

San Lorenzo Unified School District
Resolution Number 3414 On Local Reserves Cap
SB 858, Section 27/California Education Code 42127.01

WHEREAS, school district governing boards have the obligation to provide a quality education for all students. The San Lorenzo Unified School District adopted a Mission that states: District teachers and staff will collaborate with families and the community to cultivate safe learning environments and ensure equitable opportunities and outcomes for all students. All students will become engaged community members contributing to, and becoming good stewards of our changing world. All students will reach their highest potential as creative and critical thinkers prepared for college, career and life-long learning. It seems contradictory for the state of California to limit each district's reserves according to Section 27 of SB 858 (Chapter 32, Statutes 2014), now in Education Code 42127.01.

School district governing boards are responsible for maintaining fiscal solvency of the school systems they govern.

Each district has a Local Control Funding Formula (LCFF) and Local Control Accountability Plan (LCAP), to determine how to best allocate the budget to ensure equitable outcomes for all students. As part of these plans, each district should determine the level of reserves needed to meet local priorities.

The Governing Board of the San Lorenzo Unified School District currently maintains a reserve of a minimum of 6% to safeguard the District's financial stability. This reserve would only cover less than one month's payroll if we had a financial emergency. Districts have not been able to rely on the state for reliable or stable funding for many years.

In many cases, including our district, the LCFF base grant is not expected to be fully funded until 2020, and we have many projects that were gutted as a result of the Great Recession, including facilities maintenance, class reduction, staffing needs, library resources, and other priorities. To limit our ability to determine necessary reserves is irresponsible, and could threaten the fiscal solvency of our district.

The San Lorenzo Unified School District serves a population that includes approximately 73% unduplicated students with great needs (English language learners, low income, foster youth); our LCFF and LCAP were developed to meet their needs. To insure we can fully implement the programs that assist our students with the greatest needs, the locally elected officials need to determine the appropriate level of reserves.

NOW, THEREFORE, BE IT RESOLVED, That the Board of Education of the San Lorenzo Unified School District calls upon the Legislature and the Governor to repeal the language contained in Section. 27 of SB 858 (Chapter 32, Statutes of 2014), now in Education Code 42127.01 immediately.

PASSED AND ADOPTED by the Governing Board of the San Lorenzo Unified School District on this 20 day of January 2015, by the following vote:

AYES: 4

NOES: 0

ABSENT: 1

ABSTENTIONS: 0



Clerk of the Board of Trustees
San Lorenzo Unified School District
Alameda County, California