

## CUCPTSA Legislation Brief – April 2010

### LOCAL

**CUSD Budget:** Currently the CUSD budget deficit for the 10/11 school year is approx \$34 million. The interim report submitted to OCDE in March was again a self-qualified budget. March 15 was the deadline to notify certificated staff of preliminary layoffs. At the March 9<sup>th</sup> Board meeting, the trustees approved preliminary layoffs for 80 teachers, 2 nurses, 2 teachers on special assignment, and 242 teachers on temporary contracts. In addition, 119 certificated managers were notified of potential salary and/or work year calendar reductions.

**Negotiations (PTA REMAINS NEUTRAL AT ALL TIMES):** CUEA (Teachers) - The Fact Finding Report was released on March 12. Recommendations were made by the Fact Finding chair in the areas of Health and Welfare, Reduction of School Year, Class Size, and Wages for school years 09/10, 10/11, and 11/12. The teachers (CUEA) responded to the recommendations that they concur. CUSD responded with a qualified concur, stating that they disagreed with the recommendation of increasing class size in K-12 by two students.

At a special board meeting held March 31, the trustees voted 6-1 (Trustee Brick dissenting) to approve a resolution to implement changes in the terms and conditions of employment of the certificated bargaining unit. The breakdown of financial implications of the resolution is as follows:

4 Furlough Days (2009/2010)	\$4.1M
5 Furlough Days (2010/2011)	\$5.2M
3.7% Salary Reduction (2010/2011)	\$7.4M
Health and Welfare Cap	\$1.6M
Step and Column Suspension	<u>\$1.5M</u>
TOTAL	\$19.8M

**Superintendent Search Process:** As of late March, 30 applications had been received by the search firm. In early April, the search firm will screen the applicants and determine a slate of candidates to be presented to the trustees on April 16 following an interviewing workshop for the trustees.

### STATE

**State Budget Update:** The State Legislature passed and sent to the Governor two of three bills he demanded relating to the Budget. He signed AB 183, which gives a tax credit of up to \$10,000 for first-time homebuyers, and signed a sales tax exemption on the purchase of manufacturing equipment by environmental technology firms.

**California Budget Project Report:** The California Budget Project reported that CUSD will experience a reduction of at least \$302 per student as a result of the Governor's proposed cuts to the 2010/11 K-12 Education budget.

**State Economic Forecast:** The state's economic recovery will be slow and unemployment will remain above 10 percent through the end of 2011 according to the latest projections from UCLA. The quarterly Anderson Forecast says the state can expect job growth to resume this year but "unemployment will hang high for some time." The statewide unemployment rate, currently 12.5% won't sink below 10% until early 2012, the forecast says.

**State Cash Update:** State Controller John Chiang released report covering California's cash balance, receipts and disbursements in February. The month's receipts rose above the Governor's 2010-11 budget estimates by \$480 million, or 8.7%. The State's cash position was \$2.15 billion ahead of projected levels on February 28.

**Governance Reform Update:** The two governance reform efforts (Repair California and California Forward) both ran out of funds to collect the necessary signatures to qualify their initiatives for the Nov 2010 ballot. However, on March 11<sup>th</sup>, the Democratic legislative leaders proposed a wide-ranging overhaul (crafted by California Forward) that would allow lawmakers to pass budgets by a simple-majority vote and would require them to forfeit pay if they are late in passing a spending plan.

**School Finance Reform Update:** AB 2335 was introduced by Julie Brownley and is very similar to her previous bill, AB 8, which the Governor vetoed last year. This bill would require the state Superintendent of Public Instruction to study topics related to development of a new system of school financing and report findings and recommendations to the Legislature and Governor by December 1, 2011.

### FEDERAL

**Race To the Top:** The U.S. Dept of Education announced that Tennessee and Delaware were awarded grants worth \$600 million in the first round of the Race to the Top competition. California was eliminated from the competition earlier in the first round, and can reapply for funds by June 1.

**ESEA Reauthorization:** President Obama released his plan for reauthorization of NCLB, now referred to as ESEA, in March. The plan has three major goals for reauthorization, including raising standards, rewarding excellence, and increasing local control/flexibility while at the same time working to close achievement gaps.