

Local Control Funding Formula

As of April 30, 2013



Are we just going to pretend that the last six years didn't happen?

- Budget deferrals
- Revenue limit cuts
- Categorical program cuts
- Certificated and Classified staff laid off
- Furlough days instituted
- School year shortened



What about adequacy?

- “Getting Down to Facts”
- School Finance Lawsuit
- Formula contains funding levels with no relationship whatever to what it takes to deliver an adequate education



Concentration Factor

- Issues identified
 - LAO: supplement could be limited for districts in which 70% of the student population is ELL/low income
 - PPIC: standard threshold for concentrated poverty is approx. 90 percent for subsidized lunches
 - Concentration factor applies to district average levels, not school levels of disadvantaged students



Why are we preserving two of the largest and most inequitable categorical programs?

- Targeted Instructional Improvement Grant - \$850 million annually, with four districts accounting for 70% of funding
- Why not address home-to-school transportation – funding levels locked into place 30 years ago and never adjusted for enrollment growth



Unanswered Issues

- Why have we not discussed geographic cost differences in the formula?
- When did we decide that COLAs were a reward for the specific demographics of a school district and not a reflection that costs have increased in a manner reflective of overall inflationary factors?
- Why has the discussion and debate turned into one that is more about politics than policy?



What about the elephants in the room?

- Common Core Requirements – estimated cost of \$1.5 billion
- Cal STRS unfunded liability – costs in excess of \$4 billion leading to likely employer contribution increases



What about timing?

- Districts need stability so they can plan their out-year budgets
- The longer the Legislature takes to reach decisions regarding LCFF, the more difficult immediate implementation will become



So in the end...

- Let's take the time to do it right, and provide school districts with the time they need to prepare for the transition to a radically new funding formula.

