



Cupertino Union School District

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Dear Parents:

I have completed my series of community budget update meetings this week. I want to thank the parents, staff, and community members who had the opportunity to attend one of the five evening meetings held throughout the District. I really appreciated the open dialogue and passion for education shown at these meetings. For those of you who did not get a chance to attend, we have posted the presentation on the District's website at www.cupertino.k12.ca.us.

In addition, I want to share some of the most frequently asked questions regarding the unprecedented magnitude of the state budget crisis and the uncertainty surrounding Cupertino Union School District's funding.

How much is the Cupertino Union School District's funding being cut?

This year, our funding was cut by \$14.2 million, of which \$9.9 million is on-going and will repeat year after year. *[see budget presentation slide 4]*

What happened to the Federal Stimulus money?

We have received \$5.9 million in federal stimulus money this year. These funds are one-time and are being used to help offset the \$14.2 million cut this year. These dollars will not repeat. *[see budget presentation slide 4]*

What happened to the parcel tax?

The \$4 million being generated from our parcel tax is being used to offset the \$14.2 million cut. The parcel tax is vital since it provides a reliable source of funding for six years to help offset the on-going budget cuts. *[see budget presentation slide 4]*

Why isn't the parcel tax enough to cover the cuts?

The Board of Education began discussing the parcel tax in November 2008. The deadline to place the parcel tax on the May ballot was February 3, 2009. On February 20, 2009 the state cut CUSD funding by \$3.27 million. At that time it looked like we had a \$4 million solution for a \$3.27 million problem if the parcel tax passed. On May 5, 2009 the parcel tax passed! However, on May 19, 2009 the statewide budget measures failed leading to a series of unforeseen devastating cuts handed to us in July. No one could have predicted the severity of these cuts. *[see budget presentation slides 2 and 3]*

Will there be cuts that affect programs next year?

Despite the parcel tax, major cuts are unavoidable next year. However, the \$4 million generated by the parcel tax is helping to keep the district from having to drastically cut programs and personnel even more.

What action has the District made to contain cost?

From 2001-2007, the district has saved a total of \$10.9 million in non-classroom cuts. Over the past two years alone, the district has saved a total of \$4.98 million in non-classroom cuts, including \$2.02 million in central office positions, \$2.14 million in departmental budget reductions, and \$0.82 million in capital outlay reductions. In addition, the district implemented an energy management program that has yielded almost \$2 million in energy cost savings over the past 4 years. *[see budget presentation slide 6]*

What are the next steps?

The District is currently evaluating expenditure reduction options, and budget decisions for the 2010-2011 school year will have to be made starting in January 2010. The District will continue to communicate the extent of the cuts as more information becomes available.

Here is a list of upcoming important dates:

- **January 2010** – The Governor will propose his 2010-2011 state budget. We will know the extent of the proposed budget cuts next year and if we will be subject to any mid-year cuts this year.
- **March 15, 2010** – State mandated deadline for a district to notice any certificated staff of potential layoffs.
- **May 2010** – The Governor releases May Revision of his 2010-2011 budget proposal.
- **June 30, 2010** – Deadline for CUSD to submit a balanced budget as required by law.

These are dire economic times for us all. The Board of Education and I are committed to working with all stakeholder groups as we move through this budget reduction process. I will continue to make every effort to keep you informed. Please stay tuned.

Sincerely,



Phil Quon
Superintendent