SFUSD pays most of its bills with money from the state. As California’s economic crisis continues the district receives less money yet expenses keep increasing.

2010-2012 Deficit = $138 million
State law requires districts of our size to submit a balanced budget, which includes a minimum reserve of at least 2% of expenditures, by June 30 of each fiscal year. Given current projections the district faces a shortfall of approximately $25 million for next year above and beyond the $113 million of cuts identified last year. Budget cuts may be more severe in the 2012-2013 school year and beyond.

SEVEN THINGS YOU NEED TO KNOW ABOUT THE BUDGET CRISIS

1) How did this financial crisis happen?
- The worst economic crisis since the Great Depression has created massive unemployment, reduced revenues and caused budget deficits for governments around the country.
- A huge drop in corporate, sales, personal income, property, and other taxes has impacted California.
- Failure by the Governor and Legislature to fully fund education.
- Increases in utility and fuel costs
- Increases in employee and retiree benefits costs, such as health care

2) Doesn’t SFUSD get more than enough money?
No. California’s public schools rank near the bottom among the 50 states and District of Columbia in per-student funding. Since 2009-2010, the State has cut baseline general purpose funding (called “revenue limit”) to SFUSD students from an expected level of more than $6,400 per student down to less than $4,900, a decrease of more than $1,500 per student. In addition, many specialized program funds were cut.

3) Hasn’t the SFUSD had a budget crisis every year for the past several years?
Yes. Every time the state gets bad economic news, our schools take another hit. Meanwhile, the cost of running schools has gone up every year. SFUSD spends 22% of its budget on employee health care costs alone and this percentage is expected to keep rising.
4) What is SFUSD doing to spend within its means?
- Working with our employees to save millions of dollars through furlough days (shortening the school year) since 2009-10
- Changing the way the district operates to be even more efficient with centralized support services
- Reducing general education transportation
- Providing summer school for only those at risk of not graduating and Special Education students
- Pursuing funding from foundations and government grants to continue important school improvement work

5) What happened to the Federal Jobs Bill money?
SFUSD is spending the one-time $10 million from the Federal Jobs Bill to save numerous jobs and reduce layoffs. This money was already accounted for in determining the number of teachers and other staff who received preliminary layoff notices in March.

6) Can’t the cuts come from the school district administration?
SFUSD continues to reduce some of its centralized services; however, at just under four percent (4%) of the general budget, central administration is one of the district’s smallest expenditures. The majority of that 4% goes towards recruiting, hiring and evaluating teachers and all other staff; providing fiscal oversight and fulfilling financial reporting obligations for all schools and departments; and advising and representing the district in legal matters. School sites, whose direct budgets comprise nearly 70% of the district's overall unrestricted expenditures, are absorbing 20% of the latest necessary cuts for 2011-2012.

7) Isn’t the city helping?
Yes. Thanks to the city’s Rainy Day Fund and local voter approved funding sources such as the parcel tax for teacher salaries and the Public Education Enrichment Fund for sports, arts and libraries, SFUSD has been able to maintain more services than many California school districts. This year, SFUSD is eligible to receive approximately $8 million from the Rainy Day Fund, pending approval from the Board of Supervisors and the Mayor. If approved, this money will go directly towards reducing teacher layoffs.

HOW YOU CAN HELP
- **Get involved** in schools through the School Site Council, PTA or a community non-profit. We need your help to think creatively about how to use the remaining resources, to volunteer and to raise money and other donations to support student learning.
- **Encourage regular school attendance** for students - it helps them learn and it helps the district collect the reimbursement from the state.
- **Tell the Governor and your elected officials to keep supporting education** and to push for maintaining or reinstating vehicle, sales and income taxes to protect education.

Contact elected officials:
Governor Jerry Brown,
State Capitol, Suite 1173
Sacramento, CA 95814
Phone: (916) 445-2841
Email: http://gov.ca.gov/m_contact.php

For your local legislator, you can go to this site and enter your zip code: http://www.leginfo.ca.gov/yourleg .html.