

LCFF ACCOUNTABILITY

By January 31, 2014, the State Board of Education (SBE) must adopt regulations governing the expenditure of supplemental and concentration grants.

- Require a school district, COE, or charter school “to increase or improve services for unduplicated pupils in proportion to its increase in funds apportioned on the basis of the number and concentration of unduplicated pupils”
- Create authorization for the use of funds for schoolwide or districtwide purposes in a manner that is no more restrictive than the federal No Child Left Behind Act of 2001 Title I funds
- Each LEA, by July 1, 2014, must adopt (over two public hearings) an LCAP based on a template adopted by the SBE
- The LCAP describes goals, as well as actions to be taken to achieve those goals, related to specified state priorities for all students and subgroups
- The LCAP must be linked to the LEA budget and updated annually
- The new California Collaborative for Educational Excellence will advise and assist LEAs

Adopting and Updating the LCAP

Steps to be followed by LEAs adopting and updating the LCAP are as follows:

1. Consultation with teachers, principals, school personnel, local bargaining units, and pupils.
2. Present for review and comment to parent advisory committee, English learner parent advisory committee, and the superintendent must respond in writing to comments received.
3. Opportunity for public input: notice of the opportunity to submit written comments, public hearing, and the superintendent must respond in writing to comments received.
4. Adoption of the plan: adopted concurrent with the LEA’s budget, submitted to COE for approval, posted on LEA website, COE posts LCAP for each LEA, or a link to the LCAP.

SBE Actions and Timeline

January 1, 2014—Adopt budget standards and criteria

January 31, 2014—Adopt spending regulations

March 31, 2014—Adopt LCAP templates

October 1, 2015—Adopt technical assistance and intervention evaluation rubric



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POCKET GUIDE TO THE Local Control Funding Formula

A Summary Analysis
of the New Education
Funding Formula
Enacted in the
2013-14 State Budget

Prepared by



September 2013

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for Making Education Decisions*

LOCAL CONTROL FUNDING FORMULA

After considerable negotiations between the Legislature and Governor Jerry Brown, state policy makers enacted the Local Control Funding Formula (LCFF) to replace revenue limits and most categorical programs, commencing in 2013-14. This is the most sweeping reform of the state's school finance system since the enactment of Senate Bill 90 in the early 1970s, the Legislature's response to the landmark *Serrano* court decision.

The Governor's policy goals in pursuing reforms to the state's school finance system have remained consistent since January 2012 when he unveiled the Weighted Student Formula, the predecessor to the LCFF:

- Increase transparency and reduce complexity
- Reduce the administrative burden
- Improve funding equity across school districts
- Improve local accountability

To attain these goals, the LCFF:

- Eliminates revenue limits and almost all categorical programs, except those established by state initiative, federal statutes, court orders, or settlements
- Establishes base grants for four grade spans, which will provide absolute dollar equalization at full implementation
- Establishes supplemental/concentration grants to provide supplemental services to low-income, foster youth, and English learner students
- Establishes the Local Control Accountability Plan (LCAP), which must be adopted concurrently with the district's spending plan

LCFF and What It Does

- The LCFF makes fundamental changes to how we allocate state Proposition 98 revenues to schools
- There are direct parallels with how we have funded schools in the past
 - The LCFF base grants are like revenue limits

- The LCFF base grant adjustments—K-3 Class-Size Reduction (CSR), Career-Technical Education (CTE), supplemental grants, and concentration grants—are like categorical programs
- At full implementation, the LCFF will fund every student at the same base rate
 - Over time, most school district and charter school base grant funding will equalize to the same level
- The LCFF provides that each school district receive at least as much state aid in 2013-14 and future fiscal years as the district received in 2012-13

LCFF—Supplemental and Concentration Grants Per Average Daily Attendance (ADA)

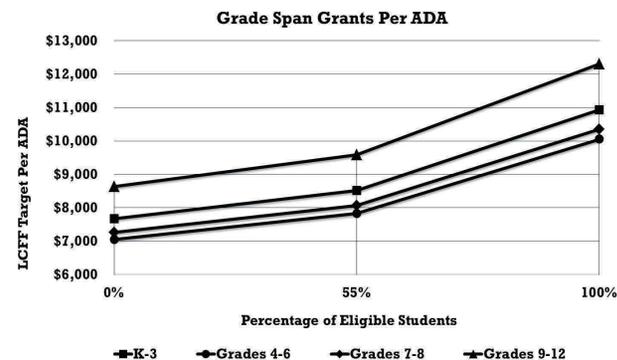
Supplemental and concentration grant increases are calculated based on the percentage of total enrollment accounted for by English learners, free and reduced-price meal program eligible students, and foster youth.

2013-14 Target Entitlement Calculation				
Factors	K-3	4-6	7-8	9-12
Adjusted grant per ADA	\$7,675	\$7,056	\$7,266	\$8,638
20% supplemental grant	\$1,535	\$1,411	\$1,453	\$1,728
50% concentration grant (for eligible students exceeding 55% of enrollment)	\$3,838	\$3,528	\$3,633	\$4,319

LCFF—Minimum and Maximum Grants Per ADA

Grant amounts vary from a maximum based on no students eligible for supplemental and concentration grants to 100% of student enrollment qualifying.

2013-14 Target Entitlement Calculation				
Factors	K-3	4-6	7-8	9-12
Minimum grant per ADA	\$7,675	\$7,056	\$7,266	\$8,638
Maximum grant per ADA	\$10,937	\$10,055	\$10,354	\$12,310
Difference (\$)	\$3,262	\$2,999	\$3,088	\$3,672
Difference (%)	42.5%	42.5%	42.5%	42.5%



PROPOSITION 98 AND THE LCFF

It is important to remember that Proposition 98 establishes the minimum funding level for K-14 education.

- The Legislature and the Governor decide on an annual basis at what level to fund the various education programs
 - In most cases, state statutes specify Local Educational agencies' (LEAs) entitlements to state funding based on the delivery of educational services
- The LCFF is the model by which state funds are allocated to school districts, charter schools, and county offices of education (COEs)
 - Unlike revenue limits and Tier III categorical programs, there are no state statutes that specify an annual appropriation to support the LCFF
 - ♦ This makes multiyear planning very difficult
 - An LEA's annual LCFF entitlement will be determined by "any available appropriations" (Education Code § 42238.03[b][3])

LCFF—Minimum and Maximum Grants Per ADA

- LEAs will receive disparate levels of funding growth
 - Those with a higher target will receive more dollars per student each year than others