



# Press Conference

## Federal Stimulus Funding and State Budget

### April 29, 2009

## Fact Sheet

- **Cuts to Orange County School Districts**
  - \$250 million for 2008-2009 and 2009-2010
  - 3,500 Reduction in Force notices for Certificated Employees (Temporary and Non Re-Elect, Permanent Teachers, Management/Admin.)
  
- **CA State Budget Crisis**
  - Legislative Analyst's Office (LAO) reports \$8 billion shortfall for 2009-2010
  - If Special Election propositions do not pass, additional \$6 billion shortfall
  - Potential additional cuts to education in OC - \$500 million
  
- **Special Education Funding**
  - Federal government is required to fund 40% of funding for the Individuals with Disabilities Education Act (IDEA)
  - 17% of IDEA is currently covered by federal funds in CA (\$313 million shortfall in OC)
  - Stimulus funding will increase this to 24% for a 2 year period (still underfunded by \$200 million per year in OC)
  - Over the past 6 years, OC schools have contributed \$1.4 billion from general fund to special education (see chart titled, Special Education Encroachment)
  
- **Federal Stimulus Funding**
  - Stimulus dollars will help local school districts cope with recent budget cuts, but do not provide a permanent solution.
  - This is one-time funding to be allocated over 2 years, and concerns remain about the long-term future of our education system.
  - Until the results of the May 19 election are known, the governor's office provides the budget revision on June 8, 2009, and the Legislature reviews and approves the final budget, districts will not have the clarification they need to revise their own budgets and to rescind layoff notices.