

# Local Control Funding Formula



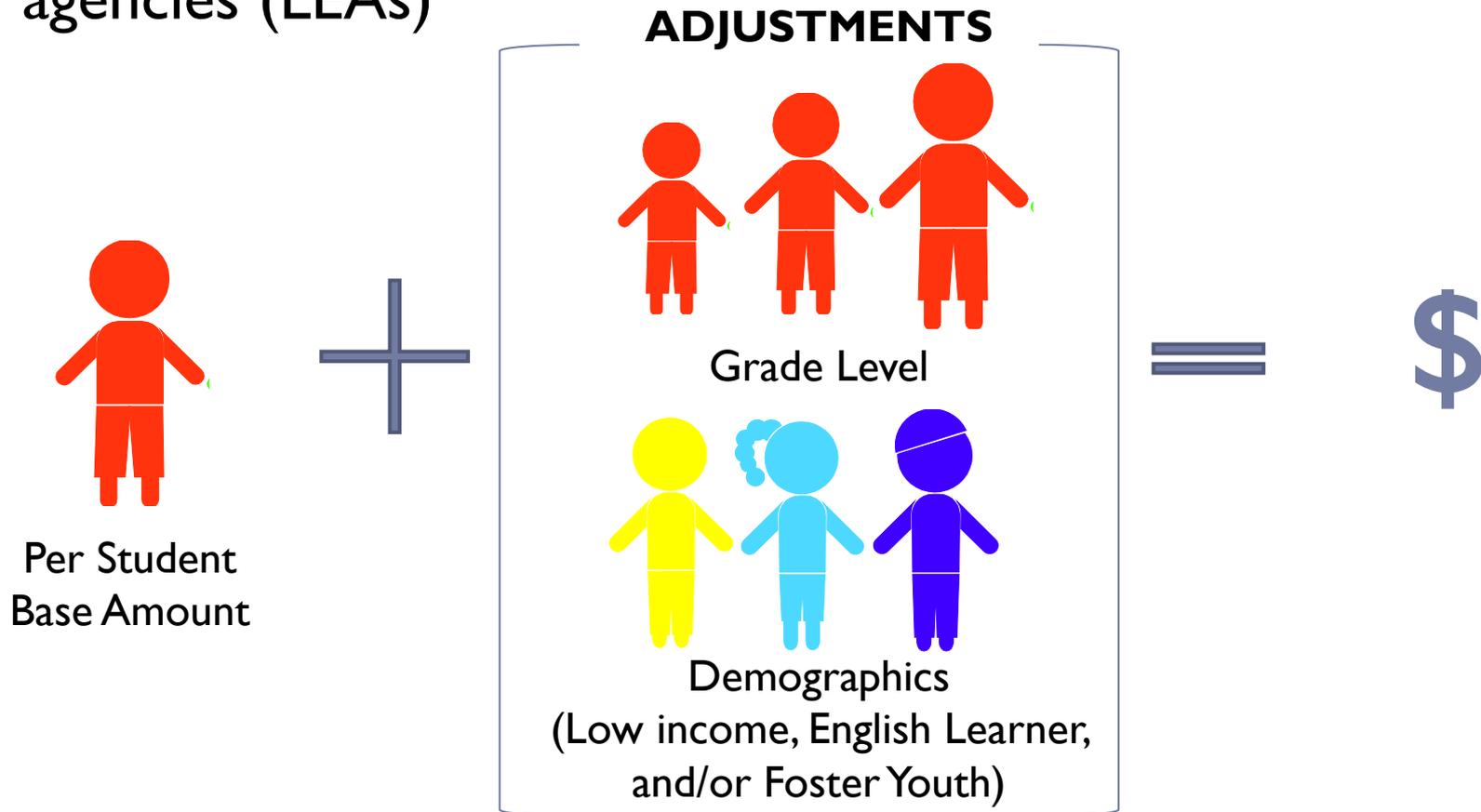
WestEd 

## Local Control Funding Formula Implementation Update

*State Board of Education, January 2014*

# Revisiting the Local Control Funding Formula (LCFF)

- ▶ Greatly simplifies state funding for local educational agencies (LEAs)



This slide shows images that illustrate how the Local Control Funding Formula works. LCFF provides the same amount of funding per student with two adjustments (1) grade level and (2) demographics.

# State Board of Education's LCFF Implementation Tasks

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- ▶ **State Board of Education (SBE) actions to support implementation:**
  - ▶ Updates to Standards and Criteria by January 1, 2014
  - ▶ Technical changes to the Academic Performance Index by January 30, 2014
  - ▶ Emergency spending regulations by January 31, 2014
  - ▶ Local Control and Accountability Plan (LCAP) template by March 31, 2014
  - ▶ LCAP evaluation rubric by October 1, 2015

# Guidance from Prior SBE Meeting

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- ▶ Support intent of LCFF and implement current law
  - ▶ Simplicity
  - ▶ Transparency
  - ▶ Performance-focused rather than compliance-oriented
  - ▶ Equity, support for all students
  - ▶ Accountability
  - ▶ Local flexibility
- ▶ Provide coherence between regulations, templates, and rubrics

# A Plan for LCFF Coherence

<b>Regulations</b>	<b>Templates</b>	<b>Rubric</b>
<p><b><i>Define</i></b> Clarify key terms and conditions to support local implementation that achieves LCFF implementation objectives</p>	<p><b><i>Organize and Communicate</i></b> Demonstrate through the development and sharing of the LCAP that local implementation supports LCFF implementation objectives and regulations</p>	<p><b><i>Assess and Indicate Assistance</i></b> Provide a process for assessing performance and identifying assistance based on review of the LCAP that meets specific areas of need related to LCFF implementation objectives and regulations</p>
<p><b>Connecting Elements/Guiding Principles</b></p> <ul style="list-style-type: none"> <li>• Performance-focused – relationship between plans, funding use, and outcomes for students</li> <li>• Simplicity and transparency</li> <li>• Student-focused – local identification of needs, provides equitable opportunity</li> <li>• State priorities – define metrics, but rely on local determination of measurement</li> <li>• Stakeholder Engagement – parents, community, educators</li> </ul>		

# November to Now

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- ▶ **The November SBE meeting demonstrated:**
  - ▶ Desire to focus on student performance
  - ▶ Engagement and communication key to success
  - ▶ Range of understanding and ideas for how flexibility should be operationalized
- ▶ **Since November:**
  - ▶ Over 50 meetings with stakeholder groups to inform revisions to proposed regulations and LCAP
  - ▶ Nearly 3,000 downloads of the draft LCAP or regulation updates
- ▶ **The proposed regulations reflect listening, learning, improving – they are not just different, but better**

# Proposed LCFF Spending Regulations

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- ▶ Significant changes based on input and ideas shared by stakeholders
- ▶ Calculation of proportionality percentage
  - ▶ Three data sources – LCFF targets, prior year expenditures, and statewide implementation percentage
- ▶ Clarification of “districtwide, countywide, charterwide, schoolwide”
  - ▶ Threshold and explanation
- ▶ Oversight and assignment of assistance by county offices of education for districts

## Sample Unified School District – Proportionality Calculation

	2013-14	2014-15*	2015-16**	Repeat for 2016-17 – 2019-20***	2020-21
<b>Estimated Total LCFF Funding</b>	\$113,658,945	\$120,009,636	\$125,621,700	....	\$167,569,262
<b>Estimated Base Grant</b>	N/A	\$112,311,872	\$115,544,510	....	\$139,706,856
<b>Estimated Total of Supplemental and Concentration Grants</b>	N/A	\$7,697,764	\$10,077,190	....	\$27,862,406
<b>Proportional increase or improvement in services for low income/English learner/foster youth pupils as compared to the services provided to all pupils in that fiscal year</b>	N/A	6.9%	8.7%	....	20%

\* Assuming, for purposes of this hypothetical, that 11.8% of the remaining statewide funding gap between current funding and full implementation of LCFF is eliminated by additional funding provided in 2014-15.

\*\* While the percentage of the remaining statewide funding gap that is eliminated each year will likely vary, this column again assumes the percentage is 11.8% for 2015-16 and that Sample USD expended the minimum amount for additional services for LI/EL/FY pupils in 2014-15 (the estimated total of supplemental and concentration grant funds for that year).

\*\*\* Assuming annual LCFF funding that allows the state to reach full implementation in 2020-21.

# Proposed Local Control and Accountability Plan

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- Encourages telling a story of support, impact, and improvement
- Emphasis on good planning, communication, and engagement
- Organization:
  - Stakeholder Engagement
  - Goals and Progress Indicators
  - Actions, Services, and Expenditures

# Implementation of LCFF

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- ▶ Local educational agencies will develop budgets and plans in 2014-15 reflecting LCFF funding and structures
  - ▶ Spending regulations will guide expenditure planning
  - ▶ LCAP will share story – explain how resources contribute to goals, demonstrate equity, and support transparency and simplicity
- ▶ Governor's Budget substantially builds on LCFF implementation
- ▶ Future SBE meetings will provide opportunities for updates, reflection, public comment, and further support for LCFF implementation