



The Education Trust–West

THE STEEP ROAD TO RESOURCE EQUITY IN CALIFORNIA EDUCATION

THE LOCAL CONTROL FUNDING FORMULA AFTER THREE YEARS



California's Local Control Funding Formula promised to give more resources to the students who need the most: English learners, foster youth, and low-income students. So, how well is California's new education funding system delivering on that promise?

First, the good news. As intended, LCFF has improved funding equity among districts. Prior to LCFF, the highest poverty districts — those with the largest concentration of low-income students — usually received less per pupil than the lowest poverty districts. After LCFF, the highest poverty districts now receive more state and local funds than their more affluent peers. And in recent years, the state has lowered class sizes, boosted the numbers of some personnel like counselors, and expanded access to some rigorous courses like calculus and physics.

But troublingly, students in the highest poverty schools still have far less access to some of these services and opportunities than students in the lowest poverty schools. Their schools are less likely to have support personnel like counselors and librarians, and they are less likely to offer college preparatory coursework. In some content areas, like music and computer science, the gap in access has actually widened.

So where has the money gone? The fact is, districts are getting more money but they are still operating under most of the same policy constraints as before. For example, state laws and local contracts often limit the decisions districts can make about how to hire and compensate teachers or how many students to put in each class. Districts also face budgetary constraints. For example, they are required to dramatically increase their contributions to employee pensions in coming years.

Despite these real constraints, districts still have the power and responsibility to do things differently in order to close opportunity and achievement gaps. They can leverage LCFF and the “whole resource pie” to improve equity across schools in a variety of ways. They can shift dollars to the highest need school sites, assign more personnel to the highest need schools, and ensure that high-need students have access to rigorous coursework and instruction.

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RECOMMENDATIONS

To further improve resource equity in California, we make the following recommendations:

TO STATE LEADERS AND POLICYMAKERS

- 1 Maintain a commitment to the equity proposition of LCFF.** We must preserve the weighted student formula, resist efforts to return to the era of categorical programs, improve the parts of LCFF that aren't working, and reaffirm that the core intent of LCFF is to close opportunity and achievement gaps.
- 2 Improve budget transparency.** We need more clarity on where money is going. Without transparency, community stakeholders, policymakers, and the broader public are left to wonder whether this massive public experiment and investment is paying off.
- 3 Insist that districts think about equity in terms of all resources, not just dollars.** State agencies should push districts to account for all or most district revenues and expenditures in their Local Control Accountability Plan (LCAP), and they should build the capacity of districts to use their whole budgets to support equity.

TO DISTRICTS

- 1 Leverage all available dollars to achieve equitable opportunities and outcomes.** Districts should consider how people, time, services, and money all work together to achieve equity. This means using and accounting for the entire budget, not just supplemental and concentration grants — and not just incremental dollars.
- 2 Focus on increasing and improving services to high-need students.** Recruit, develop, retain, and assign personnel in ways that support equity. Consider weighted student formulas and school-based budgeting processes. Provide equitable access to college and career-ready course offerings and a broad curriculum of art, music, science, physical education, and enrichment.
- 3 Track LCFF expenditures by type of grant and LCAP goal.** In local accounting systems, track and report expenditures by LCFF grant type (base or supplemental and concentration) and LCAP goal.
- 4 Communicate spending decisions to the community in accessible language and methods.** Boil down lengthy, formal budget documents into the key pieces of information that communities need, and communicate it broadly and regularly.



CONCLUSION

The next frontier for LCFF involves dramatically rethinking how resources are allocated at the district level. While some districts stand out as exceptions, for the most part we are not there yet. The road ahead remains steep. We urge California's state and district leaders to continue the climb.



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