CENTER FOR CITIES+SCHOOLS
UNIVERSITY OF CALIFORNIA BERKELEY

Policy Research Brief *November 2015*

Going it Alone

Can California's K-12 School District's Adequately + Equitably Fund School Facilities?

After decades of dedicated investment, state funding to assist local California school districts in the construction, modernization, and maintenance of their school facilities has come to a halt. *Can all California school districts adequately and equitably maintain and modernize their school facilities without state assistance?*

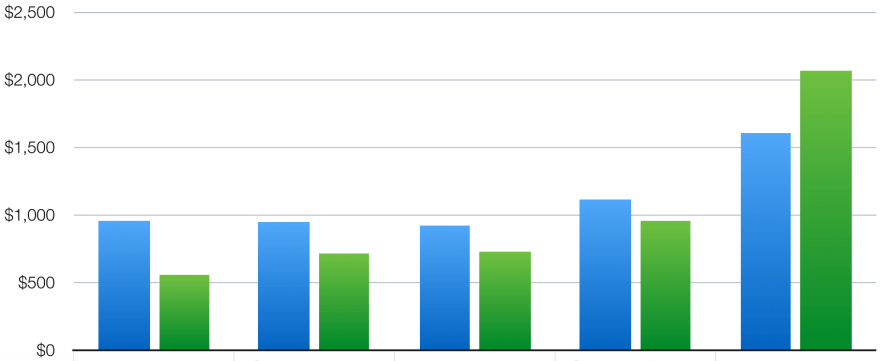
FINDINGS

THE MAJORITY OF SCHOOL DISTRICTS UNDERSPEND ON FACILITIES

The majority of school districts in California have not been meeting minimum annual facility expenditure benchmarks, even—in many cases—with state funding. Between 2008 and 2012, substantially more than half of districts (at least 57%) did not meet industry benchmarks for spending on capital renewals and more than 60% failed to meet the benchmark for basic maintenance and operations. In many cases, the same school districts are falling behind on both measures.

WEALTHY DISTRICTS SPEND MORE ON FACILITIES, ESPECIALLY ON THE CAPITAL SIDE

Districts with more taxable property value (as measured by assessed value, or AV) per student have, on average, spent more capital funds to pay for facility needs than districts with less taxable property value per student. In particular, districts with high AV per student spend more on the capital spending side.



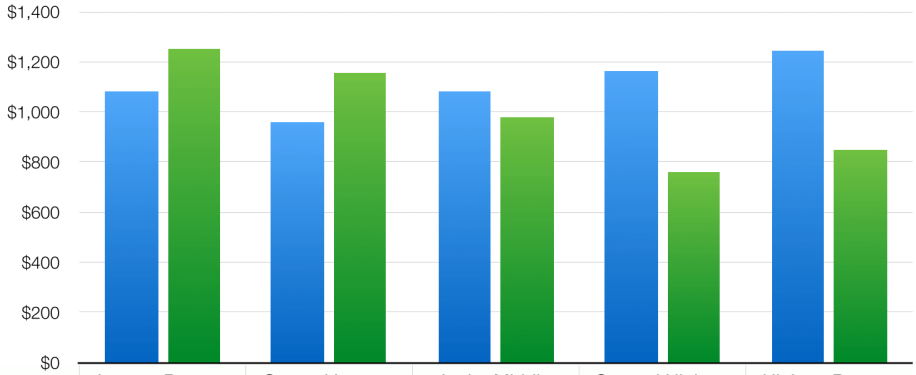
	Lowest AV (less than $435,000)	Second Lowest ($435,000 to $699,000)	In the Middle ($699,000 to $1,084,000)	Second Highest ($1,084,000 to $1,857,000)	Highest AV (More than $1,857,000)
Average Annual Maintenance & Operations per Student	$955	$946	$916	$1,112	$1,598
Average Annual Local Capital Outlay per Student	$556	$706	$718	$952	$2,067

Full Paper:
http://citiesandschools.berkeley.edu

BERKELEY IURD INSTITUTE OF URBAN AND REGIONAL DEVELOPMENT

DISTRICTS SERVING LOW-INCOME STUDENTS DISPROPORTIONATELY SPEND MORE PER STUDENT ON M&O FROM THEIR OPERATING BUDGETS TO FUND FACILITIES

Facility M&O is a higher budget burden in districts serving low income students. Many of these districts disproportionately draw more from general operating funds for M&O than districts serving higher income students. This means school building operations cost more in these poorer districts, leaving fewer dollars for education programs.



	Lowest Poverty (0-31% FRPM)	Second Lowest (31-51% FRPM)	In the Middle (51-66% FRPM)	Second Highest (66-81% FRPM)	Highest Poverty (81-100% FRPM)
Average Annual Maintenance & Operations per Student	$1,082	$959	$1,078	$1,161	$1,246
Average Annual Local Capital Outlay per Student	$1,251	$1,153	$980	$761	$848

Overall, these findings suggest that many districts—particularly those serving high-need students—risk grossly underfunded facilities budgets, deteriorating schools, and declining educational outcomes if they are left on their own, without state support for capital needs.

When poor facility conditions disproportionately affect students and educators in low-wealth communities, it undermines California's educational equity priorities in the Local Control Funding Formula (LCFF).

POLICY RECOMMENDATIONS

To reverse the pattern of inadequate and inequitable investment in K-12 public school facilities, four strategic policy reforms should be cornerstones to the approach:

- **Establish stable and dedicated state funds for K-12 school facilities.**
- **Distribute K-12 school facility funds equitably, adjusting for local wealth.**
- **Improve standards for school facility planning and budgeting.**
- **Establish a California School Facility Database to guide spending.**

Anchoring a new school facilities funding program around these cornerstone reforms will move California to a more coherent system of school facility finance that promotes adequacy, equity, and public accountability.

Full Paper:
http://citiesandschools.berkeley.edu

BERKELEY IURD INSTITUTE OF URBAN AND REGIONAL DEVELOPMENT