	59,700	58,767	933	51,845	54,905	54,835	70
17,834	19,630	18,888	742	60,396	67,438	61,959	5,479
37,222	37,586	35,489	2,097	63,258	67,423	67,232	191
22,613	11,082	8,048	3,034	10,761	32,939	6,557	26,382
13,769	18,066	16,367	1,699	4,263	5,152	4,944	208
407	1,414	1,388	26	—	246	233	13
—	478	478	—	—	110	101	9
—	—	—	—	—	5	5	—
—	50	50	—	—	—	—	—
4,961	6,463	4,736	1,727	8,257	9,239	8,515	724
158,429	154,469	144,211	10,258	198,780	237,457	204,381	33,076
(9,125)	(2,145)	15,968	18,113	(19,533)	(4,966)	10,458	15,424
—	—	—	—	19,433	1,142	—	(1,142)
(30)	—	—	—	—	—	—	—
—	—	—	—	—	—	36	36
—	—	943	943	—	—	188	188
(30)	—	943	943	19,433	1,142	224	(918)
(9,155)	(2,145)	16,911	19,056	(100)	(3,824)	10,682	14,506
47,052	31,607	31,607	—	285	5,168	5,168	—
\$ 37,897	\$ 29,462	\$ 48,518	\$ 19,056	\$ 185	\$ 1,344	\$ 15,850	\$ 14,506

LOS ANGELES UNIFIED SCHOOL DISTRICT

Special Revenue Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Year Ended June 30, 2023

(in thousands)

	Cafeteria			Variance with Final Budget – Favorable (Unfavorable)
	Budget		Actual	
	Original	Final		
Revenues:				
Federal revenues	\$ 342,082	\$ 372,334	\$ 371,374	\$ (960)
Other state revenues	35,007	88,075	89,249	1,174
Other local revenues	1,699	2,040	961	(1,079)
Total Revenues	378,788	462,449	461,584	(865)
Expenditures:				
Current:				
Certificated salaries	—	—	—	—
Classified salaries	125,383	130,299	128,480	1,819
Employee benefits	108,198	111,337	108,201	3,136
Books and supplies	176,874	170,959	156,983	13,976
Services and other operating expenditures	3,209	5,707	4,298	1,409
Capital outlay	185	1,485	63	1,422
Debt Service – principal	—	—	—	—
Debt service – bond, COPs, and capital leases interest	—	—	—	—
Other outgo	—	—	—	—
Transfers of indirect costs – interfund	17,186	10,769	10,769	—
Total Expenditures	431,035	430,556	408,794	21,762
Excess (Deficiency) of Revenues	(52,247)	31,893	52,790	20,897
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Capital Leases	—	—	—	—
Proceeds from SBITAs	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Changes in Fund Balances	(52,247)	31,893	52,790	20,897
Fund Balances, July 1, 2022	110,260	133,350	133,350	—
Fund Balances, June 30, 2023	\$ 58,013	\$ 165,243	\$ 186,140	\$ 20,897

See accompanying independent auditor's report.

Total			
Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
Original	Final		
\$ 366,170	\$ 398,695	\$ 425,876	\$ 27,181
338,260	444,546	407,649	(36,897)
32,791	33,905	42,508	8,603
737,221	877,146	876,033	(1,113)
113,468	114,605	113,602	1,003
203,613	217,367	209,327	8,040
208,678	216,346	210,922	5,424
233,290	259,360	201,063	58,297
25,017	36,301	32,917	3,384
930	3,483	2,000	1,483
—	588	579	9
—	5	5	—
—	50	50	—
30,404	26,471	24,020	2,451
815,400	874,576	794,485	80,091
(78,179)	2,570	81,548	78,978
19,433	1,142	—	(1,142)
(30)	—	—	—
—	—	36	36
—	—	1,131	1,131
19,403	1,142	1,167	25
(58,776)	3,712	82,715	79,003
157,597	218,234	218,234	—
\$ 98,821	\$ 221,946	\$ 300,949	\$ 79,003

LOS ANGELES UNIFIED SCHOOL DISTRICT

Debt Service Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Year Ended June 30, 2023
(in thousands)

	Tax Override			Variance with Final Budget – Favorable (Unfavorable)
	Budget		Actual	
	Original	Final		
Revenues:				
Federal revenues	\$	\$	\$	\$
Other state revenues	—	—	—	—
Other local revenues	—	—	12	12
Total Revenues	—	—	12	12
Expenditures:				
Debt service – principal	—	—	—	—
Debt service – bond, COPs, and capital leases interest	—	—	—	—
Total Expenditures	—	—	—	—
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	—	—	12	12
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	—	—	—
Proceeds from refunding COPs	—	—	—	—
Payment to refunded COPs escrow agent	—	—	—	—
Total Other Financing Sources (Uses)	—	—	—	—
Net Changes in Fund Balances	—	—	12	12
Fund Balances, July 1, 2022	420	404	404	—
Fund Balances, June 30, 2023	\$ 420	\$ 404	\$ 416	\$ 12

See accompanying independent auditor's report.

Capital Services				Total			
Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)	Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
Original	Final			Original	Final		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—	—	—
60	60	76	16	60	60	88	28
60	60	76	16	60	60	88	28
10,700	23,422	23,422	—	10,700	23,422	23,422	—
5,646	4,433	4,433	—	5,646	4,433	4,433	—
16,346	27,855	27,855	—	16,346	27,855	27,855	—
(16,286)	(27,795)	(27,779)	16	(16,286)	(27,795)	(27,767)	28
16,286	16,286	14,821	(1,465)	16,286	16,286	14,821	(1,465)
—	(357)	(357)	—	—	(357)	(357)	—
—	73,730	73,730	—	—	73,730	73,730	—
—	(73,373)	(73,373)	—	—	(73,373)	(73,373)	—
16,286	16,286	14,821	(1,465)	16,286	16,286	14,821	(1,465)
—	(11,509)	(12,958)	(1,449)	—	(11,509)	(12,946)	(1,437)
12,980	12,978	12,978	—	13,400	13,382	13,382	—
\$ 12,980	\$ 1,469	\$ 20	\$ (1,449)	\$ 13,400	\$ 1,873	\$ 436	\$ (1,437)

LOS ANGELES UNIFIED SCHOOL DISTRICT

Capital Projects Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Year Ended June 30, 2023

(in thousands)

	Building			Variance with Final Budget – Favorable (Unfavorable)
	Budget		Actual	
	Original	Final		
Revenues:				
Federal revenues	\$ —	\$ —	\$ —	\$ —
Other state revenues	—	—	—	—
Other local revenues	863	863	1,373	510
Total Revenues	863	863	1,373	510
Expenditures:				
Current:				
Classified salaries	846	972	811	161
Employee benefits	449	521	398	123
Books and supplies	—	2	2	—
Services and other operating expenditures	—	602	601	1
Capital outlay	26	1,211	—	1,211
Total Expenditures	1,321	3,308	1,812	1,496
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(458)	(2,445)	(439)	2,006
Other Financing Sources (Uses):				
Transfers in	—	—	—	—
Transfers out	—	(213)	(213)	—
Total Other Financing Sources (Uses)	—	(213)	(213)	—
Net Changes in Fund Balances	(458)	(2,658)	(652)	2,006
Fund Balances, July 1, 2022	10,449	10,057	10,057	—
Fund Balances, June 30, 2023	\$ 9,991	\$ 7,399	\$ 9,405	\$ 2,006

See accompanying independent auditor's report.

Capital Facilities Account				State School Building Lease – Purchase			
Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)	Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
Original	Final			Original	Final		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—	—	—
83,206	83,206	106,206	23,000	—	6,435	6,435	—
83,206	83,206	106,206	23,000	—	6,435	6,435	—
588	650	572	78	—	—	—	—
277	349	318	31	—	—	—	—
78	63	1	62	—	—	—	—
31,478	2,420	2,199	221	—	—	—	—
101,145	131,000	130,689	311	18	—	—	—
133,566	134,482	133,779	703	18	—	—	—
(50,360)	(51,276)	(27,573)	23,703	(18)	6,435	6,435	—
—	—	—	—	—	—	—	—
—	(137)	(137)	—	—	(12,169)	(12,169)	—
—	(137)	(137)	—	—	(12,169)	(12,169)	—
(50,360)	(51,413)	(27,710)	23,703	(18)	(5,734)	(5,734)	—
50,360	67,414	67,414	—	6,214	5,734	5,734	—
\$ —	\$ 16,001	\$ 39,704	\$ 23,703	\$ 6,196	\$ —	\$ —	\$ —

LOS ANGELES UNIFIED SCHOOL DISTRICT

Capital Projects Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Year Ended June 30, 2023

(in thousands)

County School Facilities Bonds			
	Budget		Variance with Final Budget – Favorable (Unfavorable)
	Original	Final	Actual
Revenues:			
Federal revenues	\$ —	\$ —	\$ —
Other state revenues	119,345	119,345	160,047
Other local revenues	1,514	1,514	7,539
Total Revenues	120,859	120,859	167,586
Expenditures:			
Current:			
Classified salaries	—	83	1
Employee benefits	—	41	1
Books and supplies	—	701	—
Services and other operating expenditures	—	18,073	520
Capital outlay	106,239	37,482	37,044
Total Expenditures	106,239	56,380	37,566
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	14,620	64,479	130,020
Other Financing Sources (Uses):			
Transfers in	—	14,329	14,329
Transfers out	—	(239,890)	(239,890)
Total Other Financing Sources (Uses)	—	(225,561)	(225,561)
Net Changes in Fund Balances	14,620	(161,082)	(95,541)
Fund Balances, July 1, 2022	228,846	183,548	183,548
Fund Balances, June 30, 2023	\$ 243,466	\$ 22,466	\$ 88,007

See accompanying independent auditors' report.

Special Reserve – Community Redevelopment Agency				Special Reserve			
Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)	Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
Original	Final			Original	Final		
\$ —	\$ —	\$ —	\$ —	\$ 2,342	\$ 3,540	\$ 1,808	\$ (1,732)
—	—	—	—	741	1,241	679	(562)
48,355	48,355	56,685	8,330	10,825	11,828	15,401	3,573
48,355	48,355	56,685	8,330	13,908	16,609	17,888	1,279
230	359	242	117	—	24,088	24,061	27
101	188	121	67	—	12,420	12,381	39
196	3,959	—	3,959	—	777	115	662
15,897	5,814	819	4,995	—	3,720	2,237	1,483
2	557	441	116	17,338	28,964	14,261	14,703
16,426	10,877	1,623	9,254	17,338	69,969	53,055	16,914
31,929	37,478	55,062	17,584	(3,430)	(53,360)	(35,167)	18,193
—	—	—	—	—	12,524	12,524	—
(30,000)	(30,000)	(30,000)	—	—	(1,281)	(1,281)	—
(30,000)	(30,000)	(30,000)	—	—	11,243	11,243	—
1,929	7,478	25,062	17,584	(3,430)	(42,117)	(23,924)	18,193
112,224	106,664	106,664	—	79,209	69,896	69,896	—
\$ 114,153	\$ 114,142	\$ 131,726	\$ 17,584	\$ 75,779	\$ 27,779	\$ 45,972	\$ 18,193

(Continued)

LOS ANGELES UNIFIED SCHOOL DISTRICT

Capital Projects Funds

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

Year Ended June 30, 2023

(in thousands)

		Special Reserve – FEMA – Earthquake		
		Budget		Variance with Final Budget – Favorable (Unfavorable)
		Original	Final	Actual
Revenues:				
Federal revenues		\$ —	\$ —	\$ —
Other state revenues		—	—	—
Other local revenues		—	—	55
Total Revenues		—	—	55
Expenditures:				
Current:				
Classified salaries		—	—	—
Employee benefits		—	—	—
Books and supplies		—	—	—
Services and other operating expenditures		—	—	—
Capital outlay		2,343	2,252	—
Total Expenditures		2,343	2,252	—
Excess (Deficiency) of Revenues				
Over (Under) Expenditures		(2,343)	(2,252)	55
Other Financing Sources (Uses):				
Transfers in		—	—	—
Transfers out		—	—	—
Total Other Financing Sources (Uses)		—	—	—
Net Changes in Fund Balances		(2,343)	(2,252)	55
Fund Balances, July 1, 2022		2,551	2,460	2,460
Fund Balances, June 30, 2023		\$ 208	\$ 208	\$ 2,515
				\$ 2,307

See accompanying independent auditors' report.

Special Reserve – FEMA – Hazard Mitigation				Total			
Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)	Budget		Actual	Variance with Final Budget – Favorable (Unfavorable)
Original	Final			Original	Final		
\$ —	\$ —	\$ —	\$ —	\$ 2,342	\$ 3,540	\$ 1,808	\$ (1,732)
—	—	—	—	120,086	120,586	160,726	40,140
—	—	115	115	144,763	152,201	193,809	41,608
—	—	115	115	267,191	276,327	356,343	80,016
—	42	—	42	1,664	26,194	25,687	507
—	24	—	24	827	13,543	13,219	324
—	2	—	2	274	5,504	118	5,386
—	499	—	499	47,375	31,128	6,376	24,752
—	1,577	1,528	49	227,111	203,043	183,963	19,080
—	2,144	1,528	616	277,251	279,412	229,363	50,049
—	(2,144)	(1,413)	731	(10,060)	(3,085)	126,980	130,065
—	—	—	—	—	26,853	26,853	—
—	—	—	—	(30,000)	(283,690)	(283,690)	—
—	—	—	—	(30,000)	(256,837)	(256,837)	—
—	(2,144)	(1,413)	731	(40,060)	(259,922)	(129,857)	130,065
2,233	2,144	2,144	—	492,086	447,917	447,917	—
\$ 2,233	\$ —	\$ 731	\$ 731	\$ 452,026	\$ 187,995	\$ 318,060	\$ 130,065

LAUSD
UNIFIED

LOS ANGELES UNIFIED SCHOOL DISTRICT

Internal Service Funds

The Health and Welfare Benefits Fund was established pursuant to Education Code 39602 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 39602 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 39602 to pay claims, excess insurance coverage, administrative costs and related expenditures, and to provide funds for insurance deductible amounts. Liability claims are administered for the District by outside claims administrators.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Internal Service Funds

Combining Statement of Net Position

June 30, 2023

(in thousands)

	Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self-Insurance	Total
Assets:				
Cash in county treasury, in banks, and on hand	\$ 83,883	\$ 635,537	\$ 268,574	\$ 987,994
Accounts receivable – net	60,922	—	—	60,922
Accrued interest and dividends receivable	815	6,564	1,893	9,272
Prepays	13,634	6	—	13,640
Other assets	4,774	—	—	4,774
Total Assets	164,028	642,107	270,467	1,076,602
Deferred Outflows of Resources	3,148	1,726	2,851	7,725
Liabilities:				
Current:				
Vouchers and accounts payable	8,123	928	141	9,192
Accrued payroll	569	310	578	1,457
Other payables	16,499	342	4,180	21,021
Estimated liability for self-insurance claims	21,743	90,401	120,156	232,300
Total Current Liabilities	46,934	91,981	125,055	263,970
Noncurrent:				
Estimated liability for self-insurance claims	—	268,748	155,555	424,303
Net other postemployment benefits liability	4,309	2,302	3,147	9,758
Net pension liability	4,551	2,514	4,375	11,440
Total Noncurrent Liabilities	8,860	273,564	163,077	445,501
Total Liabilities	55,794	365,545	288,132	709,471
Deferred Inflows of Resources	3,525	1,903	2,819	8,247
Total Net Position – Unrestricted	\$ 107,857	\$ 276,385	\$ (17,633)	\$ 366,609

See accompanying independent auditor's report.

LOS ANGELES UNIFIED SCHOOL DISTRICT
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Year Ended June 30, 2023
(in thousands)

	Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self-Insurance	Total
Operating Revenues:				
In-District premiums	\$ 1,172,257	\$ 138,699	\$ 103,736	\$ 1,414,692
Others	11,704	—	—	11,704
Total Operating Revenues	<u>1,183,961</u>	<u>138,699</u>	<u>103,736</u>	<u>1,426,396</u>
Operating Expenses:				
Classified salaries	2,487	1,296	2,639	6,422
Employee benefits	4,553	(6,880)	4,199	1,872
Supplies	321	21	79	421
Premiums and claims expenses	1,179,122	56,615	109,527	1,345,264
Claims administration	3,348	12,025	673	16,046
Other contracted services	986	470	45	1,501
Total Operating Expenses	<u>1,190,817</u>	<u>63,547</u>	<u>117,162</u>	<u>1,371,526</u>
Operating Income (Loss)	<u>(6,856)</u>	<u>75,152</u>	<u>(13,426)</u>	<u>54,870</u>
Nonoperating Revenues (Expenses):				
Investment income	3,381	11,759	4,568	19,708
Miscellaneous expense	—	(48)	—	(48)
Total Nonoperating Revenues	<u>3,381</u>	<u>11,711</u>	<u>4,568</u>	<u>19,660</u>
Changes in Net Position	<u>(3,475)</u>	<u>86,863</u>	<u>(8,858)</u>	<u>74,530</u>
Total Net Position, July 1, 2022	<u>111,332</u>	<u>189,522</u>	<u>(8,775)</u>	<u>292,079</u>
Total Net Position, June 30, 2023	<u>\$ 107,857</u>	<u>\$ 276,385</u>	<u>\$ (17,633)</u>	<u>\$ 366,609</u>

See accompanying independent auditor's report.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Internal Service Funds
Combining Statement of Cash Flows
Year Ended June 30, 2023
(in thousands)

	Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self-Insurance	Total
Cash Flows from Operating Activities:				
Cash payments to employees for services	\$ (3,840)	\$ (2,118)	\$ (3,701)	\$ (9,659)
Cash payments for goods and services	(1,185,175)	(96,355)	(149,831)	(1,431,361)
Receipts from assessment to other funds	1,172,257	138,699	103,736	1,414,692
Other operating revenue	11,704	—	—	11,704
Cash Provided (Used) by Operating Activities	(5,054)	40,226	(49,796)	(14,624)
Cash Flows from Investing Activities:				
Earnings on investments	3,054	6,789	3,104	12,947
Net Cash Provided by Investing Activities	3,054	6,789	3,104	12,947
Net Increase (Decrease) in Cash and Cash Equivalents	(2,000)	47,015	(46,692)	(1,677)
Cash and Cash Equivalents, July 1	85,883	588,522	315,266	989,671
Cash and Cash Equivalents, June 30	\$ 83,883	\$ 635,537	\$ 268,574	\$ 987,994
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ (6,856)	\$ 75,152	\$ (13,426)	\$ 54,870
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Net increase in pension and other postemployment benefits expense from actuarial valuation	3,124	(7,712)	2,961	(1,627)
Change in Assets: Decrease (Increase)				
Accounts receivable	(19,631)	—	—	(19,631)
Prepays	42,927	(6)	—	42,921
Change in Liabilities: Increase (Decrease)				
Vouchers and accounts payable	7,987	(3,237)	(1,017)	3,733
Accrued payroll	77	11	176	264
Other payables	(31,118)	319	4,128	(26,671)
Estimated liability for self-insurance claims – current	(1,564)	(9,319)	(114,837)	(125,720)
Estimated liability for self-insurance claims – noncurrent	—	(14,982)	72,219	57,237
Total Adjustments	1,802	(34,926)	(36,370)	(69,494)
Net Cash Provided (Used) by Operating Activities	\$ (5,054)	\$ 40,226	\$ (49,796)	\$ (14,624)

See accompanying independent auditor's report.

LAUSD
UNIFIED

SUPPLEMENTARY INFORMATION

LOS ANGELES UNIFIED SCHOOL DISTRICT

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		
2013-2014	\$ 482,043,584	\$ 21,634,336	\$ 503,677,920	1.146439	\$ 23,602,428	4.92	527,995	\$ 954
2014-2015	510,371,502	22,562,705	532,934,207	1.146881	29,256,287	5.81	516,229	1,032
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	380,709	2,150
2022-2023	848,435,713	29,196,328	877,632,041	1.121072	59,228,774	7.24	384,010	2,285

* 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 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 UNIFIED SCHOOL DISTRICT

Largest 2022-23 Local Secured Taxpayers ⁽¹⁾
 Current Year and Nine Years Ago
 (in thousands)
 (Unaudited)

2023				2014			
Rank	Property Owner	Assessed Valuation	% of Total ⁽²⁾	Rank	Property Owner	Assessed Valuation	% of Total ⁽³⁾
1	Universal Studios LLC	\$ 2,701,431	0.32%	1	Douglas Emmett LLC	\$ 2,393,458	0.50%
2	Douglas Emmett LLC	2,694,073	0.32%	2	Universal Studios LLC	1,404,214	0.29%
3	Essex Portfolio LP	2,358,854	0.28%	3	Anheuser Busch Inc.	836,513	0.17%
4	Rexford Industrial Realty LP	1,535,567	0.18%	4	Donald T. Sterling	677,457	0.14%
5	Century City Mall LLC	1,112,962	0.13%	5	BRE Properties Inc.	647,722	0.13%
6	FSP South Flower Street	984,033	0.12%	6	One Hundred Towers LLC	605,747	0.13%
7	CJDB LLC	948,049	0.11%	7	Olympic and Georgia Partners LLC	574,138	0.12%
8	Greenland LA Metropolis	944,718	0.11%	8	Tishman Speyer Archstone Smith	544,789	0.11%
9	Anheuser Busch Commercial	884,417	0.10%	9	Paramount Pictures Corp.	539,277	0.11%
10	Rochelle H. Sterling	880,315	0.10%	10	Duesenberg Investment Company	506,553	0.11%
11	Hanjin International Corp.	878,078	0.10%	11	LA Live Properties LLC	488,095	0.10%
12	Onni Wilshire Courtyard LLC	810,564	0.10%	12	Century City Mall LLC	478,153	0.10%
13	One Hundred Towers LLC	701,265	0.08%	13	Taubman Beverly Center	477,297	0.10%
14	Trizec 333 LA LLC	687,273	0.08%	14	Casden Park La Brea LLC	467,448	0.10%
15	Maguire Partners 355 S. Grand LLC	642,742	0.08%	15	Trizec 333 LA LLC	466,751	0.10%
16	BRE HH Property Owner LLC	637,805	0.08%	16	Westfield Topanga Owner LP	461,203	0.10%
17	Olympic and Georgia Partners LLC	612,072	0.07%	17	Wilshire Courtyard LP	420,500	0.09%
18	Tishman Speyer Archstone Smith	611,707	0.07%	18	Twentieth Century Fox Film Corp.	394,172	0.08%
19	LA Live Properties LLC	571,177	0.07%	19	2121 Ave. of the Stars LLC	376,000	0.08%
20	Maguire Properties 555 W. Fifth	563,508	0.07%	20	1999 Stars LLC	364,458	0.08%
		<u>\$ 21,760,610</u>	<u>2.57%</u>			<u>\$ 13,123,945</u>	<u>2.74%</u>

(1) Excludes taxpayers with values derived from mineral rights or a possessory interest. Historically, among the top 10 taxpayers within the District are landowners with primary land use of oil and gas production, including Marathon Petroleum Corporation, Phillips 66 Company and Valero Energy Corporation, which are not reflected in the table above.

(2) 2022-23 Local Secured Assessed Valuation: \$ 848,435,713

(3) 2013-14 Local Secured Assessed Valuation: \$ 482,043,584

LOS ANGELES UNIFIED SCHOOL DISTRICT

Property Tax Levies and Collections

Last Ten Fiscal Years

(in thousands)

(Unaudited)

Fiscal Year	Total Tax Levy	ERAF Funds ⁽¹⁾	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections ⁽²⁾	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy
2013-2014	\$ 1,652,164	\$ 26,846	\$ 1,684,486	100.33%	\$ 29,409	\$ 1,713,895	102.08%
2014-2015	1,779,935	35,339	1,798,657	99.08	38,226	1,836,883	101.19
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	2,822,562	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

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

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

See accompanying independent auditor's report.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Organization Structure Year Ended June 30, 2023 (Unaudited)

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 FY2023.

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.

Name	Board District	Expiration of Term
Jackie Goldberg, President	5	December 16, 2024
Dr. George McKenna	1	December 16, 2024
Dr. Rocio Rivas	2	December 11, 2027
Scott Schmerelson	3	December 16, 2024
Nick Melvoin	4	December 11, 2027
Kelly Gonez	6	December 11, 2027
Tanya Ortiz Franklin	7	December 16, 2024

Name	Title
Albert M. Carvalho	Superintendent of Schools
Pedro Salcido	Deputy Superintendent, Business Services & Operations
Karla Estrada	Deputy Superintendent, Instruction
Kristen Murphy	Chief of Staff
Roberto Martinez	Associate Superintendent, Chief of School Culture, Climate and Safety
Frances Baez	Chief Academic Officer
Veronica Arreguin	Chief Strategy Officer
Anthony Aguilar	Chief of Special Education, Equity and Access
Krisztina Tokes	Chief Facilities Executive
David Hart	Chief Business Officer
V. Luis Buendia	Deputy Chief Business Officer
Soheil Katal	Chief Information Officer
Devora Navera Reed	General Counsel
Karla Gould	Personnel Director

Date of Establishment: 1854 as the Common Schools for the City of Los Angeles and became a unified school district in 1960.

Fiscal Year: July 1 – June 30

Number of Schools:	(As of October)	2019-2020	2020-2021	2021-2022	2022-2023
Elementary Schools		440	438	436	434
Middle/Junior High Schools		79	78	78	78
Senior High Schools		92	89	87	87
Options Schools		54	54	53	59
Special Education Schools		14	13	13	12
Magnet Schools		61	65	66	67
Magnet Centers		231	245	255	262
Community Adult Schools		1	1	1	2
Regional Occupational Centers		6	7	7	7
Skills Centers		4	2	2	2
Early Education Centers		86	87	87	87
Infant Centers		4	4	4	4
California State Preschools		88	89	89	89
Primary School Centers		19	18	18	18
Multi-level Schools		25	28	28	30
Total Schools and Centers		1,204	1,218	1,224	1,238
Independent Charter Schools		226	229	227	224

See accompanying independent auditor's report.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Average Daily Attendance

Year Ended June 30, 2023

	Second Period Report	Annual Report	Audited Second Period Report*	Audited Annual Report*
District				
Kindergarten-Grade 3	112,508.29	113,577.90	112,501.78	113,572.23
Grades 4-6	83,018.08	83,205.18	83,018.08	83,205.18
Grades 7-8	48,922.59	48,942.43	48,918.83	48,938.64
Grades 9-12	103,204.05	102,468.73	103,204.05	102,468.73
Total District	347,653.01	348,194.24	347,642.74	348,184.78
County				
Kindergarten-Grade 3	0.00	0.00	0.00	0.00
Grades 4-6	0.24	0.19	0.24	0.19
Grades 7-8	0.79	1.27	0.79	1.27
Grades 9-12	366.06	348.76	366.06	348.76
Total County	367.09	350.22	367.09	350.22
Affiliated Charter Schools				
Kindergarten-Grade 3	11,692.55	11,723.88	11,692.55	11,723.88
Grades 4-6	8,294.04	8,298.40	8,294.04	8,298.40
Grades 7-8	5,760.34	5,749.23	5,760.34	5,749.23
Grades 9-12	9,762.88	9,694.09	9,762.88	9,694.09
Total Affiliated Charter Schools	35,509.81	35,465.60	35,509.81	35,465.60
Total Average Daily Attendance	383,529.91	384,010.06	383,519.64	384,000.60

See accompanying independent auditor's report and notes to supplementary information.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Average Daily Attendance

Annual Report

Last Ten Fiscal Years

(Unaudited)

	2013-2014	2014-2015	2015-2016	2016-2017
District:				
Kindergarten-Grade 3	168,252.87	163,499.69	158,998.06	155,262.38
Grades 4-6	114,524.59	112,259.91	111,544.08	109,051.67
Grades 7-8	71,438.68	68,537.63	65,595.68	64,118.24
Grades 9-12	133,466.36	131,352.82	127,103.24	121,861.09
Total District	487,682.50	475,650.05	463,241.06	450,293.38
County:				
Kindergarten-Grade 3	0.00	0.00	0.00	0.00
Grades 4-6	1.23	1.38	1.23	0.00
Grades 7-8	7.85	5.12	3.18	2.71
Grades 9-12	670.05	628.23	489.84	417.13
Total County	679.13	634.73	494.25	419.84
Affiliated Charter Schools:				
Kindergarten-Grade 3	16,012.86	15,913.38	15,866.33	15,792.20
Grades 4-6	10,393.49	10,505.83	10,545.58	10,552.33
Grades 7-8	5,758.33	6,070.36	6,000.47	6,037.96
Grades 9-12	7,468.47	7,454.27	7,219.75	8,760.14
Total Affiliated Charter Schools	39,633.15	39,943.84	39,632.13	41,142.63
Total Average Daily Attendance	527,994.78	516,228.62	503,367.44	491,855.85

^(a) 2021-2022 ADA was updated in the 2022-23 school year to reflect additional attendance data reported in Regular ADA and Nonpublic School ADA. It was also reduced for the following audit findings: S-2022-001, S-2022-003, S-2022-004, and S-2022-010.

^(b) The 2021-2022 ADA was reduced due to the audit finding on Marquez Charter School (S-2022-010), as well as corrections to Kenter Canyon Elementary Charter's and Westwood Charter Elementary's ADA.

See accompanying independent auditor's report and notes to supplementary information.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Average Daily Attendance

Annual Report

Last Ten Fiscal Years

(Unaudited)

2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
149,197.07	141,934.03	139,028.46	139,028.46	111,075.81	113,577.90
107,018.53	100,538.16	99,037.56	99,037.56	82,974.91	83,205.18
62,336.66	60,529.29	60,142.80	60,142.80	49,804.14	48,942.43
119,450.52	111,755.74	115,393.98	115,393.98	101,703.61	102,468.73
438,002.78	414,757.22	413,602.80	413,602.80	345,558.47 ^(a)	348,194.24
0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.19
2.42	3.70	2.14	2.14	1.79	1.27
354.29	339.53	359.98	359.98	335.28	348.76
356.71	343.23	362.12	362.12	337.07	350.22
15,305.84	13,313.03	13,473.52	13,473.52	11,198.11	11,723.88
10,481.51	9,222.72	9,714.50	9,714.50	8,254.14	8,298.40
5,923.43	5,770.32	6,925.51	6,925.51	5,887.65	5,749.23
8,521.18	10,603.83	10,826.92	10,826.92	9,702.86	9,694.09
40,231.96	38,909.90	40,940.45	40,940.45	35,042.76 ^(b)	35,465.60
478,591.45	454,010.35	454,905.37	454,905.37	380,938.30	384,010.06

^(a) 2021-2022 ADA was updated in the 2022-23 school year to reflect additional attendance data reported in Regular ADA and Nonpublic School ADA. It was also reduced for the following audit findings: S-2022-001, S-2022-003, S-2022-004, and S-2022-010.

^(b) The 2021-2022 ADA was reduced due to the audit finding on Marquez Charter School (S-2022-010), as well as corrections to Kenter Canyon Elementary Charter's and Westwood Charter Elementary's ADA.

See accompanying independent auditor's report and notes to supplementary information.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Average Daily Attendance – Affiliated Charter Schools

Year Ended June 30, 2023

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	0.00	0.00	0.00	0.00
2 Beckford Charter for Enriched Studies	19 64733 6015986	389.84	389.67	389.84	389.67
3 Calabash Charter Academy	19 64733 6016240	270.57	271.43	270.57	271.43
4 Calvert Charter for Enriched Studies	19 64733 6016265	174.35	175.64	174.35	175.64
5 Canyon Charter Elementary School	19 64733 6016323	247.40	248.04	247.40	248.04
6 Carpenter Community Charter School	19 64733 6016356	547.39	549.68	547.39	549.68
7 Castlebay Lane Charter School	19 64733 6071435	376.76	377.10	376.76	377.10
8 Chatsworth Charter High School	19 64733 1931708	0.00	0.00	0.00	0.00
9 Colfax Charter Elementary School	19 64733 6016562	479.40	481.85	479.40	481.85
10 Community Magnet Charter Elementary School	19 64733 6094726	262.09	262.03	262.09	262.03
11 Dearborn Elementary Charter Academy	19 64733 6016729	328.29	328.77	328.29	328.77
12 Dixie Canyon Community Charter School	19 64733 6016778	400.28	400.66	400.28	400.66
13 Dr. Theodore T. Alexander Jr. Science Center	19 64733 0102491	385.51	385.98	385.51	385.98
14 El Oro Way Charter For Enriched Studies	19 64733 6016869	278.00	280.05	278.00	280.05
15 Emerson Community Charter School	19 64733 6057988	0.00	0.00	0.00	0.00
16 Enadia Way Technology Charter	19 64733 0117036	112.62	112.66	112.62	112.66
17 Encino Charter Elementary School	19 64733 6016935	342.90	343.29	342.90	343.29
18 Gaspar de Portola Charter Middle	19 64733 6061584	0.00	0.00	0.00	0.00
19 George Ellery Hale Charter Academy	19 64733 6061477	0.00	0.00	0.00	0.00
20 Grover Cleveland Charter High School	19 64733 1931864	0.00	0.00	0.00	0.00
21 Hamlin Charter Academy	19 64733 6017438	197.38	199.76	197.38	199.76
22 Haynes Charter For Enriched Studies	19 64733 6017529	257.56	257.04	257.56	257.04
23 Hesby Oaks Leadership Charter	19 64733 0112060	181.95	181.86	181.95	181.86
24 Justice Street Academy Charter School	19 64733 6017693	246.99	248.18	246.99	248.18
25 Kenter Canyon Elementary Charter	19 64733 6017701	287.35	288.99	287.31	288.94
26 Knollwood Preparatory Academy	19 64733 6017743	223.68	223.54	223.68	223.54
27 Lockhurst Drive Charter Elementary	19 64733 6017891	296.81	297.38	296.81	297.38
28 Louis Armstrong Middle	19 64733 6058150	0.00	0.00	0.00	0.00
29 Marquez Charter School	19 64733 6018063	181.43	182.76	181.43	182.76
30 Nestle Avenue Charter School	19 64733 6018287	239.41	242.88	239.41	242.88
31 Open Charter Magnet School	19 64733 6097927	246.88	247.66	246.88	247.66
32 Palisades Charter Elementary	19 64733 6018634	257.12	257.14	257.12	257.14
33 Paul Revere Charter Middle	19 64733 6058267	0.00	0.00	0.00	0.00
34 Plainview Academic Charter Academy	19 64733 6018725	174.18	175.29	174.18	175.29
35 Pomelo Community Charter School	19 64733 6018774	355.74	357.93	355.74	357.93
36 Reseda Charter High School	19 64733 1937226	0.00	0.00	0.00	0.00
37 Riverside Drive Charter School	19 64733 6018923	245.23	245.14	245.23	245.14
38 Serrania Avenue Charter School for Enriched Studies	19 64733 6019111	330.90	331.68	330.90	331.68
39 Sherman Oaks Elementary Charter School	19 64733 6019186	317.37	319.40	317.37	319.40
40 Superior Street Elementary	19 64733 6019392	269.86	272.01	269.86	272.01
41 Sylmar Charter High School	19 64733 1938554	0.00	0.00	0.00	0.00
42 Taft Charter High School	19 64733 1938612	0.00	0.00	0.00	0.00
43 Topanga Elementary Charter School	19 64733 6019525	146.04	147.51	145.97	147.45
44 Topeka Charter School For Advanced Studies	19 64733 6019533	341.57	343.15	341.57	343.15
45 University High School Charter	19 64733 1938885	0.00	0.00	0.00	0.00
46 Van Gogh Charter School	19 64733 6019673	264.86	265.31	264.86	265.31
47 Welby Way Charter and Gifted/High-Ability Magnet Center Elementary School	19 64733 6019855	443.43	443.19	443.43	443.19
48 Westwood Charter Elementary School	19 64733 6019939	405.99	406.30	405.99	406.30
49 Wilbur Charter For Enriched Academics	19 64733 6019954	359.25	358.46	359.25	358.46
50 Woodlake Elementary Community Charter	19 64733 6020036	378.87	378.17	378.87	378.17
51 Woodland Hills Elementary Charter For Enriched Studies	19 64733 6020044	447.30	446.30	447.30	446.30
Total Affiliated Charter Schools Average Daily Attendance		11,692.55	11,723.88	11,692.44	11,723.77

See accompanying independent auditor's report and notes to supplementary information.

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
559.46	559.73	559.46	559.73	1,263.58	1,261.40	1,263.58	1,261.40
176.73	176.93	176.73	176.93	0.00	0.00	0.00	0.00
115.14	115.33	115.14	115.33	0.00	0.00	0.00	0.00
103.64	104.18	103.64	104.18	0.00	0.00	0.00	0.00
116.26	116.07	116.26	116.07	0.00	0.00	0.00	0.00
260.78	261.51	260.78	261.51	0.00	0.00	0.00	0.00
186.82	186.87	186.82	186.87	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
199.30	200.29	199.30	200.29	0.00	0.00	0.00	0.00
147.33	147.30	147.33	147.30	0.00	0.00	0.00	0.00
149.12	150.15	149.12	150.15	0.00	0.00	0.00	0.00
167.15	166.47	167.15	166.47	0.00	0.00	0.00	0.00
164.55	164.94	164.55	164.94	0.00	0.00	0.00	0.00
133.04	133.56	133.04	133.56	0.00	0.00	0.00	0.00
156.78	155.88	156.78	155.88	300.24	298.74	300.24	298.74
72.29	71.96	72.29	71.96	0.00	0.00	0.00	0.00
144.24	144.74	144.24	144.74	0.00	0.00	0.00	0.00
425.82	425.91	425.82	425.91	930.65	929.22	930.65	929.22
598.30	594.61	598.30	594.61	1,149.48	1,142.24	1,149.48	1,142.24
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
83.50	83.01	83.50	83.01	0.00	0.00	0.00	0.00
106.34	106.07	106.34	106.07	0.00	0.00	0.00	0.00
172.91	174.17	172.91	174.17	118.13	118.03	118.13	118.03
108.38	108.76	108.38	108.76	0.00	0.00	0.00	0.00
139.49	139.95	139.45	139.92	0.00	0.00	0.00	0.00
115.25	115.26	115.25	115.26	0.00	0.00	0.00	0.00
124.27	124.28	124.27	124.28	0.00	0.00	0.00	0.00
403.95	402.22	403.95	402.22	817.75	816.68	817.75	816.68
110.14	110.47	110.14	110.47	0.00	0.00	0.00	0.00
126.65	128.64	126.65	128.64	0.00	0.00	0.00	0.00
124.84	125.40	124.84	125.40	0.00	0.00	0.00	0.00
136.60	136.58	136.60	136.58	0.00	0.00	0.00	0.00
515.87	515.00	515.87	515.00	1,075.92	1,079.07	1,075.92	1,079.07
79.25	79.35	79.25	79.35	0.00	0.00	0.00	0.00
172.48	173.41	172.48	173.41	0.00	0.00	0.00	0.00
50.04	50.04	50.04	50.04	104.59	103.85	104.59	103.85
110.96	111.38	110.96	111.38	0.00	0.00	0.00	0.00
173.61	173.89	173.61	173.89	0.00	0.00	0.00	0.00
136.86	137.63	136.86	137.63	0.00	0.00	0.00	0.00
146.99	147.90	146.99	147.90	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
51.45	51.69	51.41	51.66	0.00	0.00	0.00	0.00
164.91	164.37	164.91	164.37	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
117.84	118.14	117.84	118.14	0.00	0.00	0.00	0.00
268.22	268.18	268.22	268.18	0.00	0.00	0.00	0.00
192.02	192.31	192.02	192.31	0.00	0.00	0.00	0.00
139.45	139.84	139.45	139.84	0.00	0.00	0.00	0.00
161.08	160.53	161.08	160.53	0.00	0.00	0.00	0.00
183.94	183.50	183.94	183.50	0.00	0.00	0.00	0.00
8,294.04	8,298.40	8,293.96	8,298.34	5,760.34	5,749.23	5,760.34	5,749.23

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Average Daily Attendance – Affiliated Charter Schools

Year Ended June 30, 2023

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	0.00	0.00	0.00	0.00
2 Beckford Charter for Enriched Studies	19 64733 6015986	0.00	0.00	0.00	0.00
3 Calabash Charter Academy	19 64733 6016240	0.00	0.00	0.00	0.00
4 Calvert Charter for Enriched Studies	19 64733 6016265	0.00	0.00	0.00	0.00
5 Canyon Charter Elementary School	19 64733 6016323	0.00	0.00	0.00	0.00
6 Carpenter Community Charter School	19 64733 6016356	0.00	0.00	0.00	0.00
7 Castlebay Lane Charter School	19 64733 6071435	0.00	0.00	0.00	0.00
8 Chatsworth Charter High School	19 64733 1931708	1,528.54	1,512.83	1,528.54	1,512.83
9 Colfax Charter Elementary School	19 64733 6016562	0.00	0.00	0.00	0.00
10 Community Magnet Charter Elementary School	19 64733 6094726	0.00	0.00	0.00	0.00
11 Dearborn Elementary Charter Academy	19 64733 6016729	0.00	0.00	0.00	0.00
12 Dixie Canyon Community Charter School	19 64733 6016778	0.00	0.00	0.00	0.00
13 Dr. Theodore T. Alexander Jr. Science Center	19 64733 0102491	0.00	0.00	0.00	0.00
14 El Oro Way Charter For Enriched Studies	19 64733 6016869	0.00	0.00	0.00	0.00
15 Emerson Community Charter School	19 64733 6057988	0.00	0.00	0.00	0.00
16 Enadia Way Technology Charter	19 64733 0117036	0.00	0.00	0.00	0.00
17 Encino Charter Elementary School	19 64733 6016935	0.00	0.00	0.00	0.00
18 Gaspar de Portola Charter Middle	19 64733 6061584	0.00	0.00	0.00	0.00
19 George Ellery Hale Charter Academy	19 64733 6061477	0.00	0.00	0.00	0.00
20 Grover Cleveland Charter High School	19 64733 1931864	2,533.16	2,510.06	2,533.16	2,510.06
21 Hamlin Charter Academy	19 64733 6017438	0.00	0.00	0.00	0.00
22 Haynes Charter For Enriched Studies	19 64733 6017529	0.00	0.00	0.00	0.00
23 Hesby Oaks Leadership Charter	19 64733 0112060	0.00	0.00	0.00	0.00
24 Justice Street Academy Charter School	19 64733 6017693	0.00	0.00	0.00	0.00
25 Kenter Canyon Elementary Charter	19 64733 6017701	0.00	0.00	0.00	0.00
26 Knollwood Preparatory Academy	19 64733 6017743	0.00	0.00	0.00	0.00
27 Lockhurst Drive Charter Elementary	19 64733 6017891	0.00	0.00	0.00	0.00
28 Louis Armstrong Middle	19 64733 6058150	0.00	0.00	0.00	0.00
29 Marquez Charter School	19 64733 6018063	0.00	0.00	0.00	0.00
30 Nestle Avenue Charter School	19 64733 6018287	0.00	0.00	0.00	0.00
31 Open Charter Magnet School	19 64733 6097927	0.00	0.00	0.00	0.00
32 Palisades Charter Elementary	19 64733 6018634	0.00	0.00	0.00	0.00
33 Paul Revere Charter Middle	19 64733 6058267	0.00	0.00	0.00	0.00
34 Plainview Academic Charter Academy	19 64733 6018725	0.00	0.00	0.00	0.00
35 Pomelo Community Charter School	19 64733 6018774	0.00	0.00	0.00	0.00
36 Reseda Charter High School	19 64733 1937226	1,122.03	1,116.11	1,122.03	1,116.11
37 Riverside Drive Charter School	19 64733 6018923	0.00	0.00	0.00	0.00
38 Serrania Avenue Charter School for Enriched Studies	19 64733 6019111	0.00	0.00	0.00	0.00
39 Sherman Oaks Elementary Charter School	19 64733 6019186	0.00	0.00	0.00	0.00
40 Superior Street Elementary	19 64733 6019392	0.00	0.00	0.00	0.00
41 Sylmar Charter High School	19 64733 1938554	1,363.76	1,361.73	1,363.76	1,361.73
42 Taft Charter High School	19 64733 1938612	1,984.00	1,969.43	1,984.00	1,969.43
43 Topanga Elementary Charter School	19 64733 6019525	0.00	0.00	0.00	0.00
44 Topeka Charter School For Advanced Studies	19 64733 6019533	0.00	0.00	0.00	0.00
45 University High School Charter	19 64733 1938885	1,231.39	1,223.93	1,231.39	1,223.93
46 Van Gogh Charter School	19 64733 6019673	0.00	0.00	0.00	0.00
47 Welby Way Charter and Gifted/High-Ability Magnet Center Elementary School	19 64733 6019855	0.00	0.00	0.00	0.00
48 Westwood Charter Elementary School	19 64733 6019939	0.00	0.00	0.00	0.00
49 Wilbur Charter For Enriched Academics	19 64733 6019954	0.00	0.00	0.00	0.00
50 Woodlake Elementary Community Charter	19 64733 6020036	0.00	0.00	0.00	0.00
51 Woodland Hills Elementary Charter For Enriched Studies	19 64733 6020044	0.00	0.00	0.00	0.00
Total Affiliated Charter Schools Average Daily Attendance		9,762.88	9,694.09	9,762.88	9,694.09

See accompanying independent auditor's report and notes to supplementary information.

Totals			
Total ADA		Classroom-based ADA	
Second Period Report	Annual Report	Second Period Report	Annual Report
1,823.04	1,821.13	1,823.04	1,821.13
566.57	566.60	566.57	566.60
385.71	386.76	385.71	386.76
277.99	279.82	277.99	279.82
363.66	364.11	363.66	364.11
808.17	811.19	808.17	811.19
563.58	563.97	563.58	563.97
1,528.54	1,512.83	1,528.54	1,512.83
678.70	682.14	678.70	682.14
409.42	409.33	409.42	409.33
477.41	478.92	477.41	478.92
567.43	567.13	567.43	567.13
550.06	550.92	550.06	550.92
411.04	413.61	411.04	413.61
457.02	454.62	457.02	454.62
184.91	184.62	184.91	184.62
487.14	488.03	487.14	488.03
1,356.47	1,355.13	1,356.47	1,355.13
1,747.78	1,736.85	1,747.78	1,736.85
2,533.16	2,510.06	2,533.16	2,510.06
280.88	282.77	280.88	282.77
363.90	363.11	363.90	363.11
472.99	474.06	472.99	474.06
355.37	356.94	355.37	356.94
426.84	428.94	426.76	428.86
338.93	338.80	338.93	338.80
421.08	421.66	421.08	421.66
1,221.70	1,218.90	1,221.70	1,218.90
291.57	293.23	291.57	293.23
366.06	371.52	366.06	371.52
371.72	373.06	371.72	373.06
393.72	393.72	393.72	393.72
1,591.79	1,594.07	1,591.79	1,594.07
253.43	254.64	253.43	254.64
528.22	531.34	528.22	531.34
1,276.66	1,270.00	1,276.66	1,270.00
356.19	356.52	356.19	356.52
504.51	505.57	504.51	505.57
454.23	457.03	454.23	457.03
416.85	419.91	416.85	419.91
1,363.76	1,361.73	1,363.76	1,361.73
1,984.00	1,969.43	1,984.00	1,969.43
197.49	199.20	197.38	199.11
506.48	507.52	506.48	507.52
1,231.39	1,223.93	1,231.39	1,223.93
382.70	383.45	382.70	383.45
711.65	711.37	711.65	711.37
598.01	598.61	598.01	598.61
498.70	498.30	498.70	498.30
539.95	538.70	539.95	538.70
631.24	629.80	631.24	629.80
<u>35,509.81</u>	<u>35,465.60</u>	<u>35,509.62</u>	<u>35,465.43</u>

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Instructional Time Offered

Year Ended June 30, 2023

Non-Charter Schools Grade Level	Minutes Requirements	2022-23 Actual Minutes Offered⁽³⁾	Number of Instructional Days Offered	Complied with Instructional Minutes Provisions	Complied with Instructional Days Provisions
Kindergarten	36,000	54,143	177	Yes	No
Grades 1 to 3	50,400	54,143	177	Yes	No
Grades 4 to 6 ⁽¹⁾	54,000	54,143	177	Yes	No
Grades 7 to 8 ⁽²⁾	54,000	61,029 or 64,169	177	Yes	No
Grades 9 to 12	64,800	64,169	177	No	No

Affiliated Charter Schools Grade Level	Minutes Requirements	2022-23 Actual Minutes Offered⁽³⁾	Number of Instructional Days Offered	Complied with Instructional Minutes Provisions	Complied with Instructional Days Provisions
Kindergarten	36,000	54,143	177	Yes	Yes
Grades 1 to 3	50,400	54,143	177	Yes	Yes
Grades 4 to 6 ⁽¹⁾	54,000	54,143	177	Yes	Yes
Grades 7 to 8 ⁽²⁾	54,000	61,029 or 64,169	177	Yes	Yes
Grades 9 to 12	64,800	64,169	177	No	Yes

(1) Elementary schools only.

(2) Middle schools with 6-8 grade configuration approved for common planning time have at least 61,029 annual instructional minutes.
Middle schools with 6-8 grade configuration not approved for common planning time have at least 64,169 annual instructional minutes.

(3) Minimum minutes offered, as adjusted for the three closure days.

Notes:

1. In 2022-23, work stoppage in March resulted in the closure of all schools, including affiliated charter schools, for 3 days. With the closure, a number of comprehensive high schools, including 4 affiliated charter schools, did not meet the minimum annual minutes.
2. LAUSD will be submitting the Instructional Time Penalty Waiver. Instructional days for the 2023-24 and 2024-25 school years have been increased by 3 days each to comply with the penalty waiver requirements.
3. LAUSD received incentive funding for increasing instructional time pursuant to the Longer Year/Longer Instructional Day.

See accompanying independent auditor's report and notes to supplementary information.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Financial Trends and Analysis

Year Ended June 30, 2023

(in thousands)

	2023-2024 Budgeted	2022-2023 Actual	2021-2022 Actual	2020-2021 Actual	2019-2020 Actual
General Fund:					
Revenues	\$ 10,531,004	\$ 11,776,524	\$ 9,672,924	\$ 8,744,994	\$ 7,591,570
Other Financing Sources	30,000	91,870	108,571	265,007	22,145
Total Revenues and Other Financing Sources (Uses)	10,561,004	11,868,394	9,781,495	9,010,001	7,613,715
Expenditures	11,640,216	9,472,906	9,294,057	8,166,021	7,730,286
Other Financing Uses	27,192	15,560	14,404	38,165	50,805
Total Expenditures and Other Financing Uses	11,667,408	9,488,466	9,308,461	8,204,186	7,781,091
Change in Fund Balance	(1,106,404)	2,379,928	473,034	805,815	(167,376)
Beginning Fund Balance	5,179,256	3,328,323	2,855,289	2,049,474	2,216,850
Ending Fund Balance	\$ 4,072,852	\$ 5,708,251	\$ 3,328,323	\$ 2,855,289	\$ 2,049,474
Available Reserves*	\$ 347,153	\$ 385,925	\$ 1,140,017	\$ 1,533,263	\$ 571,426
Unassigned Reserve for Economic Uncertainties	\$ 233,450	\$ 238,780	\$ 199,860	\$ 91,990	\$ 79,000
Unassigned Fund Balance	\$ 113,703	\$ 147,145	\$ 940,157	\$ 1,441,273	\$ 492,426
Available Reserves as a Percentage of Total Expenditures and Other Financing Uses	2.98%	4.07%	12.25%	18.69%	7.34%
Total Long-Term Obligations	\$ 26,864,176	\$ 27,622,402	\$ 27,136,289	\$ 31,658,402	\$ 28,402,060
Average Daily Attendance (ADA) funded at P-2	409,924	433,929	449,937	455,356 ^(a)	454,848

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 2% of total General Fund expenditures and other financing uses.

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.

^aTo ensure funding stability in light of the COVID-19 pandemic, the 2020-21 State Budget and California Education Code section EC Section 2575(g) (2) 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 such, the District's ADA data presented for fiscal year 2020-21 is 2019-20 annual ADA plus credits and growth adjustments received in 2020-21.

See accompanying independent auditor's report and notes to supplementary information.

LOS ANGELES UNIFIED SCHOOL DISTRICT
Schedule to Reconcile the Annual Financial Budget Report (SACS)
Year Ended June 30, 2023
(in thousands)

	<u>General Fund</u>	<u>District Bonds</u>	<u>Governmental *</u>	<u>Proprietary Funds</u>
June 30, 2023 Unaudited Actual Financial Reports				
Fund Balances	\$ 5,707,436	\$ 1,297,461	\$ 620,474	\$ 366,188
Adjustments:				
To accrue expenditures	(4,772)	(59,705)	(768)	—
To accrue legal claims	(48,000)	—	—	—
To adjust revised Local Control Funding Formula revenue	(2,008)	—	—	—
To adjust Learning Recovery Block Grant revenue	42,702	—	—	—
To adjust Art, Music, & Instructional Materials Block revenue	5,271	—	—	—
To adjust unrealized loss per GASB 31	251	—	(245)	421
To accrue interest expense per GASB 96	(789)	—	—	—
To accrue grant revenues	4,824	—	—	—
To adjust interfund transaction related to the bonds	2,182	(2,182)	—	—
To adjust donated item	(818)	—	—	—
To true up Supply Chain Assistance revenue	—	—	(16)	—
To reverse prior year accrual	1,972	—	—	—
June 30, 2023 Audited Financial Statement				
Fund Balances	<u>\$ 5,708,251</u>	<u>\$ 1,235,574</u>	<u>\$ 619,445</u>	<u>\$ 366,609</u>

* The net adjustment in the Other Governmental includes the following funds:

Adult Education Fund (Fund 110)	\$ (153)
Child Development Fund (Fund 120)	(106)
Cafeteria Fund (Fund 130)	(17)
Building Fund (Fund 212)	(38)
Capital Facilities Fund (Fund 250)	(285)
County School Facilities Fund (Fund 351)	(56)
Special Reserve CRA (Fund 400)	(5)
Special Reserve - (Fund 401)	(330)
Special Reserve - FEMA (Fund 402)	(39)
	<u>\$ (1,029)</u>

There were no adjustments to fund balances for funds not presented above.

See accompanying independent auditor's report and notes to supplementary information.

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Charter Schools

Year Ended June 30, 2023

(Unaudited)

SCHOOL	LOC CODE	STATE CHARTER NO.	CDS CODE	Affiliated	Included in the District Audit
1 Alfred B Nobel Charter Middle School	8272	1480	19 64733 6061543	x	Yes
2 Beckford Charter for Enriched Studies	2335	1344	19 64733 6015986	x	Yes
3 Calabash Charter Academy	2704	1345	19 64733 6016240	x	Yes
4 Calvert Charter for Enriched Studies	2712	1585	19 64733 6016265	x	Yes
5 Canyon Charter Elementary	2795	0226	19 64733 6016323	x	Yes
6 Carpenter Community Charter	2822	1235	19 64733 6016356	x	Yes
7 Castlebay Lane Charter	2881	1477	19 64733 6071435	x	Yes
8 Chatsworth Charter High	8583	1581	19 64733 1931708	x	Yes
9 Colfax Charter Elementary	3164	1041	19 64733 6016562	x	Yes
10 Community Magnet Charter Elementary	2741	0957	19 64733 6094726	x	Yes
11 Dearborn Elementary Charter Academy	3377	1481	19 64733 6016729	x	Yes
12 Dixie Canyon Community Charter	3438	1469	19 64733 6016778	x	Yes
13 Dr. Theodore T. Alexander Jr Science Center	5111	0604	19 64733 0102491	x	Yes
14 El Oro Way Charter For Enriched Studies	3545	1466	19 64733 6016869	x	Yes
15 Emerson Community Charter	8123	1688	19 64733 6057988	x	Yes
16 Enadia Way Technology Charter	3610	1474	19 64733 0117036	x	Yes
17 Encino Charter Elementary	3616	1471	19 64733 6016935	x	Yes
18 Gaspar de Portola Charter Middle	8107	2074	19 64733 6061584	x	Yes
19 George Ellery Hale Charter Academy	8169	1346	19 64733 6061477	x	Yes
20 Grover Cleveland Charter High	8590	1571	19 64733 1931864	x	Yes
21 Hamlin Charter Academy	4349	1472	19 64733 6017438	x	Yes
22 Haynes Charter For Enriched Studies	4473	1470	19 64733 6017529	x	Yes
23 Hesby Oaks Leadership Charter	4521	1468	19 64733 0112060	x	Yes
24 Justice Street Academy Charter	4692	1487	19 64733 6017693	x	Yes
25 Kenter Canyon Elementary Charter	4699	0227	19 64733 6017701	x	Yes
26 Knollwood Preparatory Academy	4762	1486	19 64733 6017743	x	Yes
27 Lockhurst Drive Charter Elementary	4887	1478	19 64733 6017891	x	Yes
28 Louis Armstrong Middle	8238	1473	19 64733 6058150	x	Yes
29 Marquez Charter	5164	0228	19 64733 6018063	x	Yes
30 Nestle Avenue Charter	5452	1465	19 64733 6018287	x	Yes
31 Open Charter Magnet	5889	0012	19 64733 6097927	x	Yes
32 Palisades Charter Elementary	5959	0229	19 64733 6018634	x	Yes
33 Paul Revere Charter Middle	8356	0225	19 64733 6058267	x	Yes
34 Plainview Academic Charter Academy	6096	1435	19 64733 6018725	x	Yes
35 Pomelo Community Charter	6140	1347	19 64733 6018774	x	Yes
36 Reseda Charter High	8814	2005	19 64733 1937226	x	Yes
37 Riverside Drive Charter	6315	1362	19 64733 6018923	x	Yes
38 Serrania Avenue Charter School for Enriched Studies	6606	1484	19 64733 6019111	x	Yes
39 Sherman Oaks Elementary Charter	6699	1348	19 64733 6019186	x	Yes
40 Superior Street Elementary	7007	1476	19 64733 6019392	x	Yes

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Charter Schools

Year Ended June 30, 2023

(Unaudited)

SCHOOL	LOC CODE	STATE CHARTER NO.	CDS CODE	Affiliated	Included in the District Audit
41 Sylmar Charter High School	8878	1834	19 64733 1938554	x	Yes
42 Taft Charter High	8880	1580	19 64733 1938612	x	Yes
43 Topanga Elementary Charter	7198	0230	19 64733 6019525	x	Yes
44 Topeka Drive Charter for Advanced Studies	7201	1475	19 64733 6019533	x	Yes
45 University High School Charter	8886	2006	19 64733 1938885	x	Yes
46 Van Gogh Charter	7422	1479	19 64733 6019673	x	Yes
47 Welby Way Charter Elementary Gifted Magnet	7637	1349	19 64733 6019855	x	Yes
48 Westwood Charter Elementary	7740	0031	19 64733 6019939	x	Yes
49 Wilbur Charter for Enriched Academics	7774	1482	19 64733 6019954	x	Yes
50 Woodlake Elementary Community Charter	7877	1483	19 64733 6020036	x	Yes
51 Woodland Hills Charter Elementary for Enriched Studies	7890	1485	19 64733 6020044	x	Yes

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Charter Schools

Year Ended June 30, 2023

(Unaudited)

SCHOOL	STATE CHARTER NO.	CDS CODE	Fiscally Independent	Included in the District Audit
1 Academia Moderna	1101	19 64733 0120097	x	No
2 Academy of Media Arts	2038	19 64733 0139055	x	No
3 Accelerated	0045	19 64733 6112536	x	No
4 Accelerated Charter Elementary (ACES)	0539	19 64733 0100743	x	No
5 Alain Leroy Locke College Preparatory Academy	1050	19 64733 0118588	x	No
6 Alliance Cindy and Bill Simon Technology Academy High	1161	19 64733 0121285	x	No
7 Alliance College-Ready Middle Academy 12	1533	19 64733 0128058	x	No
8 Alliance College-Ready Middle Academy 4	1096	19 64733 0120030	x	No
9 Alliance College-Ready Middle Academy 8	1531	19 64733 0128033	x	No
10 Alliance Collins Family College-Ready High	0718	19 64733 0108936	x	No
11 Alliance Dr. Olga Mohan High School	0790	19 64733 0111500	x	No
12 Alliance Gertz-Ressler Richard Merkin 6-12 Complex	0645	19 64733 0106864	x	No
13 Alliance Jack H. Skirball Middle	0779	19 64733 0111518	x	No
14 Alliance Judy Ivie Burton Technology Academy High	0714	19 64733 0108894	x	No
15 Alliance Kory Hunter Middle	1532	19 64733 0128041	x	No
16 Alliance Leichtman-Levine Family Foundation Environmental Science High	0929	19 64733 0117606	x	No
17 Alliance Marc & Eva Stern Math and Science (CA State Univ. L.A. Campus)	0788	19 64733 0111658	x	No
18 Alliance Margaret M. Bloomfield Technology Academy High	1356	19 64733 0124941	x	No
19 Alliance Marine - Innovation and Technology 6-12 Complex	1738	19 64733 0132084	x	No
20 Alliance Morgan McKinzie High	0928	19 64733 0116509	x	No
21 Alliance Ouchi-O'Donovan 6-12 Complex	0784	19 64733 0111641	x	No
22 Alliance Patti And Peter Neuwirth Leadership Academy	0789	19 64733 0111492	x	No
23 Alliance Piera Barbaglia Shaheen Health Services Academy	0927	19 64733 0117598	x	No
24 Alliance Renee and Meyer Luskin Academy High	1343	19 64733 0124891	x	No
25 Alliance Susan and Eric Smidt Technology High	1163	19 64733 0123133	x	No
26 Alliance Ted K. Tajima High	1164	19 64733 0123141	x	No
27 Alliance Tennenbaum Family Technology High(PSC)	1162	19 64733 0121293	x	No
28 Alliance Virgil Roberts Leadership Academy	1530	19 64733 0128009	x	No
29 Anahuacalmecac International University Preparatory of North America	1685	19 64733 0132928	x	No
30 Animo Ellen Ochoa Charter Middle	1286	19 64733 0123992	x	No
31 Animo Florence-Firestone Charter Middle	1794	19 64733 0134023	x	No
32 Animo Jackie Robinson High	0793	19 64733 0111583	x	No
33 Animo James B. Taylor Charter Middle	1287	19 64733 0124008	x	No
34 Animo Jefferson Charter Middle	1216	19 64733 0122481	x	No
35 Animo Legacy Charter Middle School(Clay Campus) (PSC)	1288	19 64733 0124016	x	No
36 Animo Mae Jemison Charter Middle	1624	19 64733 0129270	x	No
37 Animo Pat Brown	0649	19 64733 0106849	x	No
38 Animo Ralph Bunche Charter High	0781	19 64733 0111575	x	No
39 Animo South Los Angeles Charter	0602	19 64733 0102434	x	No
40 Animo Venice Charter High	0648	19 64733 0106831	x	No

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Charter Schools

Year Ended June 30, 2023

(Unaudited)

SCHOOL	STATE CHARTER NO.	CDS CODE	Fiscally Independent	Included in the District Audit
41 Animo Watts College Preparatory Academy	0783	19 64733 0111625	x	No
42 APEX Academy	1459	19 64733 0117077	x	No
43 Ararat Charter	1156	19 64733 0121079	x	No
44 Arts In Action Community Charter	1218	19 64733 0123158	x	No
45 Arts in Action Community Middle School	1806	19 64733 0134205	x	No
46 Aspire Centennial College Preparatory Academy	1436	19 64733 0126797	x	No
47 Aspire Firestone Academy (PSC)	1214	19 64733 0122622	x	No
48 Aspire Gateway Academy Charter (PSC)	1213	19 64733 0122614	x	No
49 Aspire Inskeep Academy Charter (PSC)	1332	19 64733 0124800	x	No
50 Aspire Juanita Tate Academy Charter (PSC)	1331	19 64733 0124792	x	No
51 Aspire Junior Collegiate Academy	1551	19 64733 0114884	x	No
52 Aspire Pacific Academy	1230	19 64733 0122721	x	No
53 Aspire Slauson Academy Charter (PSC)	1330	19 64733 0124784	x	No
54 Aspire Titan Academy	1550	19 64733 0120477	x	No
55 Bert Corona Charter	0654	19 64733 0106872	x	No
56 Bert Corona Charter High	1724	19 64733 0132126	x	No
57 Birmingham Community Charter High	1119	19 64733 1931047	x	No
58 Bright Star Secondary Charter Academy	0826	19 64733 0112508	x	No
59 California Creative Learning Academy	0827	19 64733 0112235	x	No
60 California Creative Learning Academy Middle School	1960	19 64733 0137463	x	No
61 Camino Nuevo Charter Academy 2 (Kayne Siart)	1231	19 64733 0122861	x	No
62 Camino Nuevo Charter Academy 4 (Cisneros) (PSC)	1334	19 64733 0124826	x	No
63 Camino Nuevo Charter Academy (Burlington)	0293	19 64733 6117667	x	No
64 Camino Nuevo Elementary School 3 (Eisner) (PSC)	1212	19 64733 0122564	x	No
65 Camino Nuevo High 2 (Dalzell Lance)	1540	19 64733 0127910	x	No
66 CATCH Prep Charter High, Inc.	0570	19 64733 0101659	x	No
67 Center for Advanced Learning	0937	19 64733 0115139	x	No
68 Central City Value	0534	19 64733 0100800	x	No
69 CHAMPS - Charter HS of Arts-Multimedia & Performing	0712	19 64733 0108878	x	No
70 CHIME Institute's Schwarzenegger Community	0417	19 64733 6119531	x	No
71 Citizens of the World Charter School East Valley	2081	19 64733 0140749	x	No
72 Citizens of the World Charter School West Valley	2082	19 64733 0139832	x	No
73 Citizens of the World Charter School Hollywood	1200	19 64733 0122556	x	No
74 Citizens of the World Charter School Mar Vista (Gateway)	1414	19 64733 0126193	x	No
75 Citizens of the World Charter School Silver Lake	1413	19 64733 0126177	x	No
76 City Language Immersion Charter	1538	19 64733 0127886	x	No
77 Collegiate Charter High School of Los Angeles	1722	19 64733 0131821	x	No
78 Crete Academy	1854	19 64733 0135616	x	No
79 Crown Preparatory Academy	1187	19 64733 0121848	x	No
80 Discovery Charter Preparatory School 2	0949	19 64733 0115253	x	No

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Charter Schools

Year Ended June 30, 2023

(Unaudited)

SCHOOL	STATE CHARTER NO.	CDS CODE	Fiscally Independent	Included in the District Audit
81 Downtown Value	0448	19 64733 6119903	x	No
82 Ednovate - Brio College Prep	1843	19 64733 0135723	x	No
83 Ednovate - East College Prep	1702	19 64733 0132282	x	No
84 Ednovate - Esperanza College Prep	1842	19 64733 0135715	x	No
85 Ednovate - South LA College Prep	2087	19 64733 0140129	x	No
86 Ednovate - USC Hybrid High College Prep	1401	19 64733 0125864	x	No
87 El Camino Real Charter High	1314	19 64733 1932623	x	No
88 El Rio Community School	2080	19 64733 0140004	x	No
89 Equitas Academy 2	1402	19 64733 0126169	x	No
90 Equitas Academy 3 Charter	1669	19 64733 0129650	x	No
91 Equitas Academy 4	1785	19 64733 0133686	x	No
92 Equitas Academy 5	2040	19 64733 0139121	x	No
93 Equitas Academy 6	2030	19 64733 0138883	x	No
94 Equitas Academy Charter	1093	19 64733 0119982	x	No
95 Everest Value	1638	19 64733 0129858	x	No
96 Extera Public	1300	19 64733 0124198	x	No
97 Extera Public School No. 2	1562	19 64733 0128132	x	No
98 Fenton Avenue Charter	0030	19 64733 6017016	x	No
99 Fenton Charter Leadership Academy	1613	19 64733 0131722	x	No
100 Fenton Primary Center	0911	19 64733 0115048	x	No
101 Fenton STEM Academy: Elementary Center for Science Technology Engineering and Mathematics	1605	19 64733 0131466	x	No
102 Gabriella Charter	0713	19 64733 0108886	x	No
103 Gabriella Charter 2	1853	19 64733 0135509	x	No
104 Girls Athletic Leadership School Los Angeles	1791	19 64733 0133710	x	No
105 Global Education Academy	0934	19 64733 0114967	x	No
106 Global Education Academy 2	1641	19 64733 0129833	x	No
107 Goethe International Charter	1036	19 64733 0117978	x	No
108 Granada Hills Charter	0572	19 64733 1933746	x	No
109 High Tech LA	0537	19 64733 0100677	x	No
110 High Tech LA Middle	1929	19 64733 0137471	x	No
111 ICEF Innovation Los Angeles Charter	1037	19 64733 0117952	x	No
112 ICEF View Park Preparatory Elementary School	0190	19 64733 6117048	x	No
113 ICEF View Park Preparatory High School	0543	19 64733 0101196	x	No
114 ICEF View Park Preparatory Middle School	0506	19 64733 6121081	x	No
115 ICEF Vista Elementary Academy	1039	19 64733 0117937	x	No
116 ICEF Vista Middle Academy	0953	19 64733 0115287	x	No
117 Ingenium Charter	1157	19 64733 0121137	x	No
118 Ingenium Charter Middle	1536	19 64733 0127985	x	No
119 Invictus Leadership Academy	2088	19 64733 0140111	x	No
120 ISANA Cardinal Academy	1285	19 64733 0123984	x	No

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Charter Schools

Year Ended June 30, 2023

(Unaudited)

SCHOOL	STATE CHARTER NO.	CDS CODE	Fiscally Independent	Included in the District Audit
121 ISANA Himalia Academy	1858	19 77081 0135954	x	No
122 ISANA Nascent Academy	0716	19 64733 0108910	x	No
123 ISANA Octavia Academy	1232	19 64733 0122655	x	No
124 ISANA Palmati Academy	1246	19 64733 0123166	x	No
125 Ivy Academia	0619	19 64733 0106351	x	No
126 Ivy Bound Academy of Math, Science, and Technology Charter Middle	0936	19 64733 0115113	x	No
127 James Jordan Middle	0734	19 64733 0109884	x	No
128 KIPP Academy of Innovation	1586	19 64733 0128512	x	No
129 KIPP Academy of Opportunity	0530	19 64733 0101444	x	No
130 KIPP Comienza Community Prep	1196	19 64733 0121707	x	No
131 KIPP Corazon Academy	1855	19 64733 0135517	x	No
132 KIPP Empower Academy	1195	19 64733 0121699	x	No
133 KIPP Endeavor College Preparatory Charter	1094	19 64733 0120014	x	No
134 <i>KIPP Generations Academy</i>	2079	<i>19 64733 0141481</i>	x	No
135 KIPP Ignite Academy	1720	19 64733 0131771	x	No
136 KIPP Illuminar Academy	1508	19 64733 0127670	x	No
137 KIPP Los Angeles College Preparatory	0531	19 64733 0100867	x	No
138 KIPP Philosophers Academy	1378	19 64733 0125609	x	No
139 KIPP Promesa Prep	1721	19 64733 0131797	x	No
140 KIPP Pueblo Unido	2041	19 64733 0139071	x	No
141 KIPP Raices Academy	1010	19 64733 0117903	x	No
142 KIPP Scholar Academy	1377	19 64733 0125625	x	No
143 KIPP Sol Academy	1379	19 64733 0125641	x	No
144 KIPP Vida Preparatory Academy	1587	19 64733 0129460	x	No
145 Larchmont Charter	0717	19 64733 0108928	x	No
146 Learning by Design Charter	1959	19 64733 0137513	x	No
147 Libertas College Preparatory Charter	1711	19 64733 0131904	x	No
148 Los Angeles Academy of Arts and Enterprise Charter (LAAAE)	0675	19 64733 0110304	x	No
149 Los Angeles Leadership Academy	0461	19 64733 1996610	x	No
150 Los Angeles Leadership Primary Academy	1333	19 64733 0124818	x	No
151 Magnolia Science Academy 4	0986	19 64733 0117622	x	No
152 Magnolia Science Academy 6	988	19 64733 0117648	x	No
153 Magnolia Science Academy 7	989	19 64733 0117655	x	No
154 Magnolia Science Academy Bell(PSC)	1236	19 64733 0122747	x	No
155 Math and Science College Preparatory	1412	19 64733 0126136	x	No
156 Matrix for Success Academy	1961	19 64733 0137562	x	No
157 Monsenor Oscar Romero Charter Middle	0931	19 64733 0114959	x	No
158 Montague Charter Academy for the Arts and Sciences	0115	19 64733 6018204	x	No
159 Multicultural Learning Center	0388	19 64733 6119044	x	No
160 N.E.W. Academy Canoga Park	0592	19 64733 0102483	x	No

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Charter Schools

Year Ended June 30, 2023

(Unaudited)

SCHOOL	STATE CHARTER NO.	CDS CODE	Fiscally Independent	Included in the District Audit
161 N.E.W. Academy of Science and Arts	0521	19 64733 0100289	x	No
162 New Designs Charter	0601	19 64733 0102541	x	No
163 New Designs Charter School-Watts	1120	19 64733 0120071	x	No
164 New Heights Charter	0761	19 64733 0111211	x	No
165 New Horizons Charter Academy	1567	19 64733 0128371	x	No
166 New Los Angeles Charter	0998	19 64733 0117614	x	No
167 New Los Angeles Elementary School	1788	19 64733 0133702	x	No
168 New Millennium Secondary	1020	19 64733 0117911	x	No
169 New Village Girls Academy	0791	19 64733 0111484	x	No
170 Ocean Charter	0569	19 64733 0102335	x	No
171 Oscar De La Hoya Animo Charter High	0581	19 64733 0101675	x	No
172 Our Community Charter	0739	19 64733 0109934	x	No
173 Pacoima Charter Elementary	0583	19 64733 6018642	x	No
174 Palisades Charter High	0037	19 64733 1995836	x	No
175 Para Los Niños - Evelyn Thurman Gratts Primary (PSC)	1215	19 64733 0122630	x	No
176 Para Los Niños Charter	0475	19 64733 6120489	x	No
177 Para Los Niños Middle	1007	19 64733 0117846	x	No
178 Port of Los Angeles High	0542	19 64733 0107755	x	No
179 PREPA TEC - Los Angeles	1542	19 64733 0127936	x	No
180 PUC CALS Charter Middle and Early College High School	0331	19 64733 0133298	x	No
181 PUC Community Charter Elementary	1657	19 64733 0129619	x	No
182 PUC Community Charter Middle and PUC Community Charter Early College High	0213	19 64733 6116750	x	No
183 PUC Early College Academy for Leaders and Scholars (ECALS)(PSC)	1354	19 64733 0124933	x	No
184 PUC Excel Charter Academy	0798	19 64733 0112201	x	No
185 PUC Inspire Charter Academy	1626	19 64733 0129593	x	No
186 PUC Lakeview Charter Academy	0603	19 64733 0102442	x	No
187 PUC Lakeview Charter High	1241	19 64733 0122606	x	No
188 PUC Milagro Charter	0600	19 64733 0102426	x	No
189 PUC Nueva Esperanza Charter Academy	1092	19 64733 0133280	x	No
190 PUC Triumph Charter Academy and PUC Triumph Charter High School	0797	19 64733 0133272	x	No
191 PUENTE Charter (ELA Site)	0473	19 64733 6120471	x	No
192 Renaissance Arts Academy	0579	19 64733 0101683	x	No
193 Rise Kohyang Elementary	1927	19 64733 0136994	x	No
194 Rise Kohyang High School	1786	19 64733 0133868	x	No
195 Rise Kohyang Middle	1315	19 64733 0124222	x	No
196 Santa Monica Boulevard Community Charter	0446	19 64733 6019079	x	No
197 Scholarship Prep South Bay	2042	19 64733 0139097	x	No
198 Stella Elementary Charter Academy	1866	19 64733 0137604	x	No
199 Stella Middle Charter Academy	0535	19 64733 0100669	x	No
200 STEM Preparatory Elementary	1925	19 64733 0136986	x	No

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Charter Schools

Year Ended June 30, 2023

(Unaudited)

SCHOOL	STATE CHARTER NO.	CDS CODE	Fiscally Independent	Included in the District Audit
201 Synergy Charter Academy	0636	19 64733 0106427	x	No
202 Synergy Kinetic Academy (PSC)	1014	19 64733 0117895	x	No
203 Synergy Quantum Academy (PSC)	1299	19 64733 0124560	x	No
204 TEACH Academy of Technologies	1206	19 64733 0122242	x	No
205 TEACH Preparatory Mildred S. Cunningham & Edith H. Morris Elementary School	2004	19 64733 0138305	x	No
206 TEACH Tech Charter High	1658	19 64733 0129627	x	No
207 The City	1710	19 64733 0134148	x	No
208 University Preparatory Value High	1723	19 64733 0132027	x	No
209 Valley Charter Elementary	1237	19 64733 0122754	x	No
210 Valley Charter Middle	1238	19 64733 0122838	x	No
211 Valley International Preparatory High	1926	19 64733 0137612	x	No
212 Valor Academy Elementary	1787	19 64733 0133694	x	No
213 Valor Academy High	1539	19 64733 0127894	x	No
214 Valor Academy Middle	1095	19 64733 0120022	x	No
215 Vaughn Next Century Learning Center(Mainland/MIT)	0016	19 64733 6019715	x	No
216 Village Charter Academy	1639	19 64733 0129866	x	No
217 Vista Charter Middle	1234	19 64733 0122739	x	No
218 Vista Horizon Global Academy	2043	19 64733 0139089	x	No
219 Vox Collegiate of Los Angeles	1917	19 64733 0137521	x	No
220 Wallis Annenberg High	0538	19 64733 0100750	x	No
221 Watts Learning Center	0131	19 64733 6114912	x	No
222 Watts Learning Center Charter Middle	1141	19 64733 0120527	x	No
223 WISH Academy High	1863	19 64733 0135632	x	No
224 WISH Community	1627	19 64733 0135921	x	No

See accompanying independent auditor's report and notes to supplementary information.

Note: Italicized is new school in FY 2022-23

(1) Statistical Data

The statistical data presented on pages 115-117 offers multi-year trend information and are provided to help the reader understand the District's significant local revenue sources as it relates to the District's overall financial health.

(2) 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 and in different programs.

(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, 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

Year Ended June 30, 2023

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
U.S. Department of Agriculture:					
Passed through California Department of Education:					
Specialty Crop Block Grant	10.170	21-0433-007-SF			\$ 5,570
Child Nutrition School Programs Breakfast	10.553	PCA13525/PCA13526		\$ 94,519,554	
Child Nutrition School Programs Lunch	10.555	PCA13523/PCA13524		57,535,549	
Donated Food Commodities	10.555	Not Applicable		16,393,266	
Supply Chain Assistance for School Meals	10.555	PCA15655		23,557,797	
Child Nutrition Summer Food Services					
Program Operations	10.559	PCA13004		11,188,925	
Sponsor Administration	10.559	PCA13006		202,521	
Child Nutrition Seamless Summer Food Option	10.559	PCA13004		11,384,376	
Subtotal Expenditures – Child Nutrition Cluster					214,781,988
Child Nutrition Child Care Food Program (CCFP) Claims	10.558	PCA13529			35,595,487
Child Nutrition CCFP – Cash in Lieu of Commodities	10.558	PCA13534			2,743,329
Subtotal Assistance Listing Number 10.558					38,338,816
Child Nutrition Team Nutrition Grants	10.574	PCA15332			2,201
Passed through California Department of Health Services:					
Forest Reserve	10.665	PCA10044		25,382	
Subtotal Expenditures – Forest Service Schools and Road Cluster					25,382
Subtotal Pass-Through Programs					253,153,957
Total U.S. Department of Agriculture					253,153,957
U.S. Department of Defense:					
Reserve Officer Training Corps Vitalization Act	12.unknown	Not Available			1,725,887
Startalk: Exploring Arabic Through Technology, Startalk - LAUSD	12.900	H98230-22-1-0126			36,199
Subtotal Direct Programs					1,762,086
Total U.S. Department of Defense					1,762,086
U.S. Department of Justice:					
Stop School Violence	16.839	BJA-2020-17312			3,646
Subtotal Direct Program					3,646
Total U.S. Department of Justice					3,646
U.S. Department of Labor:					
Passed through Employment Development Department:					
Employment Development Department Trade Act:					
Trade Adjustment Assistance (TAA)	17.245	Various			142,969
Passed through City of Los Angeles:					
Workforce Innovation and Opportunity Act (WIOA) –					
Worksource Educational Partnership – Adult	17.258	C-142059		158,680	
WIOA – T-1 Youth Source System	17.259	C-139186		1,114,567	
Passed through Para Los Ninos:					
WIOA – Youth	17.259	C-14216-L-23		100,000	
Subtotal Expenditures – WIOA Cluster					1,373,247
Subtotal Pass-Through Programs					1,516,216
Total U.S. Department of Labor					1,516,216
U.S. Department of Transportation:					
Highway Planning and Construction: Active Transportation Program	20.205	ATPLNI-6508(001)		23,761	
Subtotal Expenditures – Highway Planning and Construction Cluster					23,761
Subtotal Direct Program					23,761
Total U.S. Department of Transportation					23,761
Federal Communications Commission:					
COVID-19 – Emergency Connectivity Fund Program	32.009	Not Available			59,731,306
Subtotal Direct Program					59,731,306
Total Federal Communications Commission					59,731,306

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

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
U.S. Department of Education:					
GEAR-UP 4 LA	84.334A	P334A190002	\$ 363,606		\$ 3,023,389
GEAR-UP 4 LA	84.334A	P334A140118	131,148		181,623
GEAR-UP 4 LA	84.334A	P334A180080/ P334A180081	1,938,163		9,950,346
Subtotal Assistance Listing Number 84.334A			2,432,917		13,155,358
Subtotal Direct Programs					13,155,358
Passed through California Department of Education:					
WIOA – Adult Basic Ed/ELA	84.002A	PCA14508			9,843,488
WIOA – Ad Ed & Fam Lit/EL – Civics	84.002A	PCA14109			4,926,979
WIOA – Adult Secondary Ed	84.002A	PCA13978			3,922,657
Subtotal Assistance Listing Number 84.002A					18,693,124
Every Student Succeeds Act (ESSA), Title I Part A. Basic	84.010	PCA14329			336,254,897
ESSA, Title I Part A. Neglected	84.010	PCA14329			1,795,157
ESSA, Comprehensive Support & Improvement (CSI)	84.010	PCA15438			5,527,880
Subtotal Assistance Listing Number 84.010					343,577,934
Special Ed: Individual with Disabilities Education (IDEA) Basic Local Assistance Entitlement	84.027A	22-13379-64733-01		\$ 102,691,352	
Special Ed: IDEA Local Assistance, Private School Individual Service Plans	84.027	PCA10115		1,527,176	
Special Ed: IDEA Local Assistance, Part B, Sec. 611, Early Intervening Services	84.027	PCA10119		20,897,125	
COVID-19 – Special Ed: American Rescue Plan (ARP) IDEA Part B, Sec. 611, Local Assistance Entitlement	84.027	PCA15638		18,110,151	
COVID-19 – Special Ed: ARP IDEA Local Assistance, Private School Individual Service Plans	84.027	PCA10169		157,108	
COVID-19 – Special Ed: ARP IDEA Part B, Sec. 611, Local Assistance Coordinated Early Intervening Services	84.027	PCA10170		3,989,142	
Special Ed: IDEA Mental Health Allocation Plan	84.027A	22-15197-64733-01		6,530,287	
Special Ed: IDEA – Supporting Inclusive Practices, Part B – Sec 611	84.027A	PCA 13693		125,735	
Special Ed: IDEA – Alternate Dispute Resolution, Part B – Sec 611	84.027A	PCA13007		14	
PreSchool Expansion – Staff Development	84.173A	PCA13431		9,230	
Special Ed: IDEA – Preschool Capacity Building, Part B – Sec 619 Embedded Instruction	84.173A	PCA13839		66,226	
IDEA Preschool Expansion Grant Part B, Sec 619	84.173	PCA13430		4,735,464	
Special Ed: IDEA – Part B, Sec 619; Preschool Grants Early Intervening Services	84.173	PCA10131		841,345	
COVID-19 – Special Ed: ARP IDEA – Part B, Sec 619; Preschool Grants	84.173X	PCA15639		585,146	
COVID-19 – Special Ed: ARP IDEA – Part B, Sec 619; Preschool Grants Early Intervening Services	84.173X	PCA10171		72,014	
Subtotal Expenditures – Special Education Cluster (IDEA)					160,337,515
Carl D. Perkins – Secondary Program, Sec 131	84.048	PCA14894			6,293,641
Carl D. Perkins – Vocational and Technical Education, Sec 132	84.048	PCA14893			838,036
Arts Media Entertainment	84.048	PCA14891			13,462
Subtotal Assistance Listing Number 84.048					7,145,139
Special Ed-Grants for Infants and Families: Early Intervention Funds – Part C	84.181	PCA 23761			
Education for Homeless Children & Youth	84.196A	PCA14332- S196A200005/ S196A210005			253,128
Twenty-first Century Learning Centers	84.287C	PCA14349	865,595		2,362,830
Twenty-first Century Learning Centers	84.287C	PCA14535	9,634,722		12,730,957
Twenty-first Century Learning Centers	84.287C	PCA14603			720,419
Twenty-first Century Learning Centers	84.287C	PCA14765			363,498
Twenty-first Century Learning Centers	84.287C	PCA25632	288,017		1,191,613
Twenty-first Century Learning Centers Core	84.287C	PCA15651			173,808
Subtotal Assistance Listing Number 84.287C			10,788,334		17,543,125
ESSA Title III, English Learner Student Program	84.365	PCA14346			9,861,280
Loyola Marymount University (LMU) Purposeful Engagement in Academic Rigor and Language Learning (PEARLL) Project	84.365Z	T365Z210143/ C#21079A			187,783
ESSA Title II, Part A, Supporting Effective Instruction	84.367	PCA14341			23,464,004
ESSA Title IV, Part A, Student Support and Academic Enrichment Grant Program	84.424A	PCA15396			28,686,022
COVID-19 ARP Act - Homeless Children and Youth (ARP-HCY) Program	84.425	PCA15564			371,155
COVID-19 ARP-HCY II Program	84.425	PCA15566			220,784
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) II Fund	84.425D	PCA15547			201,661,697
COVID-19 Expanded Learning Opportunities (ELO) ESSER II Fund State Reserve	84.425D	PCA15618			3,937,075
COVID-19 ELO Grant GEER II	84.425C	PCA15619			10,167,093
COVID-19 ELO ESSER III Fund State Reserve Emergency Needs	84.425	PCA15620			34,593,861
COVID-19 ELO ESSER III Fund State Reserve Learning Loss	84.425	PCA15621			24,321,156
COVID-19 ESSER Fund	84.425D	PCA15536			290,810
COVID 19 Coronavirus Aid, Relief, and Economic Security (CARES) Act ESSER Child Nutrition	84.425D	PCA15535			2,652
COVID-19 ESSER Fund California Community Schools Partnership Program	84.425D	PCA15537			1,413,406
COVID-19 Governor's Emergency Education Relief (GEER) Fund: Learning Loss Mitigation	84.425C	PCA15517			6,613
COVID-19 ARP Act ESSER III Fund	84.425U	PCA15559			1,033,811,054
COVID-19 ARP Act ESSER III Fund: Learning Loss	84.425U	PCA10155			302,519,545
Subtotal Assistance Listing Number 84.425C/D/U					1,613,316,901

LOS ANGELES UNIFIED SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

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			\$ 940,184
Title I – Migrant Ed – Summer	84.011	PCA10005			166,938
Title I – Migrant Ed – School Readiness	84.011	PCA10144			36,070
Subtotal Assistance Listing Number 84.011					1,143,192
Passed through California Department of Rehabilitation:					
We Can Work	84.126	Agreement 32032			584,949
Rehab – Transition Partnership Program/Trans Part-Greater LA	84.126	Agreement 32038			1,897,596
Subtotal Assistance Listing Number 84.126					2,482,545
Subtotal Pass-Through Programs					2,227,869,803
Total U.S. Department of Education					2,241,025,161
U.S. Department of Health and Human Services:					
		5NU87PS004357-04-00; 6NU87PS004357-04-01; 5NU87PS004357-03-00; 5NU87PS004357-05-00			
CDCP-School Based HIV/STD Prevention	93.079				681,385
Subtotal Direct Programs					681,385
Passed through County of Los Angeles:					
Student 360 Health Heluna	93.354	1 NU90TP922183-01			720,361
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	PH-003967			900,274
Child Health Outreach Initiative – Whole Person Care	93.778	PH-002507-16			14,140
Children's Health Outreach Enrollment, Utilization, and Retention Services	93.778	PH-004987			74,503
Subtotal Assistance Listing Number 93.778					88,643
Passed through City of Los Angeles:					
County Youth Jobs Program – CalWorks	93.558	C-141312			28,214
Passed through California Department of Social Services:					
California Department of Social Services Refugee Program Bureau	93.566	RSI22-LAUSD			48,092
Child Care and Development Programs					
Administered by California Department of Social Services	93.575	PCA15557		\$ 185,400	
Passed through California Department of Education:					
General Child Care Center – Block Grant	93.575	PCA15136		1,222,286	
COVID-19 ARP California State Preschool Program One-Time Stipend	93.575	PCA15640		1,213,767	
COVID-19 Child Development: Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act - One-Time Stipend	93.575	PCA15555		484,584	
CCTR Programs administered by California Department of Social Services	93.575	PCA10163		1,831,198	
General Child Care Center – Child Care Mandatory & Matching Fund of the Child Care and Development Fund	93.596	PCA13609		9,810,266	
Subtotal Expenditures – Child Care Development Fund (CCDF) Cluster					14,747,501
Passed through Baldwin Park Unified School District:					
Early Head Start	93.600	PCA15291		250,020	
Subtotal Expenditures – Head Start Cluster					250,020
Subtotal Pass-Through Programs					16,783,105
Total U.S. Department of Health & Human Services					17,464,490
Corporation for National and Community Service:					
Youth Service America Corporation	94.014	FAIN 19MK218080			145
Subtotal Direct Program					145
Total Corporation for National and Community Service					145
U.S. Department of Homeland Security:					
Passed through California Governors Office of Emergency Services:					
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	4305-DR & 4407-DR			79,928
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	PCA10014			512
Disaster Grants-Public Assistance (Presidentially Declared Disasters)					
Testing and Vaccination	97.036	FEMA-4482-DR-CA			18,093,815
Subtotal Assistance Listing Number 97.036					18,174,255
Hazard Mitigation Grant Program	97.039	PCA10041			1,871
Hazard Mitigation Grant Program	97.039	DR4344-PJ0455/PJ0151			1,808,383
Subtotal Assistance Listing Number 97.039					1,810,254
Subtotal Pass-Through Programs					19,984,509
Total U.S. Department of Homeland Security					19,984,509
Total Expenditures of Federal Awards			\$ 13,221,251	\$ 391,539,414	\$ 2,594,665,277

LOS ANGELES UNIFIED SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

(1) General

The accompanying schedule of expenditures of federal awards (Schedule) presents the expenditures of all federal financial assistance programs for 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 of expenditures of federal awards 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 agrees 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 of expenditures of federal awards is (Assistance Listing No. 10.555) \$16,393,266 of donated food commodities received from the U.S. Department of Agriculture, passed-through California Department of Education, during the year ended June 30, 2023.

(5) U.S. Department of Homeland Security Disaster Grants - Public Assistance Grants – (Presidential Declared Disasters)

The District incurred eligible expenditures in fiscal years 2019-20 through 2021-22 for the District's Disaster Grants – Public Assistance (Presidentially Declared Disasters) Testing and Vaccination Program. The California Governor's Office of Emergency Services approved the District's project worksheets in fiscal year 2022-23. The District recorded these expenditures totaling \$18,093,815 on this year's Schedule.

LAUSD
UNIFIED

OTHER INDEPENDENT AUDITOR REPORTS



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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, 2023, 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 13, 2023.

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 the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS-2023-001 to be a material weakness.



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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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS-2023-002 to be a significant deficiency.

Report on Compliance and Other Matters

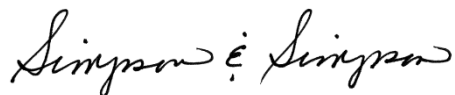
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material 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 13, 2023



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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, 2023. 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, 2023.

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 (GAAS); 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 GAAS, *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 GAAS, *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 other 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-2023-001, F-2023-002, and F-2023-003. 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 response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District is also responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's response and corrective action plan were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses or the corrective action plan.



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.

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. *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 deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items F-2023-001 and F-2023-002 to be material weaknesses.

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 response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District is also responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The District's response and corrective action plan were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses and the corrective action plan.

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 & Simpson', written in a cursive style.

Los Angeles, California
December 13, 2023



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Independent Auditor's Report on State Compliance and on Internal Control over Compliance for State Programs

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 *2022-23 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, 2023.

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, 2023.

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 *2022-23 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 *2022-23 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 *2022-23 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 *2022-23 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:

2022-23 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>
C. Kindergarten Continuance	<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	N/A (1)
K. Gann Limit Calculation	<u>Yes</u>
L. School Accountability Report Card	<u>Yes</u>

2022-23 K-12 Audit Guide Procedures	Procedures Performed
M. Juvenile Court Schools	<u>N/A (2)</u>
N. Middle or Early College High Schools	<u>Yes</u>
O. K-3 Grade Span Adjustment	<u>Yes</u>
P. Transportation Maintenance of Effort	<u>Yes</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 (3)</u>
TT. Home to School Transportation Reimbursement	<u>Yes</u>
UU. Independent Study Certification for ADA Loss Mitigation	<u>Yes</u>
School Districts, County Offices of Education, and Charter Schools:	
T. California Clean Energy Jobs Act	<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 (4)</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>
EZ. In Person Instruction Grant	<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 (5)</u>
DD. Determination of Funding for Nonclassroom-Based Instruction	<u>No (5)</u>
EE. Annual Instructional Minutes – Classroom Based	<u>Yes</u>
FF. Charter School Facility Grant Program	<u>N/A (6)</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) The District's Board of Education did not elect to operate as a school District of Choice.
- (4) The District does not have any Independent Study-Course Based Programs; therefore, we did not perform any testing related to this requirement.
- (5) The District's Average Daily Attendance generated from Nonclassroom-Based Instruction/Independent Study for Charter Schools fell under the materiality level stipulated in the *2022-23 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.
- (6) 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-2023-001 through S-2023-013.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance 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 auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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 *2022-23 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, reading 'Simpson & Simpson' in a cursive script.

Los Angeles, California
December 13, 2023

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? Yes
- 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? No

Identification of major programs and type of auditor’s report issued on compliance for each major program:

Assistance Listing Number	Name of Federal Program	Opinion
84.002A	U.S. Department of Education – Adult Education – Basic Grants to States	Unmodified
84.010	U.S. Department of Education – Title I Grants to Local Educational Agencies	Unmodified
84.027A, 84.173A/X	U.S. Department of Education – COVID-19 Special Education Cluster (IDEA)	Unmodified
84.334A	U.S. Department of Education – Gaining Early Awareness and Readiness for Undergraduate Programs	Unmodified
84.365Z	U.S. Department of Education – English Language Acquisition State Grants	Unmodified
84.367	U.S. Department of Education – Improving Teacher Quality State Grants	Unmodified
84.425C/D/U	U.S. Department of Education – COVID-19 Education Stabilization Fund	Unmodified

Assistance Listing Number	Name of Federal Program	Opinion
97.036	U.S. Department of Homeland Security – Disaster Grants – Public Assistance (Presidentially Declared Disasters)	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:	\$7,783,996
•	Auditee qualified as low risk auditee	No
State Awards		
Type of auditor's report issued on compliance for state programs:		Unmodified

Section II – Finding(s) Relating to the Basic Financial Statements which is Required to be Reported in Accordance with Government Auditing Standards

Finding – FS-2023-001 Reimbursement Grant Revenue Recognition (Material Weakness)

Criteria

Government Accounting Standards Board (GASB) Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, paragraph 15, establishes the accounting and financial reporting criteria for reimbursement grants:

“Governments (including the federal government) frequently engage in award programs commonly referred to as “reimbursement-type” or “expenditure-driven” grant programs. These programs may be either government-mandated or voluntary nonexchange transactions, depending on their characteristics. In either case, the provider stipulates that a recipient cannot qualify for resources without first incurring allowable costs under the provider’s program...

...that is, there is no award—the provider has no liability, and the recipient has no asset (receivable)—until the recipient has met the provider’s requirements by incurring costs in accordance with the provider’s program.”

A receivable and revenue should be recognized once the recipient has met the provider’s requirements by incurring costs in accordance with the provider’s program.

Condition

During our audit of the District’s Other Governmental Funds State revenues, we identified a total of (3) three grant programs from (2) two grantors listed below, whereby the District’s Facilities Department recognized revenue in the governmental funds upon receipt of cash as opposed to when the District met the grantor’s requirements by incurring costs in accordance with the grantor’s program:

1. State Water Resources Control Board (SWRCB) – Drinking Water for Schools Grant Program and Drought Response Outreach Program
2. State Allocation Board (SAB) – School Facility Program (SFP)

Cause and Effect

As a result of the prior year’s Reimbursement Grant Revenue Recognition Material Weakness finding (FS-2022-001), the District has established Revenue Recognition Policies and Procedures to include criteria by which grant-related activities are recognized as revenue effective June 30, 2023. However, at the time of posting the above revenues, the Revenue Recognition Policies and Procedures had not been prepared and implemented, resulting in the above finding.

As such, the District’s Facilities Department (Facilities) did not communicate the above grant-related programs they manage to the District’s Accounting Department – Capital Projects (ADCP), resulting in the ADCP being unable to provide the Facilities with the accounting and financial reporting criteria for reimbursement grants.

Due to Facilities' misconception of reimbursement grant accounting, they incorrectly recognized State revenues when cash was received instead of when costs were incurred. Based on our audit of the revenue items, it was determined that these grant revenues were earned in Fiscal Year's 2022, 2021, and 2020 and should have been recognized and recorded as revenues at that time in accordance with accounting and financial reporting criteria for reimbursement grants. The overall financial impact was an overstatement of the District's revenues by \$3.7 million for the year ended June 30, 2023.

Recommendation

We recommend that the District strengthen its controls over reimbursement or expenditure-driven grant revenue recognition as follows:

- Ensure that the Revenue Recognition Policies and Procedures are updated annually to include all grants in which the District continues to participate in and any new cost reimbursement grants received in the current fiscal year.
- Ensure that the Facilities' staff continue to be adequately trained and knowledgeable of reimbursement grant accounting and financial reporting requirements.
- The ADCP is to continue verifying revenues recorded during the current fiscal year to ensure recording in the proper accounting period.
- The ADCP is to continue reviewing subsequent cash receipts pertaining to reimbursement grants to ensure recording in the proper accounting period.

View of Responsible Officials and Corrective Action Plan

Facilities Services Division (FSD) agrees with this finding and notes that the revenues associated with the current finding materialized before the recommendations from the FY22 audit were implemented. Retroactive posting of these findings to FY22 was not possible because the fiscal year was closed. Posting of the revenues to FY23 was the only recourse available to the department at the time.

Since the results of the FY22 audit came out, FSD has diligently implemented the auditor's recommendations, including updating the department's policies and procedures and sharing these updates with the ADCP team for feedback. Scrutiny of the grant revenue recognition activities carried out by FSD since then would reveal complete compliance and the implementation of a corrective action plan.

Name: Chris Alejo

Title: Deputy Director of Program Support Services

Telephone: (213) 241-1000

Finding – FS-2023-002 Vulnerability Management (Significant Deficiency)

Criteria

Scanning for and managing inventory, patch, and configuration issues are security practices designed to proactively identify and remediate technical 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.

- 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: Section IV. Critical Vulnerabilities:

Critical security patches may be performed outside the default or customized maintenance schedule and must be installed as soon as reasonably possible, but no later than 30 days after discovery unless approved by the Director of IT Security.

SAP Vulnerability

Condition

Our review of SAP network server vulnerability scan reports for the period of October 2022 through December 2022 revealed that 20 (twenty) “Critical” severity vulnerabilities and 423 (four hundred and twenty-three) “High” severity level vulnerabilities remained outstanding or not remediated throughout this three (3) month period.

Cause and Effect

It has been represented to us that as a result of the September 2022 cyber security attack incurred by the District, the District has faced various challenges that impact their ability to prioritize addressing all vulnerabilities.

The lack of proactively managing and timely remediating vulnerabilities increases the risk of potential exploitation. In addition, untimely patching and fixing configuration issues can adversely impact the availability, confidentiality, and integrity of LAUSD information resources.

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.

View of Responsible Officials and Corrective Action Plan

As a result of the cyber incident, the District faced various challenges and had to prioritize certain factors, which led to the inability to address all vulnerabilities at once. However, we want to assure you that our firewall and Host control, as well as SAP application filters and rules, have been effective in thwarting unwanted and malicious access attempts. Access to SAP applications is exclusively permitted through Citrix, and log-in to SAP hosts is restricted to specific floors where administrators are located, namely the 9th and 11th floors.

To address vulnerabilities effectively, we have now implemented a structured process. We conduct regular monthly remediation activities to proactively address and resolve any identified vulnerabilities. This approach ensures a consistent and efficient response to potential security threats, further enhancing our overall cybersecurity measures.

Name: Douglas Le

Title/Division: Senior ERP Director Business Systems/Information Technology Services (ITS)

Telephone: 213.241.1586

MiSiS Vulnerability**Condition**

Our review of MISIS network server vulnerability scan reports for the period of October 2022 through December 2022 revealed one hundred and fifty-one (151) “Critical” severity vulnerabilities and 381 (three hundred and eighty-one) “High” severity level vulnerabilities remained outstanding or not remediated throughout this three (3) month period.

Cause and Effect

It has been represented to us that as a result of the September 2022 cyber security attack incurred by the District, the District has faced various challenges that impact their ability to prioritize addressing all vulnerabilities.

The lack of proactively managing and timely remediating vulnerabilities increases the risk of potential exploitation. In addition, untimely patching and fixing configuration issues can adversely impact the availability, confidentiality, and integrity of LAUSD information resources.

This risk is increased for systems that contain individual student data.

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.

View of Responsible Officials and Corrective Action Plan

Items listed by auditors in MiSiS Vulnerabilities Observation Support.pdf have been resolved except 8 critical and 132 high severity vulnerabilities included in the Oct-Dec 2022 Audit Review 07212023.xlsx file will be fixed by 09/30/2023.

Name: Douglas Le

Title/Division: Senior ERP Director Business Systems/ITS

Telephone: 213.241.1586

Name: Robert Pelayo

Title/Division: MiSiS Director/ITS

Telephone: 213-241-1144

CMS Vulnerability**Condition**

Our review of CMS network server vulnerability scan reports for the period of October 2022 through December 2022 revealed twelve (12) “Critical” severity level vulnerabilities and 56 (fifty-six) “High” severity level vulnerabilities that remained outstanding or not remediated throughout this three (3) month period.

Cause and Effect

It has been represented to us that as a result of the September 2022 cyber security attack incurred by the District, the District has faced various challenges that impact their ability to prioritize addressing all vulnerabilities.

The lack of proactively managing and timely remediating vulnerabilities increases the risk of potential exploitation. In addition, untimely patching and fixing configuration issues can adversely impact the availability, confidentiality, and integrity of LAUSD information resources.

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.

View of Responsible Officials and Corrective Action Plan

As a result of the cyber incident, the District faced various challenges and had to prioritize certain factors, which led to the inability to address all vulnerabilities at once. However, all the identified vulnerabilities were addressed at a later stage.

To address vulnerabilities effectively, we have now implemented a structured process. We conduct regular monthly remediation activities to proactively address and resolve any identified vulnerabilities. This approach ensures a consistent and efficient response to potential security threats, further enhancing our overall cybersecurity measures.

Name: Douglas Le

Title/Division: Senior ERP Director Business Systems/ITS

Telephone: 213.241.1586

Welligent Vulnerability**Condition**

Our review of Welligent network vulnerability scan reports for the period of October 2022 through December 2022 revealed sixteen (16) “Critical” severity level vulnerabilities and 56 (fifty-six) “High” severity level vulnerabilities remained outstanding or not remediated throughout this three (3) month period.

We were informed by District management that the Welligent production servers scanned were decommissioned as of June 28, 2023. However, the scan reports reviewed were of Welligent servers in production use during the period reviewed, i.e., October 2022 – December 2022.

Cause and Effect

It has been represented to us that as a result of the September 2022 cyber security attack incurred by the District, the District faced various challenges and had to prioritize certain factors, which led to the inability to address all vulnerabilities at once. However, all the identified vulnerabilities were addressed at a later stage.

The lack of proactively managing and timely remediating vulnerabilities increases the risk of potential exploitation. In addition, untimely patching and fixing configuration issues can adversely impact the availability, confidentiality, and integrity of LAUSD information resources.

This risk is increased for systems that contain sensitive student data such as Individualized Education Programs (IEP), in some instances containing student PHI (Personal Health Information).

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.

View of Responsible Officials and Corrective Action Plan

The sixteen (16) critical and 199 high severity level Welligent server vulnerabilities are found under WELLREP2PE.LAUSD.NET and WELLREP2PF.LAUSD.NET. Both of these servers are for our Welligent Production Reporting Application Server. Both of these servers are unused and were decommissioned/shutdown on June 28, 2023 with the processing of MOC ticket# CRQ000000066607 and work order WO0000012694509. Both tickets have been completed/closed.

Name: Douglas Le

Title/Division: Senior ERP Director Business Systems/ITS

Telephone: 213.241.1586

Section III – Findings and Questioned Costs Relating to Federal Awards

Program Identification

Finding Reference Number:

F-2023-001

Federal Program Title, Awarding Agency, Pass-Through Entity, Assistance Listing Number, and Award Number:

Title I Grants to Local Educational Agencies, U.S. Department of Education, Passed through the California Department of Education, AL No. 84.010, PCA Nos. 14329 and 15438 (Material Weakness)

Special Education-Grants to States (IDEA, Part B), U.S. Department of Education, Passed through the California Department of Education, AL No. 84.027A, 22-13379-64733-01 (Material Weakness)

English Language Acquisition State Grants, U.S. Department of Education, Passed through the California Department of Education, AL No. 84.365Z, PCA No. 14365, T365Z210143/C#21079A (Material Weakness)

Improving Teacher Quality State Grants, U.S. Department of Education, Passed through the California Department of Education, AL No. 84.367, PCA 14341 (Material Weakness)

COVID-19 American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER), U.S. Department of Education, Passed through the California Department of Education, AL No. 84.425U, PCA No. 15559 (Material Weakness)

Compliance Requirement:

Activities Allowed or Unallowed and 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.”

In accordance with LAUSD Policy Bulletin 2643.13 and 2643.14 entitled, “Documentation for Employees Paid from Federal and State Categorical Programs,” the Periodic Certification (formerly referred to as Semi-Annual Certifications) must be completed each fiscal year for employees whose compensation is singularly sourced from federal funds. The first Periodic Certification covers the period between July 1st through December 31st, and the second Periodic Certification covers the period between January 1st through June 30th. These certifications should be completed no later than January 31st and July 31st, respectively. Employees whose compensation is sourced by a combination of Federal or State funds that are not a Single Cost Objective are required to complete and sign the Multi-Funded Time Report at the end of each month.

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) and LAUSD Policy Bulletin 2643.13 and 2643.14.

Title I Grants to Local Educational Agencies: In our sample of sixty (60) payroll expenditures, we identified discrepancies in the timesheet hours submitted by two (2) employees when compared to the records in SAP. One (1) employee's hours reported on the timesheet was less than the hours recorded in SAP, leading to an overstatement of program expenditures. Conversely, another employee's hours reported on the timesheets were greater than the hours recorded in SAP, leading to an understatement of program expenditures.

Total exceptions for overstatement and understatement amounted to \$132 and \$726, respectively, of the \$186,080 sampled from \$278,384,872 of the total payroll expenditures.

Special Education-Grants to States (IDEA, Part B): In our sample of sixty (60) payroll expenditures, we identified a compliance issue regarding signatures on Periodic Certifications. Specifically, four (4) employees signed their Periodic Certifications only in response to our audit request, indicating that these signatures were not obtained within the required timeframe.

Total exceptions for untimely certifications amounted to \$23,194.

English Language Acquisition State Grants: In our sample of sixty (60) payroll expenditures, we identified discrepancies in the Multi-Funded Time Reports submitted by three (3) employees compared to the hours recorded in SAP. Specifically, one (1) employee reported hours on the Multi-Funded Time Reports that were less than the hours recorded in SAP, leading to an overstatement of program expenditures. In contrast, two (2) employees reported more hours on the Multi-Funded Time Reports than the hours recorded in SAP, leading to an understatement of program expenditures.

Total exceptions for overstatement and understatement amounted to \$49 and \$1,280, respectively, of the \$156,424 sampled from \$8,984,427 of the total payroll expenditures.

Improving Teacher Quality State Grants: In our sample of sixty-one (61) payroll expenditures, we identified discrepancies in the Multi-Funded Time Reports submitted by seven (7) employees compared to the hours recorded in SAP. Specifically, five (5) employees reported hours on the Multi-Funded Time Reports that were less than the hours recorded in SAP, leading to an overstatement of program expenditures. In contrast two (2) employees reported hours on the Multi-Funded Time Report that were greater than the hours recorded in SAP, leading to an understatement of program expenditures. In addition, we found that one (1) employee's hours recorded in SAP did not have a corresponding Multi-Funded Time Report at all, leading to an overstatement of program expenditures.

Total exceptions for overstatement and understatement amounted to \$7,697 and \$1,957, respectively, of the \$284,882 sampled from \$17,263,439 of the total payroll expenditures.

COVID-19 American Rescue Plan – Elementary and Secondary School Emergency Relief (ARP ESSER): In our sample of sixty-one (61) payroll expenditures, we identified a compliance issue regarding signatures on Periodic Certifications. Specifically, two (2) employees signed their Periodic Certifications only in response to our audit request, indicating that these signatures were not obtained within the required timeframe.

Total exceptions for untimely certifications amounted to \$9,260.

Our samples were statistically valid samples.

Cause and Effect

The untimely certifications appear to be incidents in which employees did not follow the District's policies and procedures. The discrepancies between time reports/timesheets and SAP data appear to be due to clerical errors and lack of sufficient review processes.

Such oversights lead to instances of non-compliance and inaccuracies in financial reporting/SEFA, impacting the reliability of payroll expenditure documentation.

Questioned Costs

The total costs related to the conditions mentioned above amounted to the following:

Title I Grants to Local Educational Agencies (AL No. 84.010): \$132 overstatement and \$726 understatement due to unsupported hours charged.

English Language Acquisition State Grants, U.S. Department of Education (AL No. 84.365Z): \$49 overstatement and \$1,280 understatement due to unsupported hours charged.

Improving Teacher Quality State Grants (AL No. 84.367): \$7,697 overstatement and \$1,957 understatement due to unsupported hours charged.

There were no questioned costs arising from untimely completed/signed Periodic Certifications or Multi-Funded Time Reports, as the payroll costs incurred were still allowable costs, despite the timing issues, for the respective programs (i.e., IDEA and ESSER).

Repeat Finding

This finding is a repeat finding as indicated in the Status of Prior Audit Findings and Recommendation as finding number F-2022-001.

Recommendation

We recommend that the District enhance its internal controls over payroll expenditures and related compliance requirements by providing adequate and continuous training to school administrators, timekeepers, and supervisors on the necessary procedures to ensure ongoing compliance is effectively monitored. We also recommend that management responsible for each grant develop and reinforce controls for reviewing and approving Multi-Funded Time Reports or timesheets prior to submission to the funding agency, ensuring that the review and approval process is well-documented. In addition, the District should also conduct internal audits to assess the accuracy of timesheets or Multi-Funded Time Reports and the timeliness of signed Periodic Certification submissions to ensure compliance with the established requirements.

View of Responsible Officials and Corrective Action Plan

1. Accounting Controls team will continue to coordinate with Central Office/program coordinators to:
 - a) Communicate the impact of questioned cost resulting from current year's audit findings.
 - b) Follow through on the sample testing performed on payroll documentations as a secondary control twice a year; and
 - c) Provide feedback and training to the schools based on the result of sample testing.
2. The Accounting controls team will continue to collaborate with the MyPLN team to ensure effective monitoring and timely completion of the annual Mandatory Time and Effort Training. This essential training is mandatory for administrators, timekeepers, and supervisors. Successful completion involves answering review questions at the conclusion of the course, with a 100% correct response rate necessary to obtain certification.
3. Each July, the LAUSD organizes the Principals' Leadership Institute, during which the Accounting Controls team and Central Office/program coordinators will present to principals and assistant principals the significance of completing Time and Effort documentation in a timely and accurate manner.
4. The Accounting Controls team will work with Organizational Excellence and Central Office/program coordinators to present to School Administrative Assistants at their scheduled meetings/trainings, at least once a year.

Name: Bryant Gonzalez

Title: Deputy Controller

Email: bryant.gonzalez1@lausd.net

Program Identification

Finding Reference Number:	F-2023-002
Assistance Listing Number:	84.367
Federal Program Titles:	Title I Grants to Local Educational Agencies (Material Weakness)
Awarding Agency / Pass-Through Entity:	U.S. Department of Education, California Department of Education
Award Number:	PCA No. 14329
Compliance Requirement:	Special Tests and Provisions – Annual Report Card, High School Graduation Rate
State Audit Guide Finding Code:	30000 and 50000

Criteria*Annual Report Card, High School Graduation Rate*

An SEA and its LEAs must report graduation rate data for all public high schools at the school, LEA, and State levels using the 4-year adjusted cohort rate under 34 CFR section 200.19(b)(1)(i)-(iv). Additionally, SEAs and LEAs must include the 4-year adjusted cohort graduation rate (which may be combined with an extended-year adjusted cohort graduation rate or rates) in adequate yearly progress (AYP) determinations. Graduation rate data must be reported both in the aggregate and disaggregated by each subgroup described in 34 CFR section 200.13(b)(7)(ii) using a 4-year adjusted cohort graduation rate. Only students who earn a regular high school diploma may be counted as a graduate for purposes of calculating the 4-year adjusted cohort graduation rate. To remove a student from the cohort, a school or LEA must confirm, in writing, that the student transferred out, emigrated to another country, or is deceased. To confirm that a student transferred out, the school or LEA must have official written documentation that the student enrolled in another school or in an educational program that culminates in the award of a regular high school diploma. A student who is retained in grade, enrolls in a General Educational Development (GED) program, or leaves school for any other reason may not be counted as having transferred out for the purpose of calculating graduation rate and must remain in the adjusted cohort (Title I, Sections 1111(b)(2) and (h) of ESEA (20 USC 6311(b)(2) and (h)); 34 CFR section 200.19(b)).

Section 8.3 of the LAUSD Attendance Manual states School staff shall document students who withdraw from the school. School staff shall follow Appendix J-2: Elementary School Withdrawal Symbols and Appendix J-3: Secondary School Withdrawal Symbols when recording withdrawal data.

Section XI.B of LAUSD REF-6554.4 states the Parent Assurance Letter (PAL) is the official form used to document withdrawal, transfer, and other student movement and that the form must be signed and submitted by the parent/guardian for student withdrawals.

Condition

We sampled a total of sixty (60) out of 78,036 students with leave codes in the school year 2021-22 My Integrated Student Information System (MiSiS) data file to verify that the leave code and reason code reported in MiSiS was properly supported. In our review of the documentation in comparison to the leave and reason code, we noted the following:

1. Six (6) schools provided documentation for seven (7) students that did not support the leave code entered into MiSiS:

Number of Instances	Leave Code per MISIS	Leave Code per Supporting Documentation
2	L3 (Student transfers to a California public school outside LAUSD)	L2 (Student transfers to another LAUSD School)
3	L3 (Student transfers to a California public school outside LAUSD)	L8 (Unknown)
2	L4 (Student transfers to a California private school/Homeschool)	L3 (Student transfers to a California public school outside LAUSD)

2. One (1) school was unable to provide any documentation to support the leave code for one (1) student file.

Our sample was a statistically valid sample.

Cause and Effect

The discrepancy in the leave code was caused by the schools using the wrong leave code when they did not have enough information to substantiate that code. There seems to be a deficiency in the internal control system to properly train and monitor the personnel who are assigned to maintain the accuracy of student records and documentation.

Inaccurate leave codes in MiSiS may lead to inaccurate data collected by CDE, which could lead to errors in the calculation of the graduation rate.

Questioned Costs

Not applicable. This finding is considered a programmatic non-compliance issue.

Repeat Finding

This finding is a repeat finding as indicated in the Status of Prior Audit Findings and Recommendation as finding number F-2022-002.

Recommendation

Given the recurring nature of this finding, we strongly recommend that the District take more robust measures to strengthen and improve its existing controls over enrollment/withdrawal status to ensure that student records on MiSiS are accurate and that necessary documents are maintained. Additionally, we recommend that the District continue to provide training on accurate enrollment/withdrawal codes and on the appropriate levels of written documentation required for various withdrawal situations under both ESSA and CDE guidance.

View of Responsible Officials and Corrective Action Plan

Pupil Services and Attendance will continue to provide policy guidance on the LAUSD student withdrawal procedures through the following methods:

1. Pupil Services will maintain policies pertaining to attendance, enrollment, and withdrawals up to date.
2. Pupil Services published the Bulletin 4926.3 Enrollment, Attendance, and Withdrawal Policies and Procedures dated July 31, 2023, and is available for all LAUSD staff in the LAUSD E-Library.
3. Pupil Services has created a SharePoint available to all LAUSD staff employee where we have made available the *Enrollment, Attendance, and Withdrawal Policies and Procedures Manual*. This Manual outlines the LAUSD withdrawal policy and procedures for both elementary and secondary students along with the supporting documents necessary such as the *Withdrawal Types and Reasons*. This manual is also hyperlinked directly on Bulletin 4926.3 Enrollment, Attendance, and Withdrawal Policies and Procedures which is available for all LAUSD staff in the LAUSD E-Library.
4. Explore possible document validation for withdrawal reasons in the MiSiS Withdrawal Screen.
5. Pupil Services will provide training to the A-G Counselors on the Withdrawal Process and Procedures yearly by March 2024.
6. Pupil Services will provide training to the LAUSD Data team on accurate withdrawal procedures by December 2023.
7. Pupil Services will continue to offer training to the Pupil Services Lead Counselors through the informational sessions offered every other month.
8. Pupil Services will conduct a training on Withdrawal Process and Procedures to LAUSD Office personnel yearly by December 2023.
9. Pupil Services will continue provide ongoing reminders every other month through the Schoology communication platform regarding accurate enrollment, withdrawal procedures and the MYPLN Essential Tips training to support with the withdrawal process, codes, and documentation.
10. Pupil Services and Attendance will communicate with Region Administration on disseminating information to school-site designees with audit findings to participate in the MYPLN training on accurate enrollment and withdrawal codes during school year 2023-24.
11. Will obtain written acknowledgement for completion of the MYPLN Essential Tips training to support with the withdrawal process, codes, and documentation from the schools identified with audit findings by March 2024.

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Program Identification

Finding Reference Number: **F-2023-003**

Assistance Listing Number: 84.010

Federal Program Titles: Improving Teacher Quality State Grants

Awarding Agency / Pass-Through Entity: U.S. Department of Education, California Department of Education

Award Number: PCA No. 14341

Compliance Requirement: Reporting

State Audit Guide Finding Code: 30000 and 50000

Criteria

20 U.S. Code § 7845 (a) (1), “A local educational agency receiving funds under more than one covered program may submit plans or applications to the State educational agency under those programs on a consolidated basis.” This Consolidated Application (ConApp) is used by the California Department of Education (CDE) to distribute categorical funds from various federal programs (e.g., Title I, Part A; Title II) to county offices, school districts, and direct funded charter schools throughout California.

Improving Teacher Quality State Grants (Title II, Part A) funds are allocated based on the following formula: (a) 20 percent based on the relative number of individuals age five through seventeen, and (b) 80 percent based on the relative numbers of individuals age five through seventeen from families with incomes below the poverty line, residing in the area the local educational agency (LEA) serves based on U.S. Census or state alternative poverty data.

Condition

We sampled a total of three (3) out of five (5) ConApp reports submitted in the fiscal year 2022-23. Our review identified discrepancies in the reported amount for Title II, Part A FY 2021-22 Expenditure Report, 12 Months as follows:

Reported Category	Reported Amount	Correct Amount	Discrepancy Over/(Under)
Total Expenditures	\$ 9,420,273	\$14,196,113	(\$4,775,840)
2021-22 Unspent Funds	\$18,217,386	\$13,441,546	\$4,775,840

Our samples were statistically valid samples.

Cause and Effect

The discrepancies in the ConApp reporting can be attributed to a lack of adequate control measures within the reporting process, which has led to non-compliance with ConApp reporting requirement.

Questioned Costs

Not applicable - Title II, Part A funds are allocated based on a specific population and poverty-based formula, not based on expenditures.

Recommendation

We recommend that the District strengthen and improve its existing controls over the ConApp reporting process to ensure that all reported information is reconciled between the accounting records and the ConApp submissions.

View of Responsible Officials and Corrective Action Plan

The District will strengthen and improve its existing controls over the processes for the Consolidated Application reporting. Specifically, the District will ensure that the preparer and reviewer complete an internal control checklist before submission of the report to CDE. This includes the validation and reconciliation of expenditure data that is reported in the Consolidated Application Report.

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Section IV – Findings and Questioned Costs Relating to State Awards

S-2023-001 – Regular and Special Day Classes – Attendance Computations

State Program: Attendance Accounting: Attendance Reporting

State Audit Guide Finding Codes: 10000 and 40000

Schools Affected

- Alexandria Avenue Elementary
- Arlington Heights Elementary
- Arlington Heights Elementary DL Two-Way Im Spanish
- Atwater Avenue Elementary
- Avalon Gardens Elementary
- Belmont Senior High
- Brentwood Elementary Science Magnet
- Broadacres Avenue Elementary
- Cabrillo Avenue Elementary
- Carmen Lomas Garza Primary Center
- Coeur D Alene Avenue Elementary
- Corona Avenue Elementary
- Crescent Heights Boulevard Elementary Lang Arts/Soc Jstc Mag
- CTC - West
- Del Amo Elementary
- Delevan Drive Elementary
- Denker Avenue Elementary
- Dolores Huerta Elementary School
- Dolores Street Elementary
- Dr Sammy Lee Elementary Medical and Health Science Magnet
- Florence Nightingale Middle School
- Florence Nightingale Middle School Bus Entrprshp Tech Magnet
- Francisco Bravo Senior High Medical Magnet
- George De la Torre Jr Elementary STEAM Magnet
- Hollywood Elementary
- Ivanhoe Elementary
- Lafayette Park Primary Center
- Manhattan Place Elementary
- Menlo Avenue Elementary
- Menlo Avenue Elementary DL Two-Way Im Spanish
- Menlo Avenue Elementary STEAM Magnet
- Mount Washington Elementary
- Nevin Avenue Elementary
- Noble Avenue Elementary
- Park Western Place Elementary
- Point Fermin Elementary Marine Science Magnet

- Raymond Avenue Elementary
- RFK Comm Schls - UCLA Community School K-12
- Ricardo Lizarraga Elementary
- Rio Vista Elementary
- San Fernando Elementary
- Saticoy Elementary
- Saticoy Elementary DL Two-Way Im Armenian
- Sierra Vista Elementary
- Walgrove Avenue Elementary
- Walnut Park Elementary
- West Athens Elementary
- Wilshire Park Elementary School

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 138 schools, we obtained the Student Monthly Attendance Summary Reports (SMASRs) for a sample of teachers for school month three (3). 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 164,396 days of attendance and 15,214 days of absences for testing and noted the following findings, resulting due to staff's untimely update of student's attendance records:

- **Alexandria Avenue Elementary** - Out of the 575 days of attendance and 65 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 was recorded as present in the SMASR.

- **Arlington Heights Elementary** - Out of the 643 days of attendance and 85 days of absences sampled, we noted the following exceptions:
 - 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.
- **Arlington Heights Elementary DL Two-Way Im Spanish** - Out of the 391 days of attendance and 56 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.
- **Atwater Avenue Elementary** - Out of the 618 days of attendance and 82 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 was marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Avalon Gardens Elementary** - Out of the 477 days of attendance and 83 days of absences sampled, we noted the following exceptions:
 - Seven (7) students were absent for a total of seven (7) days, as evidenced by an absence note but was 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.
- **Belmont Senior High** - Out of the 1,128 days of attendance and 143 days of absences sampled, we noted the following exceptions:
 - 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.
- **Brentwood Elementary Science Magnet** - Out of the 876 days of attendance and 84 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.
- **Broadacres Avenue Elementary** - Out of the 499 days of attendance and 30 days of absences sampled, we noted the following exception:
 - One (1) student was absent for a total of thirteen (13) days, as evidenced by an absence note but was recorded as present in the SMASR.

- **Cabrillo Avenue Elementary** - Out of the 720 days of attendance and 53 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.
- **Carmen Lomas Garza Primary Center** - Out of the 745 days of attendance and 68 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 recorded as present in the SMASR.
- **Coeur D Alene Avenue Elementary** - Out of the 1,302 days of attendance and 167 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 marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
 - 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.
- **Corona Avenue Elementary** - Out of the 1,370 days of attendance and 110 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.
- **Crescent Heights Boulevard Elementary Lang Arts/Soc Jstc Mag** - Out of the 1,166 days of attendance and 114 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.
- **CTC – West** - Out of the 246 days of attendance and 27 days of absences sampled, we noted the following exceptions:
 - Three (3) students were absent for a total of six (6) days, as evidenced by an absence note but was marked as present in the SMASR.
 - Two (2) students were absent for a total of two (2) days, as evidenced by an absence note but was marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.

- **Del Amo Elementary** - Out of the 1,259 days of attendance and 61 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Delevan Drive Elementary** - Out of the 1,023 days of attendance and 103 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 marked 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.
- **Denker Avenue Elementary** - Out of the 821 days of attendance and 69 days of absences sampled, we noted the following exceptions:
 - Three (3) students were absent for a total of ten (10) days, as evidenced by an absence note but was marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Dolores Huerta Elementary School** - Out of the 1,160 days of attendance and 80 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 was recorded as present in the SMASR
- **Dolores Street Elementary** - Out of the 956 days of attendance and 64 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.
- **Dr Sammy Lee Elementary Medical and Health Science Magnet**- Out of the 1,369 days of attendance and 91 days of absences sampled, we noted the following exceptions:
 - 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.

- **Florence Nightingale Middle School** - Out of the 422 days of attendance and 38 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Florence Nightingale Middle School Bus Entrprshp Tech Magnet** - Out of the 352 days of attendance and 8 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Francisco Bravo Senior High Medical Magnet** - Out of the 1,566 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 marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **George De la Torre Jr Elementary STEAM Magnet** - Out of the 848 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.
- **Hollywood Elementary** - Out of the 840 days of attendance and 60 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.
- **Ivanhoe Elementary** - Out of the 1,403 days of attendance and 84 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.

- **Lafayette Park Primary Center** - Out of the 896 days of attendance and 144 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.
- **Manhattan Place Elementary** - Out of the 1,241 days of attendance and 234 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 was marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
 - We identified two (2) 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.
- **Menlo Avenue Elementary** - Out of the 826 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 marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Menlo Avenue Elementary DL Two-Way Im Spanish** - Out of the 493 days of attendance and 82 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.
- **Menlo Avenue Elementary STEAM Magnet** - Out of the 765 days of attendance and 95 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.
 - 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Mount Washington Elementary** - Out of the 1,463 days of attendance and 104 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.

- **Nevin Avenue Elementary** - Out of the 920 days of attendance and 80 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Noble Avenue Elementary** - Out of the 949 days of attendance and 111 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Park Western Place Elementary** – Out of the 562 days of attendance and 98 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Point Fermin Elementary Marine Science Magnet**– Out of the 1,201 days of attendance and 79 days of absences sampled, we noted the following exceptions:
 - 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.
- **Raymond Avenue Elementary** - Out of the 1,281 days of attendance and 192 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 was recorded as present in the SMASR.
 - Two (2) students were absent for a total of two (2) days, as evidenced by an absence note but was marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
 - 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.

- **RFK Comm Schls - UCLA Community School K-12** - Out of the 1,512 days of attendance and 125 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 was recorded as present in the SMASR.
- **Ricardo Lizarraga Elementary** - Out of the 88 days of attendance and 32 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
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- **Rio Vista Elementary** - Out of the 1,487 days of attendance and 193 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 was recorded as present in the SMASR.
 - 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. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **San Fernando Elementary** - Out of the 808 days of attendance and 92 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 was marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
 - 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.
- **Saticoy Elementary** - Out of the 828 days of attendance and 92 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.

- **Saticoy Elementary DL Two-Way Im Armenian** - Out of the 299 days of attendance and 41 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 was recorded as present in the SMASR.
- **Sierra Vista Elementary**- Out of the 961 days of attendance and 79 days of absences sampled, we noted the following exceptions:
 - 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.
- **Walgrove Avenue Elementary** - Out of the 789 days of attendance and 111 days of absences sampled, we noted the following exceptions:
 - 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.
- **Walnut Park Elementary** - Out of the 686 days of attendance and 92 days of absences sampled, we noted the following exceptions:
 - Four (4) students were absent for a total of five (5) days, as evidenced by an absence note but was recorded as present in the SMASR.
- **West Athens Elementary** - Out of the 1,159 days of attendance and 175 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 was marked 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.
- **Wilshire Park Elementary School** - Out of the 672 days of attendance and 48 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 recorded as present in the SMASR.

These findings are repeat findings, having been reported previously at June 30, 2022 (S-2022-001) but for different schools.

Questioned Costs

- Grades TK/K-3: $40 \text{ days}/139 \text{ days} = 0.29 \text{ ADA overstated} * \$13,895.87 = \$4,029.80$
 - Grades 4 to 6: $25 \text{ days}/139 \text{ days} = 0.18 \text{ ADA overstated} * \$12,776.67 = \$2,299.80$
 - Grades 7 to 8: $6 \text{ days}/139 \text{ days} = 0.04 \text{ ADA overstated} * \$13,155.69 = \$526.23$
-
- Alexandria Avenue Elementary
 - Grades TK/K-3: 2 days/139 days in single track school year
 - Arlington Heights Elementary DL Two-Way Im Spanish
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Avalon Gardens Elementary
 - Grades TK/K-3: 6 days/139 days in single track school year
 - Grades 4 to 6: 1 day/139 days in single track school year
 - Brentwood Elementary Science Magnet
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Broadacres Avenue Elementary
 - Grades 4 to 6: 13 days/139 days in single track school year
 - Cabrillo Avenue Elementary
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Carmen Lomas Garza Primary Center
 - Grades TK/K-3: 2 days/139 days in single track school year
 - Corona Avenue Elementary
 - Grades 4 to 6: 2 days/139 days in single track school year
 - Crescent Heights Boulevard Elementary Lang Arts/Soc Jstc Mag
 - Grades TK/K-3: 1 day/139 days in single track school year
 - CTC – West
 - Grades 7 to 8: 6 days/139 days in single track school year
 - Delevan Drive Elementary
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Dolores Huerta Elementary School
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Grades 4 to 6: 2 days/139 days in single track school year
 - Dolores Street Elementary
 - Grades 4 to 6: 4 days/139 days in single track school year
 - George De la Torre Jr Elementary STEAM Magnet
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Hollywood Elementary
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Lafayette Park Primary Center
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Menlo Avenue Elementary DL Two-Way Im Spanish
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Menlo Avenue Elementary STEAM Magnet
 - Grades TK/K-3: 1 day/139 days in single track school year
 - Mount Washington Elementary
 - Grades TK/K-3: 1 day/139 days in single track school year

- Raymond Avenue Elementary
 - Grades TK/K-3: 2 days/139 days in single track school year
- RFK Comm Schls - UCLA Community School K-12
 - Grades 4 to 6: 2 days/139 days in single track school year
- Rio Vista Elementary
 - Grades TK/K-3: 4 days/139 days in single track school year
- Saticoy Elementary
 - Grades 4 to 6: 1 day/139 days in single track school year
- Saticoy Elementary DL Two-Way Im Armenian
 - Grades TK/K-3: 2 days/139 days in single track school year
- Walnut Park Elementary
 - Grades TK/K-3: 5 days/139 days in single track school year
- West Athens Elementary
 - Grades TK/K-3: 3 days/139 days in single track school year
- Wilshire Park Elementary School
 - Grades TK/K-3: 2 days/139 days in single track school year

Recommendation

We recommend that the District and the schools continue to strengthen its 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 over attendance reporting so that proper attendance reporting procedures are adhered to, and that the District maintain documentation reflecting that each of the schools identified above have been successfully trained.

Views of Responsible Officials, Planned Corrective Action, and Contact Information

New corrective actions we will take:

1. We will offer training to staff on the function of the SMASR to support students' accurate attendance.
2. We will provide ongoing reminders every other month through the Schoology communication for staff to review their SMASR for accuracy.
3. We will provide ongoing reminders every other month through the Schoology communication for staff to retain student attendance records.

We will also continue to provide policy guidance:

1. Provide ongoing reminders every other month through the Schoology communication platform regarding accurate attendance, enrollment, and withdrawal procedures.
2. Provide ongoing reminders every other month through the Schoology communication regarding the MYPLN Essential Tips training to support with appropriate attendance documentation.
3. Pupil Services and Attendance will communicate with Local District Administration on disseminating information to school-site designees with audit findings to participate in the MYPLN training on accurate attendance, enrollment, and withdrawal procedures during school year 2023-24.
4. Pupil Services and Attendance will communicate with the Office of Organizational Excellence to support in messaging the availability of the MYPLN training to support with the accurate, attendance, enrollment, withdrawal procedures, codes, and documentation.
5. The District will obtain written acknowledgement for completion of the MYPLN Essential Tips training to support accurate attendance, enrollment, and withdrawal procedures, codes, and documentation from the identified schools with audit findings.

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S-2023-002 – Teacher Certification and Misassignments

State Audit Guide Finding Codes: 40000 and 71000

Schools Affected

- 9th Street Elementary
- Boyle Heights HS STEM Magnet
- Brooklyn Avenue Elementary
- Canfield Avenue Elementary
- Carthay Elementary of Environmental Studies Magnet
- Charles Drew MS University Pathways Public Service Academy
- Foshay Learning Center
- George de la Torre Jr Elementary
- Linda Esperanza Marquez Senior High Social Justice
- Marlton School
- Nathaniel Narbonne Senior High
- RFK Community of Schools - UCLA Community School K-12
- Roosevelt Senior High Science/Tech/Math Magnet
- Sun Valley Magnet: Engineering Technology
- The Science Academy STEM Magnet
- Walnut Park Middle School - Social Justice and Service Learning
- Western Avenue Tech/Eng/Comm/Hum Magnet
- Wilton Place Elementary

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.

- (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 441 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 or outside of the time period permitted by their credential, due to an appropriately authorized teacher not being available to cover in the position:

- **9th Street Elementary** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **Boyle Heights HS STEM Magnet** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification due to having a late consent form on file.
- **Brooklyn Avenue Elementary** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification due to having a late consent form on file.
- **Canfield Avenue Elementary** – One (1) substitute teacher was assigned to teach in a position beyond the time period permitted within their substitute teacher credential.

- **Carthay Elementary of Environmental Studies Magnet** – One (1) substitute teacher was assigned to teach in a position beyond the time period permitted within their substitute teacher credential.
- **Charles Drew MS University Pathways Public Service Academy** – Two (2) teachers were assigned to teach in a position not consistent with the authorization of their certifications due to having a late consent form on file.
- **Foshay Learning Center** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **George de la Torre Jr Elementary** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **Linda Esperanza Marquez Senior High Social Justice** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **Marlton School** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **Nathaniel Narbonne Senior High** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **RFK Community of Schools - UCLA Community School K-12** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification due to having a late consent form on file.
- **Roosevelt Senior High Science/Tech/Math Magnet** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **Sun Valley Magnet: Engineering Technology** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification due to having a late consent form on file.
- **The Science Academy STEM Magnet** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification due to having a late consent form on file.
- **Walnut Park Middle School - Social Justice and Service Learning** – Two (2) teachers were assigned to teach in a position not consistent with the authorization of their certifications.
- **Western Avenue Tech/Eng/Comm/Hum Magnet** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification. One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification due to having a late consent form on file.
- **Wilton Place Elementary** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.

These findings are repeat findings, having been reported previously at June 30, 2022 (S-2022-002) but for different schools and teachers.

Questioned Costs

Not Applicable.

Recommendation

We recommend that the District continue to train schools on the MiSiS Assignment Monitoring Report. The District should continue to monitor and strengthen internal controls to ensure teachers are being assigned properly to teach in a position authorized by their certifications as well as having a consent form on file when necessary, and to ensure substitute teachers are being assigned properly to teach in a position authorized by their certifications and within the time period permitted by their credential. We also recommend that the schools and the District remediate the misassignments identified above.

Views of Responsible Official, Planned Corrective Action, and Contact Information

Human Resources (HR) will continue in their efforts to ensure that every student is instructed appropriately by teachers who are authorized by their certifications as well as having a consent form on file, as necessary. This will be achieved by providing professional development opportunities to certificated staff responsible for overseeing the master schedule. HR will leverage the Staff Relations Update to issue monthly reminders to principals regarding the importance of making appropriate teacher assignments and submitting local assignment option forms. To address any delays in form submissions, HR will compile and distribute, by April 2024, a list of candidates who have utilized local assignment options during the current academic year. This initiative aims to assist in having principals submit local assignment option forms in a timely manner for the upcoming academic year.

The Substitute Unit will launch a communication campaign to inform and monitor substitute teachers and school administrators of the State's limitations. Warnings will be issued and substitute teachers lacking authorization will be taken off their assignments.

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Name: Jorge Amador

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S-2023-003 – Kindergarten Continuance

State Audit Guide Finding Codes: 40000

Schools Affected

- Hoover Street Elementary
- Mayall Street Academy of Arts/Technology Magnet
- Mount Washington Elementary
- Park Western Place Elementary
- Wilshire Park Elementary School

Criteria

California Education Code, Section 46300 - In computing the average daily attendance of a school district, there shall be included the attendance of pupils in kindergarten after they have completed one school year in kindergarten only if the school district has on file for each of those pupils an agreement made pursuant to Section 48011, approved in form and content by the State Department of Education and signed by the pupil's parent or guardian, that the pupil shall be retained in kindergarten for not more than an additional school year.

Condition, Cause and Effect

Using a total of 106 schools offering Kindergarten from the schools sampled for attendance reporting, we selected students enrolled in kindergarten for school year 2022-23 and kindergarten in school year 2021-22 and verified that a signed kindergarten continuance parental agreement (agreement) was maintained. We noted the following exceptions due to school oversight.

- **Hoover Street 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.
- **Mayall Street Academy of Arts/Technology Magnet** – 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.
- **Mount Washington 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.
- **Park Western Place 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.
- **Wilshire Park Elementary School** – 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, as a result of our inquiry.

This finding is a repeat finding, having been reported previously at June 30, 2022 (S-2022-003) but for different schools.

Questioned Costs

- Grades K-3 – $175 \text{ days} / 139 \text{ days} = 1.26 \text{ ADA overstated} * \$13,895.87 = \$17,508.80$
 - Hoover Street Elementary
 - 20 days overstated / 139 days in single track school year
 - Mayall Street Academy of Arts/Technology Magnet
 - 9 days overstated / 139 days in single track school year
 - Mount Washington Elementary
 - 1 day overstated / 139 days in single track school year
 - Park Western Place Elementary
 - 14 days overstated / 139 days in single track school year
 - Wilshire Park Elementary School
 - 131 days overstated / 139 days in single track school year

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 written acknowledgement 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.

Views of Responsible Officials, Planned Corrective Actions, and Contact Information

To ensure compliance with Kindergarten Continuance requirements, the following actions will be implemented during the 2023-2024 school year.

- Continue to provide communication and support to schools on using the Kindergarten Retention Monitoring report in FOCUS beginning in January 2024.
- Continue to provide communication and support to schools on review of the Kindergarten Continuance Certify Report to clear alert messages for students with no Kindergarten Continuance Form date by obtaining completed forms and documenting the completion date in MiSiS monthly, beginning in January 2024.
- Provide training on the Kindergarten Continuance process and guidelines to the following by Spring 2024:
 - School Office Staff, such as School Administrative Assistants
 - School Designees
 - Operations Staff
- Continue to review the Kindergarten Continuance policy with principals and region administrators throughout the school year in the Weekly Instructional News, at principal organization meetings, etc. beginning in January 2024.
- Continue to secure a signed a copy of the Kindergarten Audit Principal Certification and Acknowledgement form.
- Start communication with the MiSiS team on the feasibility of a MiSiS enhancement. This enhancement will only allow the retention e-date to be after the date of the signed completed continuance form is submitted.

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Title: Interim Administrator, Elementary Instruction

Telephone: (213) 241-6603

S-2023-004 Independent Study – Attendance Computations

State Program: Attendance Accounting: Attendance Reporting

State Audit Guide Finding Codes: 10000 and 40000

Schools Affected

- City of Angels
- Virtual Academy Computer Science

Criteria

California Education Code, Section 51747.5 (b) – A local educational agency may claim apportionment credit for independent study only to the extent of the time value of pupil or student work products, as personally judged in each instance by a certificated teacher.

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 attendance reporting issues where IS Supervising Designees reported attendance for students in MISIS without confirming the enrollment date of the student as determined by the signature dates on the Master Agreement:

- **City of Angels**
 - Attendance for (1) student shows 5 days on the SMASR (Student Monthly Attendance Summary Report); however, the student's record of attendance shows 1 day. The student's days were overreported by 4 days. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
 - Attendance for (1) student shows 10 days on the SMASR (Student Monthly Attendance Summary Report); however, the student's record of attendance shows 2 days. The student's days were overreported by 8 days. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Virtual Academy Computer Science**
 - The school did not maintain records of master agreements for one (1) student. The District updated MiSiS to reflect the student as having no attendance in P3 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P3 reporting, this does not lead to questioned costs.

- The master agreement for ten (10) students were signed by the parents after the first day of instruction. The District updated MiSiS to reflect the student as having no attendance in P3 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P3 reporting, this does not lead to questioned costs.
- One (1) student was reported present for a total of 60 days prior to their master agreement being signed by the parent.
- Attendance for (1) student shows 16 days on the SMASR; however, the student's record of attendance shows 3 days. The student's days were overreported by 13 days.
- Attendance for (1) student shows 11 days on the SMASR; however, the student's record of attendance shows 6 days. The District updated MiSiS to reflect the student as having no attendance in P3 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P3 reporting, this does not lead to questioned costs.
- Attendance for (1) student shows 11 days on the SMASR; however, the student's record of attendance shows 8 days. The District updated MiSiS to reflect the student as having no attendance in P3 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P3 reporting, this does not lead to questioned costs.
- Attendance for (1) student shows 2 days on the SMASR; however, the student's record of attendance shows 0 days. The District updated MiSiS to reflect the student as having no attendance in P3 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P3 reporting, this does not lead to questioned costs.

This finding is a repeat finding, having been reported previously at June 30, 2022 (S-2022-004).

Questioned Costs

- Grades 9-12: $73 \text{ days} / 139 \text{ days} = 0.53 \text{ ADA overstated} * \$13,780.81 = \$7,303.83$
 - Virtual Academy Computer Science
 - Grades 9-12: 73 days overstated/139 days in single track school year

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 all records of attendance contain readily available corresponding pupil work products. We also recommend that the district provide proper training to ensure attendance is reported accurately and policies are adhered to.

Views of Responsible Officials, Planned Corrective Actions, and Contact Information

This is to acknowledge the importance of ensuring that the long-term independent study enrollment process includes ensuring the master agreement document is signed before enrollment, and all records of attendance accurately reflect the attendance codes that is reported in MISIS. 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 at each of the Virtual Academies to ensure that the master agreement is signed by all parties before the student is enrolled and attendance is reported into MiSiS by the school.
3. Provide training for teachers of all six virtual academies on recording attendance in MiSiS according to the attendance days earned on the corresponding records of assignments.
4. Provide training for teachers on submitting attendance in MiSiS for all days the student is enrolled in the long-term independent study Virtual Academy program.

The above corrective action plans implementation target date is October 31, 2023.

Name: Connie L. Brandstetter

Title: Administrator of Instruction, Virtual Academy

Telephone: (213) 241-1933

City of Angels Schools:

Planned corrective actions are as follows:

1. Conduct regular self-audits on a monthly basis to identify instances of over and under reporting in MiSiS and take immediate corrective actions to address identified reporting issues promptly.
2. Ensure the ongoing provision of comprehensive, differentiated, and personalized professional development to teachers when school balancing reveals fidelity issues with MISIS reporting requirements.

For New Faculty Members (particularly those in their first year as independent study teachers):

1. Maintain a consistent onboarding and training program specifically tailored for new teachers with 1-3 years of independent study experience. Deliver monthly focused training sessions and provide support to enhance their skills and understanding.

The corrective action plan for City of Angels is effective January 8, 2024.

Name: Dr. Vince Carbino

Title: Principal, City of Angels Independent Study School

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S-2023-005 – Instructional Time**State Audit Guide Finding Codes: 40000****Criteria**

California Education Code, Section 46207 - (a) Notwithstanding Sections 46200 to 46205, inclusive, upon a determination that a school district equals or exceeds its local control funding formula target computed pursuant to Section 42238.02 as determined by the calculation of a zero difference pursuant to paragraph (1) of subdivision (b) of Section 42238.03, each school district, as a condition of apportionment pursuant to Section 42238.02, as implemented pursuant to Section 42238.03, shall, for each fiscal year, offer, at a minimum, the following number of minutes of instruction:

- (1) To pupils in kindergarten, 36,000 minutes.
- (2) To pupils in grades 1 to 3, inclusive, 50,400 minutes.
- (3) To pupils in grades 4 to 8, inclusive, 54,000 minutes.
- (4) To pupils in grades 9 to 12, inclusive, 64,800 minutes.

California Education Code, Section 46208 –

- (a) Notwithstanding Sections 46200 to 46205, inclusive, upon a determination that a school district equals or exceeds its local control funding formula target computed pursuant to Section 42238.02 as determined by the calculation of a zero difference pursuant to paragraph (1) of subdivision of Section 42238.03, each school district, as a condition of apportionment pursuant to Section 42238.02, as implemented pursuant to Section 42238.03, shall offer 180 days or more of instruction per school year. A school operating as a multitrack year-round school shall be deemed to be in compliance with the 180-day requirement if it certifies to the Superintendent that it is a multitrack year-round school and maintains its school for a minimum of 163 schooldays.
- (c) For a school district that has met its local control funding formula target and that offers fewer than the number of instructional days required pursuant to this section, the Superintendent shall withhold from the school district's local control funding formula grant apportionment pursuant to Section 42238.02, as implemented by Section 42238.03, for the average daily attendance of each affected grade level, the sum of 0.0056 multiplied by that apportionment for each day less than what was required pursuant to this section, for up to five days.

Condition, Cause and Effect

In our sample of 138 schools, we reviewed the calendar and bell schedules of the District to determine if the instructional minutes and instructional days met the minimum requirements outlined in Education Code sections 46207 and 46208.

We noted the following findings due to a work stoppage in March 2023 resulting in the closure of all District schools, for 3 days.

Instructional Days

- The District offered 177 instructional days to all of our sampled schools, not the minimum 180-day requirement. As such, the penalty for instructional days is calculated as follows:

Calculating the Cost of an Instructional Time Audit Finding	D1	D2	D3	D4	Calculations
Affected grade level(s)	K-3	4-6	7-8	9-12	
Affected grade level ADA	132,298.81	94,615.64	58,557.44	112,946.88	(a)
Derived Value of ADA by Grade Span	\$ 13,895.87	\$ 12,776.67	\$ 13,155.69	\$ 15,642.63	(b)
Number of days short	3	3	3	3	(c)
Instructional Day Penalty by Grade Span	\$ 30,885,238.69	\$ 20,309,063.19	\$ 12,942,107.27	\$ 29,682,009.06	(d) = 0.0056 * (a) * (b) * (c)
Total Instructional Day Penalty	\$93,818,418.21				(e) = (D1) + (D2) + (D3) + (D4) + (D5)

Instructional Minutes

- The District did not meet the minimum number of instructional minutes for 31 of the originally 138 sampled schools. We expanded our sample size to determine if any additional District schools also did not meet the instructional minutes requirement, citing an additional 153 identified schools. All of the schools identified as not being compliant were secondary schools (9-12). As such, a total of 184 schools were identified as not being compliant with the instructional minutes requirement.

Out of those 184 identified schools, the school that offered the least number of minutes was short of the required 64,800 minutes by 631 minutes.

As such, the penalty for instructional time is calculated as follows:

Affected grade level ADA (9-12)	112,946.88	(a)
Derived Value of ADA by Grade Span	\$ 15,642.63	(b)
Number of required minutes	64,800	(c)
Number of minutes short	631	(d)
Percentage of Minutes Not Offered	0.97%	(e) = (d) / (c)
Affected LCFF Apportionment by Grade Span	\$ 1,766,786,253.49	(f) = (a) * (b)
Total Instructional Time Penalty	\$ 17,137,826.66	(g) = (e) * (f)

Questioned Costs

Instructional Days Penalty	\$ 93,818,418.21
Instructional Time Penalty	17,137,826.66
Total Penalty	\$110,956,244.87

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.

Views of Responsible Officials, Planned Corrective Actions, and Contact Information

All District schools were compliant with the minimum instructional days and minutes requirements at the beginning of the school year. However, work stoppage in March 2023 necessitated the closure of all District schools for 3 days. Since all District schools' instructional minutes offerings exceed the State minimum requirement, only the comprehensive high schools fell short of meeting the minutes requirement due to the 3 closure days.

The District plans to file for the Instructional Time Penalty Waiver. To comply with the conditions for the penalty waiver, the District is offering 183 instructional days for the 2023-24 and 2024-25 school years, with comprehensive high schools offering over 66,000 annual instructional minutes for each of the school years.

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S-2023-006 – 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, 2023, which accounts for all applicable audit adjustments.

We utilized the ledger to calculate the elements of the current expense formula, which amounted to \$8,648,568,628.98.

We then utilized the ledger to calculate the elements of the minimum classroom compensation, which amounted to \$4,069,318,418.74.

Based on the information derived above, we determined that the District's percent of current cost of education expended for classroom compensation to be 47.05%, which falls short of the 55.00% minimum percent required for unified school districts.

This leads to a deficiency percentage of 7.95 % and a deficiency amount of \$687,561,206.00.

These calculations are illustrated below:

Total teacher salaries and benefits	\$ 4,069,318,418.74	(a)
Current expense	\$ 8,648,568,628.98	(b)
Percentage spent by the District	47.05%	(c) = (a) / (b)
Minimum percentage required	55.00%	(d)
Percentage below the minimum	7.95%	(e) = (d) - (c)
Deficiency Amount	\$ 687,561,206.00	(f) = (e) * (b)

This is a repeat finding, having been reported previously at June 30, 2022 (S-2022-007).

Questioned Costs

Deficiency amount - \$687,561,206.00.

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 continuously spent significant amount of dollars on classroom teacher salaries, benefits, and other expenditures necessary to address learning gaps using one-time COVID funding dollars. Given how the formula works, if the District can exclude all covid related spending in the calculation of the Current Expense but take credit in the numerator for classroom teacher salaries and benefits funded by COVID funding resource, the District would be able to meet the requirement because in substance, the District did spend a substantial amount on classroom teacher salaries and benefits.

The District shall engage with the Los Angeles County office of Education (LACOE) to seek a waiver request again for this year as per Education Code Section 41372.

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S-2023-007 – After School Education and Safety Program**State Program:** After School Education and Safety Program**State Audit Guide Finding Codes:** 40000**Schools Affected**

- 232nd Place Elementary
- Alta Loma Elementary
- Ambler Ave Elementary School
- Aragon Avenue Elementary
- Breed Street Elementary
- Catskill Ave Elementary School
- Daniel Webster Middle School
- Emerson Community Charter
- Pinewood Avenue Elementary
- Marina Del Rey Middle School
- San Fernando Elementary School
- Sonia Sotomayor Art/Sci Magnet
- Valley Oaks Center for Enriched Studies (VOCES) Magnet
- Walnut Park Elementary
- Westminster Avenue Elementary Math/Tech/Env Studies Magnet
- Westport Heights Elementary
- Westside Global Awareness Magnet

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.

Condition, Cause and Effect

On a sample basis, we tested attendance documentation of 39 schools and 2,198 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:

After School Component of the Program

On a sample basis, we tested the attendance documentation of 14 schools and 1,729 days of attendance in the after school component of the After School Education and Safety Program.

There were 286 students in 12 schools that did not comply with the established early release policy due to school oversight. 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.

- **232nd Place Elementary** – 33 students did not participate in the full period of the after school program for a total of 91 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
- **Ambler Ave Elementary School** – 20 students did not participate in the full period of the after school program for a total of 46 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
- **Catskill Ave Elementary School** – 29 students did not participate in the full period of the after school program for a total of 97 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
- **Daniel Webster Middle School** – 13 students did not participate in the full period of the after school program for a total of 34 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
- **Emerson Community Charter** – 23 students did not participate in the full period of the after school program for a total of 75 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.

- **Marina Del Rey Middle School** – 12 students did not participate in the full period of the after school program for a total of 37 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
- **San Fernando Elementary School** – 39 students did not participate in the full period of the after school program for a total of 101 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
- **Sonia Sotomayor Art/Sci Magnet** - 8 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.
- **Walnut Park Elementary** – 31 students did not participate in the full period of the after school program for a total of 72 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
- **Westminster Avenue Elementary Math/Tech/Env Studies Magnet** - 31 students did not participate in the full period of the after school program for a total of 72 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
- **Westport Heights 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.

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 on a sampled basis for the schools for a sampled month during the school year 2022-2023. 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 from school oversight.

- **232nd Place Elementary** - Lack of supporting information (i.e., sign-in time, sign-out time) of 15 students to produce the attendance records for a total of 21 days but marked present on the MAR.
- **Ambler Ave Elementary School** - Lack of supporting information (i.e., sign-in time, sign-out time) of 15 students to produce the attendance records for a total of 27 days but marked present on the MAR.
- **Catskill Ave Elementary School** - Lack of supporting information (i.e., sign-in time, sign-out time) of 21 students to produce the attendance records for a total of 49 days but marked present on the MAR.
- **Daniel Webster Middle School** - Lack of supporting information (i.e., sign-in time, sign-out time) of 7 students to produce the attendance records for a total of 12 days but marked present on the MAR.
- **Emerson Community Charter** - Lack of supporting information (i.e., sign-in time, sign-out time) of 4 students to produce the attendance records for a total of 4 days but marked present on the MAR.

- **Marina Del Rey Middle School** - Lack of supporting information (i.e., sign-in time, sign-out time) of 4 students to produce the attendance records for a total of 4 days but marked present on the MAR.
- **San Fernando Elementary School** - Lack of supporting information (i.e., sign-in time, sign-out time) of 4 students to produce the attendance records for a total of 12 days but marked present on the MAR.
- **Sonia Sotomayor Art/Sci Magnet** - Lack of supporting information (i.e., sign-in time, sign-out time) of two (2) students to produce the attendance records for a total of 2 days but marked present on the MAR.
- **Valley Oaks Center for Enriched Studies (VOCES) Magnet** – This was a newly operated school that was presented as an ASES funded school on the MAR, however for the months of January 2023 and February 2023 the school was not operating as an after school program but was charged to ASES funding.
- **Walnut Park 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 2 days but marked present on the MAR.
- **Westminster Avenue Elementary Math/Tech/Env Studies Magnet** - Lack of supporting information (i.e., sign-in time, sign-out time) of 37 students to produce the attendance records for a total of 58 days but marked present on the MAR.
- **Westport Heights Elementary** - Lack of supporting information (i.e., sign-in time, sign-out time) of 1 student to produce the attendance record for a total of 1 day but marked present on the MAR.
- **Westside Global Awareness Magnet** - Lack of supporting information (i.e., sign-in time, sign-out time) of 3 students to produce the attendance records for a total of 3 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 469 days of attendance in the before school component of the Before School Education and Safety Program.

There were 9 students in 3 schools that did not comply with the established late arrival policy. As a result, the following elementary schools had students that did not participate in the full duration of the before school program on every day during which pupils participated:

- **Aragorn Avenue Elementary** – 4 students did not participate in the full period of the before school program for a total of 6 days that were participated and there were no properly filled out late arrival forms to explain why such requirements were not complied with.
- **Breed Street Elementary** – 2 students did not participate in the full period of the before school program for a total of 4 days that were participated and there were no properly filled out late arrival forms to explain why such requirements were not complied with.
- **Pinewood Avenue Elementary** – 3 students did not participate in the full period of the before school program for a total of 5 days that were participated and there were no properly filled out late arrival forms to explain why such requirements were not complied with.

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 on a sampled basis for the schools for a sampled month during the school year 2022-2023. 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 from school oversight.

- **Alta Loma Elementary** - Lack of supporting information (i.e., sign-in time, sign-out time) of 1 student to produce the attendance record for a total of 1 day but marked present on the MAR.
- **Aragon Avenue Elementary** - Lack of supporting information (i.e., sign-in time, sign-out time) of 3 students to produce the attendance records for a total of 10 days but marked present on the MAR.
- **Pinewood Avenue Elementary** - Lack of supporting information (i.e., sign-in time, sign-out time) of 2 students to produce the attendance records for a total of 2 days but marked present on the MAR.

These findings are repeat findings, having been reported previously at June 30, 2022 (S-2022-008) 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 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.

Views of Responsible Officials, Planned Corrective Actions, and Contact Information

Beyond the Bell Branch will implement the following to strengthen attendance documentation for ASES: Provide training on attendance and daily late arrival/early release reporting at the sites to ensure documentation of reported attendance figures and late arrival/early release is readily available and accurate. In addition, Beyond the Bell Branch will continue performing agency site visits to ensure compliance with the established policies. The goal of this corrective action plan is to ensure compliance with the established policies by agencies providing services at our schools.

The following is a schedule of trainings to ensure we strengthen our policies and procedures on attendance reporting and the documentation of Early Release/Late Arrival Policies:

1. Agency contractors and program personnel at schools identified in Audit Finding S-2023-07 will attend a training meeting scheduled in January 2024. The training will address the District's policy on documenting and maintaining accurate attendance and Early Release/Late Arrival forms records.
2. Agency contractors and program personnel providing services at **ALL** District Sites will attend a training meeting scheduled in February 2024. The training will address the District's policy on documenting and maintaining accurate attendance and Early Release/Late Arrival forms records.
3. Beyond the Bell Branch Administrators and Traveling Supervisors monitoring agency contractors and program personnel will attend a training meeting scheduled in March 2024. The training will address the Traveling Supervisor's responsibility when monitoring agencies to ensure they follow the District's policies and procedures on attendance reporting and the documentation of Early Release/Late Arrival Policies.
4. Beyond the Bell Branch Administrators and Traveling Supervisors will conduct "Random Reviews/Audits of Monthly Attendance Reports" throughout the year to examine agency sign-in/sign-out procedures and documentation of Early Release/Late Arrival Policies.
5. Beyond the Bell Branch Leadership will monitor to ensure the Beyond the Bell Branch Administrators and Traveling Supervisors conduct the "Random Reviews/Audits of Monthly Attendance Reports" and conduct Agency "Annual Performance Reviews" to address noted findings.

The expected outcome of these trainings/monitoring of staff is to ensure we reduce or eliminate these types of findings in the future.

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S-2023-008 – Unduplicated Local Control Funding Formula Pupil Counts**State Program:** Unduplicated Local Control Funding Formula Pupil Counts**State Audit Guide Finding Code:** 40000**Schools Affected**

- Alexandria Avenue Elementary
- Bridge Street Elementary
- Brockton Avenue Elementary
- Budlong Avenue Elementary
- Carson Street Elementary
- Corona Avenue Elementary
- Dr Maya Angelou Community Senior High
- El Sereno Elementary
- Foshay Learning Center
- Francisco Bravo Senior High Medical Magnet
- Fries Avenue Elementary
- Hollywood Elementary
- James J McBride Special Education Center
- Johnnie L Cochran Jr Middle School
- Mariposa-Nabi Primary Center
- Marlton School
- Morris K Hamasaki Medical/Science Magnet
- Nathaniel Narbonne Senior High
- Noble Avenue Elementary
- Point Fermin Elementary Marine Science Magnet
- Quincy Jones Elementary
- Raymond Avenue Elementary
- Roosevelt Senior High Science/Tech/Math Magnet
- San Fernando Elementary
- Saticoy Elementary
- Susan Miller Dorsey Senior High
- Walgrove Avenue Elementary
- Walnut Park Elementary
- Wilton Place Elementary
- University High School Charter (Dependent Charter)

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 CALPADS.

Condition, Cause, and Effect

On a sample basis, we tested the Free or Reduced Price Meal (FRPM) and English Learner (EL) eligibility of 2,910 students from 150 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 2,910 students tested, 1,553 students were selected for verification of their Free and Reduced Price Meal (FRPM) eligibility as “181 - Free” or “182 - Reduced”, 502 students were selected for verification of their English Learner “EL”, and 855 students were selected for verification of either FRPM or EL eligibility in accordance with the audit guide.

Based on our testing, we noted that thirty-four (34) students from the District’s schools, and one (1) student from the District’s Dependent Charter Schools were reported as Free or Reduced or English Learner eligible but were unsupported. This was due to the District’s interpretation of California Department of Education’s (CDE) business rules related to the collection of household income forms for new students whose forms are collected after November 30th for FRPM students. Some EL students were not administered the Summative English Language Proficiency Assessments for California (ELPAC) and/or their grade level skills assessment due to chronic absenteeism/illness during the year under review.

The exceptions noted were extrapolated to the FRPM and EL 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
Los Angeles Unified School District	1,193,687	1,026,262	85.97%	-	-	(291) **	1,025,971	85.95%
Alexandria Avenue Elementary	1,527	1,464	95.87%	(1)	-	-	1,463	95.81%
Bridge Street Elementary	523	513	98.09%	(1)	-	-	512	97.90%
Brockton Avenue Elementary	570	472	82.81%	-	(1)	-	471	82.63%
Budlong Avenue Elementary	2,073	2,012	97.06%	(1)	-	-	2,011	97.01%
Carson Street Elementary	1,865	1,415	75.87%	(1)	-	-	1,414	75.82%
Corona Avenue Elementary	1,938	1,861	96.03%	(1)	-	-	1,860	95.98%
Dr Maya Angelou Community Senior High	3,201	3,163	98.81%	(1)	-	-	3,162	98.78%
El Sereno Elementary	839	789	94.04%	(1)	-	-	788	93.92%
Foshay Learning Center	5,302	4,947	93.30%	(1)	-	-	4,946	93.29%
Francisco Bravo Senior High Medical Magnet	5,021	4,399	87.61%	(1)	-	-	4,398	87.59%
Fries Avenue Elementary	1,061	1,010	95.19%	(1)	-	-	1,009	95.10%
Hollywood Elementary	536	513	95.71%	(1)	-	-	512	95.52%
James J McBride Special Education Center	417	290	69.54%	(2)	-	-	288	69.06%
Johnnie L Cochran Jr Middle School	1,540	1,531	99.42%	-	-	(1)	1,530	99.35%
Mariposa-Nabi Primary Center	311	302	97.11%	(2)	-	-	300	96.46%
Marlton School	442	434	98.19%	(1)	-	-	433	97.96%
Morris K Hamasaki Medical/Science Magnet	1,132	1,044	92.23%	(1)	-	-	1,043	92.14%
Nathaniel Narbonne Senior High	5,467	4,482	81.98%	(1)	-	-	4,481	81.96%
Noble Avenue Elementary	2,166	2,111	97.46%	(1)	-	-	2,110	97.41%
Point Fermin Elementary Marine Science Magnet	938	603	64.29%	-	(1)	-	602	64.18%
Quincy Jones Elementary	866	849	98.04%	(1)	-	-	848	97.92%
Raymond Avenue Elementary	1,265	1,234	97.55%	(2)	-	-	1,232	97.39%
Roosevelt Senior High Science/Tech/Math Magnet	1,580	1,490	94.30%	(1)	-	-	1,489	94.24%
San Fernando Elementary	1,489	1,435	96.37%	(1)	-	-	1,434	96.31%
Saticoy Elementary	1,513	1,438	95.04%	(2)	-	-	1,436	94.91%
Susan Miller Dorsey Senior High	2,366	2,157	91.17%	(2)	-	-	2,155	91.08%
Walgrove Avenue Elementary	709	273	38.50%	-	(1)	-	272	38.36%
Walnut Park Elementary	1,645	1,577	95.87%	(1)	-	-	1,576	95.81%
Wilton Place Elementary	1,010	966	95.64%	(1)	-	-	965	95.54%
University High School Charter (Dependent Charter)	4,268	3,045	71.34%	(2)	-	- **	3,043	71.30%
University High School Charter (Dependent Charter)	4,268	3,045	71.34%	(1)	-	-	3,044	71.32%

* Total is the sum of the last two prior years and current year results.

** The adjustment represents the extrapolated impact of the error on the District's UPC. Refer to the Questioned Costs section for additional details.

These findings are repeat findings, having been reported previously at June 30, 2022 (S-2022-009) but for different schools.

Questioned Costs

We determined the total impact of the thirty-four (34) findings on the District, and one (1) finding 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 291, and for the Dependent Charter School, University High School Charter, is 2.

We decreased the District's UPC by the extrapolated impact of 291 students and calculated an Adjusted UPC of 85.95%.

We applied the Adjusted UPC to the District's LCFF State Aid, Adjusted for Minimum State Aid Guarantee for fiscal year 2022-23, and we computed total questioned costs to be \$691,321.

We also decreased the Dependent Charter Schools' UPC by the extrapolated impact of 2 students and calculated an Adjusted UPC for University High School Charter of 71.30%.

We applied the Adjusted UPC to the Dependent Charter Schools LCFF State Aid, Adjusted for Minimum State Aid Guarantee for fiscal year 2022-23, and we computed total questioned costs for University High School Charter to be \$4,770.

Recommendation

We recommend that the District continue to monitor English learner and free and reduced meal eligibility status' to ensure students who are designated as English learner 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

English Learner Program:

As is customary practice, the Multilingual Multicultural Education Department (MMED) in collaboration with the Office of Data and Accountability (Student Testing Branch and State Report Services Branch) will continue to:

1. Monitor EL eligibility using Elevate Alerts monthly and provide updates to region personnel and school's EL Designees.
2. Provide training on EL enrollment procedures on or before September 30, 2024.
3. Provide training on assessment procedures as follows:
 - a. Fall 2024: On or before September 30, 2024
 - b. Spring 2024: On or before April 30, 2024

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Free or Reduced Price Meal:

To address the free and reduced meal eligibility status, the following will be undertaken:

1. Students who were enrolled on Census Day but whose household income forms were received after the October 31 deadline will no longer be counted as FRPM eligible moving forward.
2. By Spring 2024 and on-going thereafter, a refresher training will be planned and conducted to address the importance of diligence and attention to detail on critical information when verifying Household Income Forms.

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S-2023-009 Immunizations**State Audit Guide Finding Codes: 40000****Schools Affected**

- 107th Street Elementary
- 42nd Street Elementary
- Angeles Mesa Elementary
- Bellingham Elementary
- Coliseum Street Elementary
- Erwin Elementary
- Grant Elementary
- Hubert Howe Bancroft Middle School
- John B Monlux Elementary
- Kenter Canyon Elementary Charter
- Kittridge Street Elementary
- Manhattan Place Elementary
- Mountain View Elementary
- Orchard Academies 2C
- Purche Avenue Elementary
- Rancho Dominguez Preparatory School
- Raymond Avenue Elementary
- Vinedale College Preparatory Academy

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.

(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.

(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 45 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 270 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 2nd dose was received within 4 calendar months and 10 school days after the 1st dose.

We noted the following findings, 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 15 pupils sampled, we noted the following exceptions:
 - Two (2) pupils did not receive the required 2nd dose of the measles and varicella vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupils were marked present in the school's monthly attendance summary for a total of 58 days during the time in which the pupil was not compliant with immunization requirements.
- **42nd Street Elementary** – Out of the 2 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 1st dose of the varicella vaccine before the first day of school and did not receive the required 2nd dose of the varicella and measles vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupil was marked present in the school's monthly attendance summary for a total of 124 days during the time in which the pupil was not compliant with immunization requirements.
- **Angeles Mesa Elementary** – Out of the 6 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 2nd dose of the varicella vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupil was marked present in the school's monthly attendance summary for a total of 9 days during the time in which the pupil was not compliant with immunization requirements.
- **Bellingham Elementary** – Out of the 10 pupils sampled, we noted the following exceptions:
 - Two (2) pupils did not receive the required 2nd dose of the measles and varicella vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupils were marked present in the school's monthly attendance summary for a total of 80 days during the time in which the pupils were not compliant with immunization requirements.

- **Coliseum Street Elementary** – Out of the 4 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 2nd dose of the measles and varicella vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupil was marked present in the school's monthly attendance summary for a total of 79 days during the time in which the pupil was not compliant with immunization requirements.
- **Erwin Elementary** – Out of the 10 pupils sampled, we noted the following exceptions:
 - One (1) pupil did not receive the required 1st dose of the varicella vaccine before the first day of school.
 - One (1) pupil did not receive the required 2nd dose of the varicella vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupils were marked present in the school's monthly attendance summary for a total of 184 days during the time in which the pupil was not compliant with immunization requirements.
- **Grant Elementary** – Out of the 5 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 1st 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 8 days during the time in which the pupil was not compliant with immunization requirements.
- **John B Monlux Elementary** – Out of the 9 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 1st dose of the measles vaccine before the first day of school and did not receive the required 2nd dose of the measles and varicella vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupil was marked present in the school's monthly attendance summary for a total of 79 days during the time in which the pupil was not compliant with immunization requirements.
- **Kenter Canyon Elementary Charter** – Out of the 9 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 2nd doses of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1st dose.
 - The pupil was marked present in the school's monthly attendance summary for a total of 73 days during the time in which the pupil was not compliant with immunization requirements.
- **Kittridge Street Elementary** – Out of the 12 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 2nd doses of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1st dose.
 - The pupil was marked present in the school's monthly attendance summary for a total of 35 days during the time in which the pupil was not compliant with immunization requirements.

- **Manhattan Place Elementary** – Out of the 5 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 2nd doses of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1st 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.
- **Mountain View Elementary** – Out of the 4 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 1st 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 93 days during the time in which the pupil was not compliant with immunization requirements.
- **Purche Avenue Elementary** – Out of the 7 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 2nd dose of the measles vaccine within four calendar months and ten school days after receiving the 1st 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.
- **Raymond Avenue Elementary** – Out of the 8 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 2nd dose of the varicella vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupil was marked present in the school's monthly attendance summary for a total of 9 days during the time in which the pupil was not compliant with immunization requirements.
- **Vinedale College Preparatory Academy** – Out of the 2 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 2nd dose of the measles and varicella vaccine within four calendar months and ten school days after receiving the 1st dose.
 - The pupil was marked present in the school's monthly attendance summary for a total of 46 days during the time in which the pupil was not compliant with immunization requirements.

For the 6 schools identified as reporting a conditional admission rate greater than 10 percent in 7th/8th Grade pupils to the California Department of Public Health (CDPH), we selected a sample of 45 7th/8th 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 (prior version of form or equivalent electronic or hard copy record are acceptable), and verified that each pupil obtained 2 doses of varicella vaccine and 1 dose of Tdap vaccine prior to admission into 7th Grade, or had a current medical exemption on file for Tdap vaccine. For pupils who only had 1 dose of varicella vaccine prior to admission, we verified that the 2nd dose was received within 4 calendar months and 10 school days after the 1st dose. For pupils who did not have Tdap vaccine, we verified they were excluded from attendance.

We noted the following findings, schools were not familiar with immunization requirements. As a result, the schools enrolled students who may not have been fully compliant with the requirements.

- **Hubert Howe Bancroft Middle School** - Out of the 4 pupils sampled, we noted the following exception:
 - One (1) pupil did not receive the required 1st dose of the tetanus vaccine before the first day of school.
 - The pupil was marked present in the school's monthly attendance summary for a total of 85 days during the time in which the pupil was not compliant with immunization requirements.
- **Orchard Academies 2C** - Out of the 13 pupils sampled, we noted the following exceptions:
 - One (1) pupil did not receive the required 1st dose of the tetanus vaccine before the first day of school and did not receive the required 2nd dose of the tetanus and varicella vaccines within four calendar months and ten school days after receiving the 1st dose.
 - One (1) pupil did not receive the required 1st dose of the tetanus vaccine before the first day of school and did not receive the required 2nd dose of the tetanus vaccines within four calendar months and ten school days after receiving the 1st dose.
 - The pupils were marked present in the school's monthly attendance summary for a total of 174 days during the time in which the pupils were not compliant with immunization requirements.
- **Rancho Dominguez Preparatory School** - Out of the pupils 7 sampled, we noted the following exceptions:
 - One (1) pupil did not receive the required 1st dose of the tetanus vaccine before the first day of school and did not receive the required 2nd dose of the tetanus vaccines within four calendar months and ten school days after receiving the 1st dose.
 - Two (2) pupils did not receive the required 1st dose of the tetanus vaccine before the first day of school.
 - The pupils were marked present in the school's monthly attendance summary for a total of 412 days during the time in which the pupils were not compliant with immunization requirements.

This finding is a repeat finding, having been reported previously at June 30, 2022 (S-2022-010).

Questioned Costs

- Grades K-3 – 828 days / 177 days = 4.68 ADA overstated * \$13,895.87 = \$65,032.67
- Kenter Canyon Elementary Charter – 73 days / 177 days = 0.41 ADA overstated * \$10,338.38 = \$4,238.74

Kindergarteners/1st Graders:

- 107th Street Elementary – 58 days overstated/177 days in single track school year
- 42nd Street Elementary – 124 days overstated/177 days in single track school year
- Angeles Mesa Elementary – 9 days overstated/177 days in single track school year
- Bellingham Elementary – 80 days overstated/177 days in single track school year
- Coliseum Street Elementary – 79 days overstated/177 days in single track school year
- Erwin Elementary – 184 days overstated/177 days in single track school year
- Grant Elementary – 8 days overstated/177 days in single track school year
- John B Monlux Elementary – 79 days overstated/177 days in single track school year
- Kenter Canyon Elementary Charter – 73 days overstated/177 days in single track school year
- Kittridge Street Elementary – 35 days overstated/177 days in single track school year
- Manhattan Place Elementary – 21 days overstated/177 days in single track school year
- Mountain View Elementary – 93 days overstated/177 days in single track school year
- Purche Avenue Elementary – 3 days overstated/177 days in single track school year
- Raymond Avenue Elementary – 9 days overstated/177 days in single track school year
- Vinedale College Preparatory Academy – 46 days overstated/177 days in single track school year

- Grades 7-8 – 671 days / 177 days = 3.79 ADA overstated * \$13,155.69 = \$49,860.07

7th/8th Graders:

- Hubert Howe Bancroft Middle School – 85 days overstated/177 days in single track school year
- Orchard Academies 2C – 174 days overstated/177 days in single track school year
- Rancho Dominguez Preparatory School – 412 days overstated/177 days in single track school year

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.

Views of Responsible Officials and Planned Corrective Actions

To address the audit findings, the District has the following action steps:

1. Meeting with the Chief Medical Director, Dr. Malhotra to review results – August 2023
2. New VIVE immunization uploader tool – trained school administrators, office staff, school nurses and licensed vocational nurses (LVNs) – July 2023, August 2023 and February 2024
3. Meeting with Nursing Coordinators to review results and discuss plan of actions – September 2023
4. Meeting with Principals and Operations staff regarding the audit findings – Spring 2024
5. Immunization reports forwarded to Region Operations – Weekly
6. Robust communication plan (including social media, updating web pages, etc.) to notify schools/parents of school-based clinics that can provide immunizations – Monthly
7. Immunization workgroup – Weekly

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Title: Director of Nursing Services

Telephone: (213) 202-7580

S-2023-010 – Expanded Learning Opportunities Grant

State Audit Guide Finding Codes: 40000

Criteria

California Education Code, Section 43522(b) - specifically, funds received under subdivision (b) of Section 43521 shall be expended only for any of the following purposes:

(1) Notwithstanding Section 37202, instructional learning time in addition to what is required pursuant to Part 24.5 (commencing with Section 43500) of Division 3 for the 2020–21 school year and Chapter 2 (commencing with Section 46100) of Part 26 of, or Chapter 3 (commencing with Section 47610) of Part 26.8 of, Division 4, and Section 300.106 of Title 34 of the Code of Federal Regulations for the 2021–22 and the 2022–23 school years by increasing the number of instructional days or minutes provided during the school year, providing summer school or intersessional instructional programs, or taking any other action that increases the amount of instructional time or services provided to pupils based on their learning needs.

Condition, Cause and Effect

In our sample of nineteen (19) ELO-G payroll expenditures (Resource 7425), we verified whether the employees' time pertained to in-person services were allowable under Education Code section 43522(b).

We noted the following finding:

- One (1) employee had a total of 1.5 hours charged in excess to the ELO-G fund in which the employee did not perform work related to the summer school extended instructional learning program. Although the District properly reviewed the employees' time card for the pay period and posted the necessary adjustments to account for time worked on other tasks, they erroneously did not adjust 1.5 hours out of the ELO-G fund.

Questioned Costs

Not applicable. Upon our identification of the sampled employee, the District identified the above error and corrected the ELO-G fund by transferring out the costs associated with the 1.5 hours. As the District corrected the error before closing its June 30, 2023, financial statements, no questioned costs are to be assessed. As such, the above finding has been resolved.

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.

Views of Responsible Officials, Planned Corrective Actions, and Contact Information

Division of Instruction (DOI) will strengthen its ELO-G expenditure monitoring and review controls to ensure that all costs are associated with the allowable services and that all adjustments are made timely by:

- Providing a meeting that includes a review of entering time reported and monitoring the time entered to ensure all costs are associated with the appropriate funding source during Spring 2024.
 - Share the Enrichment Funding information with regional enrichment time reporters and approvers.
 - Invite Payroll Administration key personnel to explain the importance of processing payroll and making adjustments timely.

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S-2023-011 – Transitional Kindergarten**State Audit Guide Finding Codes: 40000****Criteria**

California Education Code, Section 48000 (g) – As a condition of receipt of apportionment for pupils in a transitional kindergarten program pursuant to Section 46300, a school district or charter school shall do all of the following:

- (1) Maintain an average transitional kindergarten class enrollment of not more than 24 pupils for each schoolsite.
- (2) Commencing with the 2022–23 school year, maintain an average of at least one adult for every 12 pupils for transitional kindergarten classrooms at each schoolsite.

California Education Code, Section 48000.1(b) – (1) Commencing with the 2022–23 school year, if a school district or charter school fails to comply with the requirements of paragraphs (1) to (4), inclusive, of subdivision (g) of Section 48000, the Superintendent shall withhold from the school district’s or charter school’s entitlement computed pursuant to Section 42238.02 the sum of the following:

(A) For school districts and charter schools that fail to meet the adult-to-pupil ratio requirements of paragraph (2) of subdivision (g) of Section 48000, the amount determined by multiplying:

(i) The number of additional adults needed to meet the requirements of paragraph (2) of subdivision (g) of Section 48000, as calculated by dividing the total transitional kindergarten enrollment at the schoolsite, as determined pursuant to subparagraph (A) of paragraph (2) of subdivision (g) of Section 48000, by 12, rounded to the nearest half or whole integer, minus the total number of adults at the schoolsite, as determined pursuant to subparagraph (B) of paragraph (2) of subdivision (g) of Section 48000.

(ii) Twenty-four, reduced by the statewide average rate of absence for elementary school districts for kindergarten and grades 1 to 8, inclusive, as calculated by the department for the prior fiscal year, with the resultant figures and rates rounded to the nearest tenth.

(iii) The per average daily attendance rate determined pursuant to paragraph (2) of subdivision (g) of Section 42238.02.

(C) For school districts and charter schools that fail to maintain an average transitional kindergarten class enrollment of not more than 24 pupils for each schoolsite, as required pursuant to paragraph (1) of subdivision (g) of Section 48000, the amount determined by multiplying the then-current fiscal year’s average daily attendance reported for the second principal apportionment period in transitional kindergarten by the amount specified in subparagraph (A) of paragraph (3) of subdivision (d) of Section 42238.02, unless the school district fails to meet the requirements for average class size for kindergarten and grades 1 to 3, inclusive, pursuant to clause (i) of subparagraph (D) of paragraph (3) of subdivision (d) of Section 42238.02.

Condition, Cause and Effect

In our sample of 88 District schools and 10 Charter schools which offered transitional kindergarten, we verified whether each school site's average class enrollment exceeded 24 pupils and whether each school site had an average of at least one adult for every 12 pupils for transitional kindergarten classrooms.

We identified the following findings arising from challenges faced by schools in filling vacant positions for the additional adult role to achieve the required adult-to-student ratio.

- Two (2) District school sites exceeded an average class enrollment of 24 pupils. As such, the penalty for average class enrollment is calculated as follows:

P-2 TK ADA	7,306.56	(a)
K-3 GSA Rate	\$ 953.00	(b)
TK Average Class Size Penalty	\$6,963,151.68	(c) = (a) * (b)

- One (1) Charter school site, Hesby Oaks Leadership Charter, exceeded an average class enrollment of 24 pupils. As such, the penalty for average class enrollment is calculated as follows:

P-2 TK ADA	9.42	(a)
K-3 GSA Rate	\$ 953.00	(b)
TK Average Class Size Penalty	\$ 8,977.26	(c) = (a) * (b)

- Twenty (20) District school sites did not have the minimum of one (1) adult for every twelve (12) pupils of transitional kindergarten resulting in an additional need of nineteen (19) adults to meet the minimum requirement. As such, the penalty for adult-to-pupil ratio is calculated as follows:

Additional Adults Needed	19.00	(a)
24 Reduced by the 8.34% Absent Rate	22.00	(b)
Transitional Kindergarten add-on Rate	\$ 2,813.00	(c)
Adult-to-Student Ratio Penalty	\$ 1,175,834.00	(d) = (a) * (b) * (c)

- Canyon Charter Elementary school site did not have the minimum of one (1) adult for every twelve (12) pupils of transitional kindergarten resulting in an additional need of one half (0.5) an adult to meet the minimum requirement. As such, the penalty for adult-to-pupil ratio is calculated as follows:

Additional Adults Needed	0.50	(a)
24 Reduced by the 8.34% Absent Rate	22.00	(b)
Transitional Kindergarten add-on Rate	\$ 2,813.00	(c)
Adult-to-Student Ratio Penalty	\$ 30,943.00	(d) = (a) * (b) * (c)

- Knollwood Preparatory Academy school site did not have the minimum of one (1) adult for every twelve (12) pupils of transitional kindergarten resulting in an additional need of one (1) adult to meet the minimum requirement. As such, the penalty for adult-to-pupil ratio is calculated as follows:

Additional Adults Needed	1.00	(a)
24 Reduced by the 8.34% Absent Rate	22.00	(b)
Transitional Kindergarten add-on Rate	\$ 2,813.00	(c)
Adult-to-Student Ratio Penalty	\$ 61,886.00	$(d) = (a) * (b) * (c)$

Questioned Costs

District Schools

Average Class Enrollment Penalty	\$ 6,963,151.68
Adult-to-Pupil Ratio Penalty	1,175,834.00
Total Penalty	\$ 8,138,985.68

Canyon Charter Elementary

Adult-to-Pupil Ratio Penalty	30,943.00
Total Penalty	\$ 30,943.00

Hesby Oaks Leadership Charter

Average Class Enrollment Penalty	\$ 8,977.26
Total Penalty	\$ 8,977.26

Knollwood Preparatory Academy

Adult-to-Pupil Ratio Penalty	61,886.00
Total Penalty	\$ 61,886.00

Recommendation

We recommend the District put mechanisms in place to track their compliance with transitional kindergarten 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.

Views of Responsible Officials, Planned Corrective Actions, and Contact Information

The District has already put mechanisms in place to track the compliance for SY 23-24 with transitional kindergarten average class size and adult to student ratio.

In addition, the following were done in preparation for the 2023-24 school year:

- A Transitional Kindergarten Toolkit was created to support school site and district administrators to ensure that the enrollment ratios were followed.
- Inter-office correspondence with specific revisions to TK ratios, assignments, and revised legislation was shared with all principals on July 28, 2023.
- Principal meetings will held per region in Spring 2024 to review UTK guidelines.
- Job aids were distributed to all schools to ensure that appropriate personnel were being added to the student information system so the appropriate UTK ratios are being met.

Due to the findings from the 2022-23 school year, we have taken the following actions to ensure compliance with TK ratio and class size requirements.

- Office of Transitional Programs, Early Childhood Education Division, Government Relations, and Budget Services & Financial Planning will meet bi-weekly to monitor all TK classes, staffing and ratios.
- Working in collaboration with Region Leadership, the Office of Transitional Programs will continue to share weekly enrollment data and support schools in meeting TK ratios.
- In collaboration with Region Leadership, Dr. Dean Tagawa will work directly with schools that exceed the TK cap and make corrections throughout the year as needed.
- Budget Services & Financial Planning, Attendance and Enrollment Section, and the Early Childhood Education Division will meet every month to identify schools that are non-compliant with TK ratios.

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S-2023-012 – Attendance Accounting – Dependent Charters – Attendance Computations

State Program: Attendance Accounting: Attendance Reporting

State Audit Guide Finding Codes: 10000 and 40000

Schools Affected

- Canyon Charter Elementary
- Hesby Oaks Leadership Charter
- Serrania Avenue Charter for Enriched Studies
- Sherman Oaks Elementary Charter School
- University Charter HS Math/Art/Sci/Tech Magnet
- University High School Charter

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 16,639 days of attendance and 1,290 days of absences for testing and noted the following findings, resulting from staff’s untimely updating of student’s attendance records:

- **Canyon Charter Elementary** - Out of the 1,131 days of attendance and 89 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 was marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Hesby Oaks Leadership Charter** - Out of the 3,390 days of attendance and 170 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 was marked as present in the SMASR. The school updated MiSiS to reflect the student as absent prior to P2 reporting but subsequent to providing the SMASR. As MiSiS has been updated to reflect the correct attendance of the student prior to P2 reporting, this does not lead to questioned costs.
- **Serrania Avenue Charter for Enriched Studies** - Out of the 1,147 days of attendance and 113 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.
- **Sherman Oaks Elementary Charter School** - Out of the 1,196 days of attendance and 144 days of absences sampled, we noted the following exceptions:
 - 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.
- **University Charter HS Math/Art/Sci/Tech Magnet** - Out of the 623 days of attendance and 17 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 was recorded as present in the SMASR.
- **University High School Charter** - Out of the 1,133 days of attendance and 71 days of absences sampled, we noted the following exceptions:
 - Five (5) students were absent for a total of five (5) days, 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, 2022 (S-2022-011) but for different schools.

Questioned Costs

- Serrania Avenue Charter for Enriched Studies
 - Grades 4 to 6: 1 day/139 days in single track school year
 - Grades 4 to 6: 1 day/139 days = 0.01 ADA overstated * \$10,146.20 = \$101.46
- University Charter HS Math/Art/Sci/Tech Magnet
 - Grades 9 to 12: 2 days/139 days in single track school year
 - Grades 9 to 12: 2 days/139 days = 0.01 ADA overstated * \$14,226.11 = \$142.26
- University High School Charter
 - Grades 9 to 12: 5 days/139 days in single track school year
 - Grades 9 to 12: 5 days/139 days = 0.04 ADA overstated * \$14,226.11 = \$569.04

Recommendation

We recommend that the District and the schools continue to strengthen its 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 over attendance reporting so that proper attendance reporting procedures are adhered to, and that the District maintain documentation reflecting that each of the schools identified above have been successfully trained.

Views of Responsible Officials, Planned Corrective Action, and Contact Information

New corrective actions we will take:

1. We will offer training to staff on the function of the SMASR to support students' accurate attendance.
2. We will provide ongoing reminders every other month through the Schoology communication for staff to review their SMASR for accuracy.
3. We will provide ongoing reminders every other month through the Schoology communication for staff to retain student attendance records.

We will also continue to provide policy guidance:

1. Provide ongoing reminders every other month through the Schoology communication platform regarding accurate attendance, enrollment, and withdrawal procedures.
2. Provide ongoing reminders every other month through the Schoology communication regarding the MYPLN Essential Tips training to support with appropriate attendance documentation.
3. Pupil Services and Attendance will communicate with Local District Administration on disseminating information to school-site designees with audit findings to participate in the MYPLN training on accurate attendance, enrollment, and withdrawal procedures during school year 2023-24.

4. Pupil Services and Attendance will communicate with the Office of Organizational Excellence to support in messaging the availability of the MYPLN training to support with the accurate, attendance, enrollment, withdrawal procedures, codes, and documentation.
5. The District will obtain written acknowledgement for completion of the MYPLN Essential Tips training to support accurate attendance, enrollment, and withdrawal procedures, codes, and documentation from the identified schools with audit findings.

Name: Elsy Rosado

Title: Director, Pupil Services and Attendance

Telephone: (213) 241-3844

S-2023-013 – Annual Instructional Minutes – Classroom Based - Dependent Charters

State Audit Guide Finding Codes: 40000

Schools Affected

- Grover Cleveland Charter High School
- Reseda Charter High School
- Sylmar Charter High School
- William Howard Taft Charter High School

Criteria

California Education Code, Section 47612.5 - (a) Notwithstanding any other law and as a condition of apportionment, a charter school shall do all of the following:

- (1) For each fiscal year, offer, at a minimum, the following number of minutes of instruction:
 - (A) To pupils in kindergarten, 36,000 minutes.
 - (B) To pupils in grades 1 to 3, inclusive, 50,400 minutes.
 - (C) To pupils in grades 4 to 8, inclusive, 54,000 minutes.
 - (D) To pupils in grades 9 to 12, inclusive, 64,800 minutes.

(c) A reduction in apportionment made pursuant to subdivision (a) shall be proportional to the magnitude of the exception that causes the reduction. For purposes of paragraph (1) of subdivision (a), for each charter school that fails to offer pupils the minimum number of minutes of instruction specified in that paragraph, the Superintendent shall withhold from the charter school's apportionment for average daily attendance of the affected pupils, by grade level, the sum of that apportionment multiplied by the percentage of the minimum number of minutes of instruction at each grade level that the charter school failed to offer.

Condition, Cause, and Effect

In our sample of twelve (12) schools, we reviewed the calendar and bell schedules of the District to determine if the instructional minutes met the minimum requirements outlined in Education Code sections 47612.5.

We noted the following findings due to a work stoppage in March 2023 resulting in the closure of all District schools, for 3 days.

We did not note any findings in the original twelve (12) sampled schools but were informed by the District that there exist schools that did not meet the minimum instructional time requirements. We expanded our sample size to determine if any remaining schools did not meet the instructional minutes requirement, citing four (4) identified schools. All of the schools identified as not being compliant were secondary schools (9-12). As such, a total of four (4) schools were identified as not being compliant with the instructional minutes requirement.

Instructional Minutes

- Grover Cleveland Charter High School did not meet the minimum instructional time of 64,800 minutes, short of 631 minutes. As such, the penalty for instructional time is calculated as follows:

Affected grade level ADA (9-12)	2,535.14	(a)
Derived Value of ADA by Grade Span	\$ 13,751.67	(b)
Number of required minutes	64,800	(c)
Number of minutes short	631	(d)
Percentage of Minutes Not Offered	0.97%	(e) = (d) / (c)
Affected LCFF Apportionment by Grade Span	34,862,408.68	(f) = (a) * (b)
Total Instructional Time Penalty	\$ 338,165.36	(g) = (e) * (f)

- Reseda Charter High School did not meet the minimum instructional time of 64,800 minutes, short of 566 minutes. As such, the penalty for instructional time is calculated as follows:

Affected grade level ADA (9-12)	1,122.03	(a)
Derived Value of ADA by Grade Span	\$ 15,696.85	(b)
Number of required minutes	64,800	(c)
Number of minutes short	566	(d)
Percentage of Minutes Not Offered	0.87%	(e) = (d) / (c)
Affected LCFF Apportionment by Grade Span	17,612,336.61	(f) = (a) * (b)
Total Instructional Time Penalty	\$ 153,227.33	(g) = (e) * (f)

- Sylmar Charter High School did not meet the minimum instructional time of 64,800 minutes, short of 591 minutes. As such, the penalty for instructional time is calculated as follows:

Affected grade level ADA (9-12)	1,365.80	(a)
Derived Value of ADA by Grade Span	\$ 15,740.82	(b)
Number of required minutes	64,800	(c)
Number of minutes short	591	(d)
Percentage of Minutes Not Offered	0.91%	(e) = (d) / (c)
Affected LCFF Apportionment by Grade Span	21,498,811.96	(f) = (a) * (b)
Total Instructional Time Penalty	\$ 195,639.19	(g) = (e) * (f)

- William Howard Taft Charter High School did not meet the minimum instructional time of 64,800 minutes, short of 533 minutes. As such, the penalty for instructional time is calculated as follows:

Affected grade level ADA (9-12)	1,988.65	(a)
Derived Value of ADA by Grade Span	\$ 12,696.29	(b)
Number of required minutes	64,800	(c)
Number of minutes short	533	(d)
Percentage of Minutes Not Offered	0.82%	(e) = (d) / (c)
Affected LCFF Apportionment by Grade Span	25,248,477.11	(f) = (a) * (b)
Total Instructional Time Penalty	\$ 207,037.51	(g) = (e) * (f)

Questioned Costs

Grover Cleveland Charter High School	\$ 338,165.36
Reseda Charter High School	\$ 153,227.33
Sylmar Charter High School	\$ 195,639.19
William Howard Taft Charter High School	\$ 207,037.51

Recommendation

We recommend the District put mechanisms in place to track their compliance with instructional minutes offered throughout the year to monitor compliance with the instructional minutes requirements.

Views of Responsible Officials, Planned Corrective Actions, and Contact Information

All Affiliated Charter schools were compliant with the minimum instructional days and minutes requirements at the beginning of the school year. However, work stoppage in March 2023 necessitated the closure of all District schools, including Affiliated Charter schools, for 3 days.

The District plans to file for the Instructional Time Penalty Waiver for each of these 4 Affiliated Charter schools. To comply with the conditions for the penalty waiver, these schools are offering 183 instructional days for the 2023-24 and 2024-25 school years, and over 66,000 annual instructional minutes for each of the school years.

Name: Saman Bravo-Karimi

Title: Senior Executive Director of Finance Policy

Telephone: (213) 241-0146

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-2022-001 Reimbursement Grant Revenue Recognition (Material Weakness)

Recommendation

We recommend that the District strengthen its controls over reimbursement or expenditure-driven grant revenue recognition as follow:

- Create a reporting mechanism by which Facilities timely notify ADCP of all the grants currently managed and/or continue to have accounting and reporting responsibilities. Also, the departments should provide copies of the grant agreements to the ADCP for their review.
- Ensure that the Facilities' staff are properly trained and knowledgeable of the accounting and financial reporting requirements for reimbursement grants.
- Create a mechanism by which the ADCP verifies revenues recorded during the current fiscal year to ensure recording in the proper accounting period.
- Create a mechanism by which the ADCP reviews subsequent cash receipts pertaining to reimbursement grants to ensure recording in the proper accounting period.

Current Status

Partially implemented. We identified additional Other Governmental Funds State revenues in the current year, which were not posted in the correct fiscal year. See item FS-2023-001 within the accompanying schedule of findings and questioned costs.

The District has implemented the above corrective actions by establishing the Revenue Recognition Policies and Procedures to include criteria by which grant-related activities are recognized as revenue effective June 30, 2023. However, at the time of posting the identified current year revenues, the Revenue Recognition Policies and Procedures had not been prepared and implemented, resulting in the repeated finding.

Finding – FS-2022-002 Vulnerability Management (Significant Deficiency)**SAP Vulnerability****Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” severity level vulnerabilities should be remediated within 30 days of identification.

Current Status

Partially implemented, see item FS-2023-002 within the accompanying schedule of findings and questioned costs. Twenty (20) critical SAP vulnerabilities reported last year or for the FY 2022 audit remained outstanding during this year’s audit. ITS resolved these vulnerabilities subsequent to our reporting them to the District during this year’s audit.

MiSiS Vulnerability**Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” severity level vulnerabilities should be remediated within 30 days of identification.

Current Status

Partially implemented, see item FS-2023-002 within the accompanying schedule of findings and questioned costs. However, ITS resolved the prior year MISIS “Critical” severity level vulnerabilities prior to this year’s audit.

CMS Vulnerability**Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” severity level vulnerabilities should be remediated within 30 days of identification.

Current Status

Partially implemented, see item FS-2023-002 within the accompanying schedule of findings and questioned costs. Two (2) critical CMS vulnerabilities reported last year or for the FY 2022 audit remained outstanding during this year’s audit. ITS resolved these vulnerabilities subsequent to our reporting them to the District during this year’s audit.

Welligent Vulnerability**Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” severity level vulnerabilities should be remediated within 30 days of identification.

Current Status

Partially implemented, see item FS-2023-002 within the accompanying schedule of findings and questioned costs. However, ITS resolved the prior year Welligent “Critical” severity level vulnerabilities prior to this year’s audit.

Section VI - Findings and Questioned Costs Related to Federal Awards

1. Finding F-2022-001 – Activities Allowed or Unallowed/Allowable Costs and Cost Principles – Documentation for Payroll

Program Identification

Supporting Effective Instruction State Grant (Title II, Part A of the ESEA), U.S. Department of Education, Passed through the California Department of Education, AL No. 84.367, PCA No. 14341.

COVID-19 Elementary and Secondary School Emergency Relief Fund, U.S. Department of Education, Passed through the California Department of Education, AL No. 84.425D, PCA No. 15547.

Recommendation

We recommend that the District enhance its internal controls over payroll expenditures and the related compliance requirements by providing adequate and continuous training to school administrators, timekeepers, and supervisors on the required procedures to ensure the ongoing compliance requirements are being monitored. We also recommend that management responsible for each grant design and implement controls to review and approve the Multi-Funded Time Reports or timesheets prior to submission to the funding agency, and the review and approval are documented.

Current Status

Partially implemented. The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. However, there is a repeat finding which has been reported in the current year (F-2023-001).

2. Finding F-2022-002 – Special Tests and Provisions – Annual Report Card, High School Graduation Rate

Program Identification

Title I Grants to Local Educational Agencies, U.S. Department of Education, Passed through the California Department of Education, AL No. 84.010, PCA Nos. 14329, 14357, and 15438.

Recommendation

We recommend that the District continue to strengthen its controls over enrollment/withdrawal status by providing adequate training/monitoring to ensure that student records on MiSiS are accurate and updated when new information is available and that necessary documents are maintained. We recommend that the training include the appropriate levels of written documentation required for different situations under both ESSA guidance and CDE guidance.

Current Status

Partially implemented. The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. However, there is a repeat finding which has been reported in the current year (F-2023-002).

3. Finding F-2022-003 – Special Tests and Provisions

Program Identification

Child Nutrition Cluster, U.S. Department of Agriculture, Passed through the California Department of Education, AL Nos. 10.553, 10.555, and 10.559, PCA Nos. 13523, 13524, 13525, 13526, 15637, 13004, and 13006.

Child and Adult Care Food Program, U.S. Department of Agriculture, Passed through the California Department of Education, AL No. 10.558, PCA Nos. 13529, 13534, and 15577.

Recommendation

We recommend that the District continue to strengthen its controls over the meal claim process to ensure that meals are accurately counted, inputted into CMS and claimed for reimbursement.

Current Status

Implemented.

4. Finding F-2022-004 – Equipment/Real Property Management and Special Tests and Provisions

Program Identification

Emergency Connectivity Fund Program, Federal Communications Commission, AL No. 32.009.

Recommendation

We recommend that the District strengthen its policies and procedures related to maintaining accurate property/equipment records in order to comply with the program requirements. We also recommend that the District perform a thorough review of the year-end equipment list to ensure it is complete and accurate.

We also recommend that the District review the listing of devices distributed to students/school staff to ensure that there are no other instances of non-compliance with the per-user limitation requirement, and that non-compliance devices be removed from the request for reimbursement to be submitted to the Federal Communications Commission.

Current Status

Implemented.

5. Finding F-2022-005 – Eligibility**Program Identification**

Adult Education – Basic Grants to States, U.S. Department of Education, Passed through the California Department of Education, AL No. 84.002A, PCA Nos. 13978, 14109, and 14508.

Recommendation

We recommend that the District develop policies and procedures over eligibility determination and intake process/assessment to ensure that students under the age of 18 are not enrolled in a program funded by the Adult Education Program. In addition, the District should find alternative funding source(s) for students under the age of 18 that are enrolled in the high school dropouts subprogram.

Current Status

Implemented.

Section IV – Findings and Questioned Costs Relating to State Awards

S-2022-001 – Regular and Special Day Classes – Attendance Computations

State Program: Attendance Accounting: Attendance Reporting

State Audit Guide Finding Codes: 10000 and 40000

Schools Affected

- 54th Street Elementary School
- Alexander Hamilton Senior High School
- Alexander Hamilton Senior High Music & Performing Arts Mag School
- Beethoven Street Elementary School
- Castelar Street Elementary School
- Cimarron Avenue Elementary School
- David Starr Jordan Senior High School
- Dorris Place Elementary School
- East Valley Senior High School
- Harbor City Elementary School
- Harry Bridges Span School
- Helen Bernstein Senior High School
- Herrick Avenue Elementary School
- Holmes Avenue Elementary School
- Los Angeles Center for Enriched Studies (LACES) Magnet
- Maurice Sendak Elementary School
- North Hollywood Senior High STEM Magnet School
- Nueva Vista Elementary School
- Overland Avenue Elementary School
- Park Avenue Elementary School
- Playa Vista Elementary School
- Richard Riordan Primary Center School
- San Jose Street Elementary School
- Sherman Oaks Center for Enriched Studies (SOCES) Magnet School
- Short Avenue Elementary School
- Sylmar Elementary School
- Towne Avenue Elementary School
- Van Nuys Middle School STEAM Magnet
- Victory Boulevard Elementary STEAM Magnet School
- Young Oak Kim Academy School

Recommendation

We recommend that the District and the schools continue to strengthen its 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 over attendance reporting so that proper attendance reporting procedures are adhered to, and that the District maintain documentation reflecting that each of the schools identified above have 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-2023-001) but for different schools.

S-2022-002 – Teacher Certification and Misassignments

State Audit Guide Finding Codes: 40000 and 71000

Schools Affected

- Charles Drew Middle School
- Cimarron Avenue Elementary
- Dayton Heights Elementary
- Dorris Place Elementary
- Eagle Rock High School
- Garden Grove Elementary
- Harbor City Elementary
- Harry Bridges Span School
- Kentwood Elementary
- Mervyn M Dymally Senior High
- Northridge Middle School
- Patrick Henry Middle School
- Robert Fulton College Preparatory School
- Sally Ride Elementary: A Smart Academy
- Van Nuys Middle School
- Verdugo Hills Senior High
- William Mulholland Middle School
- Wilshire Crest Elementary
- Young Oak Kim Academy

Recommendation

We recommend that the District continue to train schools on the MiSiS Assignment Monitoring Report. The District should continue to monitor and strengthen internal controls to ensure teachers are being assigned properly to teach in a position authorized by their certifications as well as having a consent form on file when necessary, and to ensure substitute teachers are being assigned properly to teach in a position authorized by their certifications and 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-2023-002) but for different schools and teachers.

S-2022-003 – Kindergarten Continuance**State Audit Guide Finding Codes: 40000****Schools Affected**

- Carlos Santana Arts Academy
- City of Angels Virtual Academy 5
- Parthenia Academy of Arts and Technology
- Queen Anne Place Elementary
- Queen Anne Place Elementary DL Two-Way Im Spanish
- San Jose Street Elementary
- Vernon City Elementary
- Windsor Hills Elementary Math/Science Aerospace Magnet

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 MiSiS Monitoring tool.

We also recommend that the District obtain written acknowledgement 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-2023-003) but for different schools.

S-2022-004 Independent Study – Attendance Computations**State Program:** Attendance Accounting: Attendance Reporting**State Audit Guide Finding Codes:** 10000 and 40000**Schools Affected**

- City of Angels Virtual Academy #2
- City of Angels Virtual Academy #3
- City of Angels Virtual Academy #5
- Estrella Avenue Elementary School

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 all records of attendance contain readily available corresponding pupil work products. 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. This is a repeat finding which has been reported in the current year (S-2023-004) but for different schools.

S-2022-005 – Attendance Accounting – Continuation Education – Attendance Computations**State Audit Guide Finding Codes:** 10000 and 4000**School Affected**

- Henry David Thoreau Continuation High School

Recommendation

We recommend that the District strengthen its review process over student attendance reporting to ensure that the reports accurately reflect student attendance data. We also recommend that the District continue to provide adequate attendance reporting training to the schools so that proper attendance reporting procedures are adhered to, and that the District obtain written acknowledgement from the schools identified above that they have been successfully trained and have implemented a system in place to prevent such occurrences in the future.

Current Status

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding.

S-2022-006 – Ratio of Administrative Employees to Teachers**State Audit Guide Finding Codes:** 40000**Recommendation**

We recommend that the District strengthen controls over the adherence of the administrative employees to teacher's ratio requirement.

Current Status

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding.

S-2022-007 – Classroom Teacher Salaries**State Audit Guide Finding Codes:** 61000**Recommendation**

We recommend that the District to put mechanisms in place to track their compliance with the minimum percentage required throughout the year to be in compliance with 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-2023-006).

S-2022-008 – After School Education and Safety Program**State Program:** After School Education and Safety Program**State Audit Guide Finding Codes:** 40000**Schools Affected**

- 32nd Street Middle School
- 54th Street Elementary School
- 66th Street Elementary School
- 95th Street Elementary School
- Alexander Sci Ctr SC
- Berendo Middle School
- Bethune Middle School
- Broadous Elementary School
- Bryson Elementary School
- Capistrano Elementary School
- Carnegie Middle School
- Charles Maclay Middle School
- Chatsworth Park Elementary School
- Columbus Middle School
- Dena Elementary School
- Denker Elementary School
- Dodson Middle School
- Dolores Street Elementary School
- Dominguez Elementary School
- Ellen Ochoa Learning Zone
- Ford Blvd Elementary School
- Foshay LC
- Gates Elementary School
- Harrison Elementary School
- Harte Prep Middle School
- Hollenbeck Middle School
- Lassen Elementary School
- Liberty Blvd Elementary School
- Lomita Math – Sci Mag
- MaCES Magnet School
- Maclay Middle School
- Mann UCLA Community School
- Miller Elementary School
- Monte Vista Street Elementary School
- Nava Learning Academy
- Nevin Elementary School
- Ochoa LC
- O Melveny Elementary School
- Orchard Academies 2C
- Palms Elementary School
- Pio Pico Middle School
- Plainview Charter Academy
- Primary Academy
- RFK Ambassador School of Global Leadership
- San Antonio Elementary School
- San Fernando Middle School
- San Miguel Elementary School
- Sepulveda Middle School
- South Gate Middle School
- State Elementary
- Sun Valley ET MAG MS1
- Sutter Middle School
- Toluca Lake Elementary School
- Vena Elementary School
- Vinedale Elementary School
- Vista Middle School
- Walnut Park Middle School
- Windsor M/S AERO MAG
- Wright ENG DES MAG MS1
- Vinedale Elementary School
- Vista Middle School
- Walnut Park Middle School
- Windsor M/S AERO MAG
- Wright ENG DES MAG MS1

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-2023-007) but for different schools.

S-2022-009 – Unduplicated Local Control Funding Formula Pupil Counts

State Program: Unduplicated Local Control Funding Formula Pupil Counts

State Audit Guide Finding Code: 40000

Schools Affected

- Alexander Hamilton Senior High
- Belvedere Middle School
- Breed Street Elementary
- Calahan Street Elementary
- David Starr Jordan Senior High
- Eagle Rock High School
- East Valley Senior High
- Graham Elementary
- Gridley Street Elementary
- Helen Bernstein Senior High
- Jaime Escalante Elementary School
- James A Garfield Senior High
- McKinley Avenue Elementary
- North Hollywood Senior High
- Northridge Middle School
- Osceola Street Elementary
- Playa Vista Elementary
- Robert Fulton College Preparatory School
- Roy Romer Middle School
- San Antonio Elementary
- San Gabriel Avenue Elementary
- San Jose Street Elementary
- South Gate Senior High
- Tarzana Elementary
- Verdugo Hills Senior High
- Young Oak Kim Academy
- Chatsworth Charter High School (Dependent Charter)
- Dixie Canyon Community Charter (Dependent Charter)

Recommendation

We recommend that the District continue to monitor English learner and free and reduced meal eligibility status to ensure students who are designated as an English learner or free and reduced meals 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-2023-008) but for different schools.

S-2022-010 Immunizations

State Audit Guide Finding Codes: 40000

Schools Affected

- 9th Street Elementary
- 99th Street Elementary
- 109th Street Elementary
- 112th Street Elementary
- Arlington Heights Elementary
- Arlington Heights Elementary DL Two-Way Im Spanish
- Arminta Street Elementary
- Chandler Elementary
- Columbus Avenue Elementary
- Edwin Markham Middle School
- Ellen Ochoa LC DL Two-Way Im Spanish
- Erwin Elementary
- Florence Griffith Joyner Elementary
- Gardena Elementary DL Two-Way Im Spanish
- Hillcrest Drive Elementary
- Laurel Cinematic Arts Creative Tech Magnet
- Marguerite Poindexter LaMotte Elementary
- Marquez Charter
- Martin Luther King Jr Elementary
- Miramonte Elementary DL Two-Way Im Spanish
- Noble Avenue Elementary
- Point Fermin Elementary Marine Science Magnet
- Rancho Dominguez Preparatory School
- RFK Comm Schls - UCLA Community School DL One-Way Im Spanish
- Rosewood Avenue Elementary Urban Planning/Design Magnet
- Roy Romer Middle Gifted/Humanities Magnet
- Roy Romer Middle School
- Saticoy Elementary DL Two-Way Im Armenian
- Stoner Avenue Elementary DL One-Way Im Spanish
- William Jefferson Clinton Middle School
- Windsor Hills Elementary Math/Science Aerospace Magnet

Recommendation

We recommend that the District strengthen its controls over implementing District policies over pupil immunization record tracking. Furthermore, we recommend that the District continue to provide adequate training to the schools, so that proper monitoring of pupil's immunization are adhered to.

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-2023-009) but for different schools.

S-2022-011 – Attendance Accounting – Dependent Charters – Attendance Computations**State Program:** Attendance Accounting: Attendance Reporting**State Audit Guide Finding Codes:** 10000 and 40000**Schools Affected**

- Alfred B Nobel Charter Middle School STEAM Magnet
- Chatsworth Charter High School
- Dr Theodore T Alexander Jr Science Center School

Recommendation

We recommend that the District and the schools continue to strengthen its 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 over attendance reporting so that proper attendance reporting procedures are adhered to, and that the District maintain documentation reflecting that each of the schools identified above have 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-2023-012) but for different schools.

S-2022-012 – Mode of Instruction – Dependent Charters**State Audit Guide Finding Codes:** 40000 and 71000**Schools Affected**

- Dr Theodore T Alexander Jr Science Center School

Recommendation

We recommend that the District monitor and strengthen internal controls to ensure substitute teachers are being assigned properly to teach in a position authorized by their certifications and 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.

INDEPENDENT AUDITOR'S MANAGEMENT LETTER



SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS
BRANARD C. SIMPSON, CPA
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December 13, 2023

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, 2023, 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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS-2023-001 to be a material weakness.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS-2023-002 to be a significant deficiency.



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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 page 249. 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 cursive script that reads "Simpson & Simpson".

ML-2023-001 – SAP Asset Master Record Access**Condition**

Our review of access to the Create Asset Master Record (AS02) production transaction revealed one (1) retired personnel having access to this SAP transaction.

Recommendation

We recommend that SAP accounts associated with retired or terminated personnel be deleted or disabled in a timely manner upon their departure from the District.

Management Response

This is a valid find. The employee retained access to AS02 after retirement. This was due to a future date separation action being entered on 08/30/2022 at 10:53:52am. Afterwards, SAP Access Request # 248180 was submitted on 10/05/2022 at 12:28:40 and provisioned on 10/07/2022 at 09:56:19am. This action bypassed the GRC BRF+ Position Change scenario. However, even with this provision, retirees are unable to access ESS or SAP ECC system, as both applications are not accessible outside of LAUSD network. We can disable the unusable "Retired Employee Self Service" functionality to avoid these types of scenarios. But whether retirees (after separation) can continue to access their paystubs and W2, is pending a management decision. (*ESS for retirees)

Responsible Official

Name: Douglas Le

Title/Division: Senior ERP Director Business Systems/Information Technology Services (ITS)

Telephone: (213) 241-1586

ML-2023-002 – SAP Create Purchase Order Access**Condition**

Our review of access to the Create Purchase Order (ME21N) production transaction revealed that one (1) retired personnel had access to this SAP transaction.

Recommendation

We recommend that SAP accounts associated with retired or terminated personnel be deleted or disabled in a timely manner upon their departure from the District.

Management Response

This is a valid find. The employee retained access to ME21N after retirement. This was due to a future date separation action being entered on 08/31/2022 at 09:04:28am. Afterwards, SAP Access Request # 241435 was submitted on 10/05/2022 at 12:28:40 and provisioned on 09/12/2022 at 09:22:00am. This action bypassed GRC BRF+ Position Change scenario. However, even with this provision, retirees are unable to access ESS or SAP ECC system, as both applications are not accessible outside of LAUSD network. We can disable the unusable "Retired Employee Self Service" functionality to avoid these types of scenarios. But whether retirees (after separation) can continue to access their paystubs and W2, is pending a management decision. (*ESS for retirees)

Responsible Official

Name: Douglas Le

Title/Division: Senior ERP Director Business Systems/ITS

Telephone: (213) 241-1586

ML-2023-003 – Student Body Investment Funds**Condition**

We sampled and tested 50 of the District's 90 schools' student body investment funds to substantiate the reported investment balances as of June 30, 2023.

For 46 of the sampled investment funds, we noted variances between the reported investment balance as of June 30, 2023, and the financial institution's investment statement maintained by the respective schools and collected by the District.

These variances were noted as a result of the District not collecting from the schools the investment statements, which reflected investment balances as of June 30, 2023. As such, the reported investment balance did not reflect balances maintained by the financial institutions as of June 30, 2023.

Recommendation

We recommend that the District strengthen controls over the timely collection and reconciliation of student body investment funds to ensure that balances reported by the District reflect the balances maintained by the financial institutions as of June 30, 2023.

Management Response

The variances noted in the audit were caused by the early reporting deadline for Student Body Funds, which was June 15th just before the school closed for the summer break. As a result of this reporting deadline, the investment interest income for June 2023 was recorded in the following fiscal year.

To address this finding, the Student Body Finance Support Team will do the following:

- Meet with the Financial Managers of schools with investment accounts about the action plan before the closure of schools in June.
- In addition to Fiscal Year-End meetings, a quarterly calendar meeting reminders will be set to remind the Financial Managers to reach out to their respective banking institution for a copy of the bank statement.
- A follow-up assessment will be conducted by the Coordinating Financial Managers prior to the Year-End meeting with the Financial Managers of schools with investment accounts.
- The School Student Body Books with Investment accounts (CYMA Application) will remain open until the Financial Managers return to work in July. The Investment transaction and Interest Income as of June 30 will be recorded before closing the year.
- Coordinating Financial Managers will evaluate and monitor progress to ensure that the corrective action plan is implemented by reviewing and analyzing the Investment Reports.

Name: Mildred Zozulenko
Title: Fiscal Services Manager
Telephone: (213) 241-1828

ML-2023-004 – Annual Form 700**Condition**

We sampled and tested a total of 15 of 4,893 District employees who were required to disclose their personal financial interests on Form 700 – Statement of Economic Interests (Form 700) as a result of being identified as being in a position designated in the District’s Conflict of Interest Code that makes or influences financial or governmental decisions. Employees were to submit their 2023 annual Form 700 to the District’s Ethics Office (Ethics Office) no later than April 3, 2023, in accordance with the Fair Political Practices Commission (FPPC) guidelines.

We identified a total of three (3) employees who did not meet the Ethics Office and FPPC Form 700 submission guidelines as follows:

- Two (2) employees resigned on July 1, 2023, and did not submit their Form 700. The Ethics Office was not notified about the employees’ resignations.
- One (1) employee submitted their Form 700 on September 19, 2023, after the April 3, 2023, deadline.

In accordance with FPPC guidelines, the following two remediation activities may be exercised for late statements:

- The filing officer who retains originally signed or electronically filed statements of economic interests may impose on an individual a fine for any statement that is filed late. The fine is \$10 per day up to a maximum of \$100. Late filing penalties may be reduced or waived under certain circumstances.
- Persons who fail to file their Form 700 timely may be referred to the FPPC’s Enforcement Division (and, in some cases, to the Attorney General or District Attorney) for investigation and possible prosecution. In addition to the late filing penalties from the filing officer, a fine of up to \$5,000 per violation may be imposed.

Neither of the above was imposed on the three (3) identified employees above.

Based on further discussions with the Ethics Office, it was determined that a total of 2,575 active and 383 retired employees have not submitted their Form 700 to date.

Recommendation

We recommend that the Ethics Office strengthen its controls over the collection of Form 700s by adopting remediation guidelines stipulated by the FPPC and implementing procedures to be promptly notified of employee retirements.

Management Response

The District will take the following corrective actions:

1. Request from the Personnel Commission and Human Resources Division a monthly (prospective if available) list of leaving and retiring employees to update filer information in eDisclosure.
2. Include in annual notices to filers the notification process required for FPPC referral and fine of non-compliant filers.
3. Draft a bulletin outlining an employee's responsibilities when holding a Form 700 filing position, including potential for FPPC referral and fine for non-compliance.

Name: Darlene L. Vargas

Title: Ethics Officer

Contact Information: darlene.vargas@lausd.net

ML-2022-001 – CMS Program Change Management**Recommendation**

We recommend that Change Management Approval Forms be completed and retained for CMS changes in a consist manner.

Current Status

Implemented.

ML-2021-001 - SAP Network Vulnerability**Recommendation**

We recommend that District management implement a Vulnerability Management program for SAP. The program should be enforced by documented policy and ensure vulnerabilities are identified and remediated 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-2023-002 within the accompanying schedule of findings and questioned costs.

ML-2021-002 – MISIS Network Vulnerability**Recommendation**

We recommend that District management implement a Vulnerability Management program for MISIS. The program should be enforced by documented policy and ensure vulnerabilities are identified and remediated 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-2023-002 within the accompanying schedule of findings and questioned costs.

*The Honorable Board of Education
Los Angeles Unified School District
December 13, 2023*

ML-2019-003 - Business Continuity Planning

ML-2016-001 - Business Continuity /IT Disaster Recovery Planning

ML-2014-007 - Business Continuity /IT Disaster Recovery Planning

Recommendation

BCPs should be completed and updated on a regular basis to ensure that operations and IT systems can be effectively recovered, shortcomings are addressed, and the plan remains relevant.

Current Status

Partially implemented.

- As of 5/20/2023, 88 Branches/Offices across 16 Divisions have completed their Business Continuity Plans (BCP), this includes 12 ITS Divisions having a baselined BCP.
- The IT Cloud Disaster Recovery Solution was completed by June 2023.

ML-2015-002 - Security Management Policy and Procedures

Recommendation

We recommend that Information Technology Services (ITS) management coordinate with District business/operations management to complete an information security plan (e.g., update, adopt and implement the November 2013 plan) and compile a comprehensive set of information security policies and procedures.

Current Status

Partially implemented.

- The Incident Response (Plan): The IRP for critical systems policy was revised to reflect changes in program scope and lessons learned from the 2022 cybersecurity incident. It has also been updated to comply with ISO 27001 standards and is currently under review by ITS leadership under the title "Incident Management Policy." The policy and supporting Incident Response Plan are expected to be published by September 30, 2023.
- IT Cloud Disaster Recovery (Plan) Solution: The District had already selected and purchased the disaster recovery solution, which is now in the process of being deployed. Based on this recent information, the implementation of the IT Cloud Disaster Recovery Plan Solution has been moved to December 31, 2023.

Appendix C - Informative – FY 2022-23 Audited Annual Financial Report – Distribution List

Abrahams III, Keith H.	Executive Director, Student Integration Services
Acosta-Stephens, Lydia	Executive Director, Multilingual and Multicultural Education
Aguilar, Anthony	Chief of Special Education and Specialized Programs
Alvarez, Martha	Chief of Legislative Affairs and Government Relations
Arreguin, Veronica	Chief Strategy Officer
Atienza, Tony	Director, Budget Services and Financial Planning
Baca, David	Region Superintendent, North
Baez, Frances	Chief Academic Officer
Brandy, Travis	Senior Director, Office of the Superintendent
Bravo Karimi, Saman	Senior Executive Director, Finance Policy
Buck, Latasha	Executive Director, Virtual Academy
Buendia, Victor	Deputy Chief Business Officer, Finance
Carvalho, Alberto	Superintendent of Schools
Cervantes, Gerardo	Executive Director, Federal and State Education Programs
Chait, Andres	Chief of School Operations
Chambers, Patricia	Senior Director, Office of the Deputy Sup, Business Services and Operations
Chau, Derrick	Senior Executive Director, Strategy and Innovation
Chrysiliou, Christos	Chief Eco-Sustainability
Cole-Gutierrez, Jose	Director, Charter Schools
Collier, Denise	Region Superintendent, West
Delgadillo, Nolberto	Deputy Chief Business Officer (Effective July 21, 2023)
Delgado, Carol	Senior Administrative Assistant, Office of the Superintendent
Estrada, Karla	Deputy Superintendent of Instruction
Gould, Karla	Personnel Director
Haber, Shannon	Chief of Communications, Engagement and Collaboration
Han, John	Administrative Student Auxiliary Services
Hansen, Erick	Executive Director, Strategic Initiatives
Hart, David	Chief Business Officer
Hastings, Peter	Executive Director, HR Staff Relations
Huerta, Jose	Region Superintendent, East
Jimenez, Jaime	General Manager, KLCS/Channel 58
Johnston, William R.	Executive Director, Office of Data and Accountability
Kang, Daniel	Director, Transportation Services Division
Katal, Soheil	Chief Information Officer
Lee, Sungyon	Deputy Chief Business Officer, Operations
Loxton, Debe	Executive Director, Beyond the Bell
Malhotra, Smita	Chief Medical Director
McLean, Michael	Executive Officer of the Board
Molina, Alexander	Chief Executive to the General Counsel
Mooney, Sara	Director of Development and Civic Engagement
Mount-Benites, Christopher	Chief Procurement Officer
Murphy, Kristen	Chief of Staff

Navera Reed, Devora	General Counsel
Neyra, Renny	Executive Director, Adult and Career Education
Plascencia, Antonio Jr.	Senior Director, Engagement and Partnerships
Rock, Paulina	Executive Director, Office of Health and Emergency Response
Romero, Michael	Chief of Transitional Programs
Sadaqatmal, Pia	Senior Director, Office of the Deputy Superintendent of Instruction
Salcido, Pedro	Deputy Superintendent, Business Services and Operations
Sanchez Robles, Maricela	Executive Director, Elementary Education
Serrato, Francisco	Chief Human Resources Officer
Singh, Manish	Director, Food Services
Soto, Jose	Executive Director, Special Education
Spicer, Andre	Region Superintendent, South
Stengel, Susan	Inspector General
Tagawa, Dean	Executive Director, Early Childhood Education
Tokes, Krisztina	Chief Facilities Executive
Torrens, Jaime	Senior Advisor to the Superintendent
Torres, Carlos	Director, Environmental Health and Safety
Vladovic, John	Executive Director, Secondary Education
Warren, Robyn	Deputy Personnel Director
Watkins, Dawn	Chief Risk Officer
Webb, Alfonzo	Senior Director, Division of School Operations
Wherritt, Amanda	Deputy Chief of Staff
Whitman, Robert	Educational Transformation Officer
Zipperman, Steven	Chief of Police