

LOCAL CONTROL FUNDING FORMULA

Advocacy groups urge state board to tighten LCAP requirements

By [John Fensterwald](#) | April 14, 2016 | [3 Comments](#)



In separate analyses, three nonprofit student advocacy groups have concluded that most school districts' explanations of their priorities and annual spending under the state's new funding law are confusing, inadequate and sometimes contrary to the law's purpose of directing more resources to underserved students.

Public Advocates, Education Trust-West and Californians Together timed the release of their reports to get the attention of the State Board of Education, which next month will discuss possible changes to the regulations and template that guide districts in writing their planning and budget document, known as the Local Control and Accountability Plan.

In the LCAP, districts are required to set goals and list actions and expenditures to meet academic and school improvement priorities under the Local Control Funding Formula that the Legislature passed three years ago. They must specify how high-needs students – low-income students, English learners and foster children – will benefit from the additional money, called supplemental and concentration funding, that the formula provides.

The LCAP is a three-year document, updated annually. Districts are in the process of writing their second LCAP update, which school boards must pass by the end of June.

At a Senate hearing in February, State Board of Education President Michael Kirst acknowledged the wide variation among districts in meeting the template and spending regulations and the need to clarify what's required in the LCAP. Kirst has said that the challenge of LCAP regulations is to strike the balance between holding districts accountable for improved outcomes for students and being too prescriptive in telling districts how to do that. Many districts' LCAPs have already grown to hundreds of pages, partly in response to revisions required under the current template. The LCAP risks becoming too detailed and voluminous to be of value for parents and community members.

In making numerous recommendations, the three groups said that, without more clarity, the promise of the LCAP process remains in jeopardy.

“Districts are not providing the level of transparency promised in exchange for increased spending flexibility,” wrote Public Advocates, a nonprofit law firm that [has threatened to sue](#) the West Contra Costa Unified School District for failing to disclose how it planned to spend millions of dollars on high-needs students. “Most districts are missing the opportunity to use the LCAP as a comprehensive planning tool for continuous improvement.”

“The usefulness of the LCAP as a means of accountability is compromised by the difficulty in gleaning a sense of coherence and what the plan actually entails,” Californians Together, a coalition of parent, professional and civil rights organizations focused on the needs of English language learners, wrote in a [report](#),

[published this month](#), analyzing LCAP plans to improve services for English learners.

The reports, which follow similar analyses last year, studied several dozen LCAPs for the current school year from large and small, urban and rural districts. Public Advocates' report, released Wednesday, [can be found here](#). Education Trust-West's report is [here](#).

All three reports made the same overall criticisms: that it is often difficult, if not impossible, to find out how much some districts are spending on high-needs students; to track the expenditures over time; and to find a justification or rationale for districts' spending decisions.

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The [template's instructions](#) say that the LCAP should describe a district's services and expenses to meet the eight state priorities ([listed on page 10 of the template](#) and described in [EdSource's LCFF Guide](#)). Those priorities will consume most of a district's General Fund. But some districts' LCAPs exclude base funding – the majority of the money they receive – and cover only supplemental and concentration dollars for high-needs students. The percentage of General Fund money included in an LCAP ranged from only 8 percent in the East Side Union High School District in San Jose to 88 percent in Oakland Unified, according to

Public Advocates. Nearly half of the 40 districts analyzed by Education Trust-West present less than a third of LCFF funding in their LCAPs.

“The LCAP cannot be a useful comprehensive planning tool – nor can stakeholder engagement be meaningful – if a majority of a district’s education program is not even disclosed,” Public Advocates said.

Districts are required to cite how much supplemental and concentration funding they receive each year, and use that amount to calculate the percentage by which they must increase or improve programs and services for English learners and low-income students. They’re not required to list how all of the supplemental and concentration dollars are actually spent, however. The board did this deliberately, to shift the focus of attention from fighting over dollars to measuring outcomes: Are districts seeing improvement?

But the result, say the groups, is fuzziness. Education Trust-West found that some districts aren’t distinguishing between past and new services for high-needs students. Some are double-counting money, using the same supplemental and concentration dollars to cover multiple expenditures. And some districts are not accounting for large portions of supplemental and concentration dollars in the LCAPs, without explaining how the money will be used.

“Our previous report observed that ‘it is downright impossible to know’ whether supplemental/concentration grants are reaching high-needs students. Our 2015-16 analysis arrives at the same conclusion,” Education Trust-West said.

Districts are allowed to use supplemental and concentration dollars for schoolwide and districtwide purposes, such as training all teachers in the new standards for

English learners, but the regulations state that the money should be principally directed to and effective in raising achievement for students who generate the money. All three studies found that many districts ignore the requirement to justify the use of the money. One district planned to use the money to pay for an English language proficiency test that it had been funding for years; another planned to spend millions of dollars on extra police and security without explanation, Ed Trust-West found.

“Our greatest concern in reviewing LCAPs was the near universal failure to clearly identify and justify the use of the supplemental and concentration funds generated by high-need students as required by the law,” Public Advocates wrote.

SHORTCHANGING ENGLISH LEARNERS

Californians Together, which worked with researchers at the Center for Equity for English Learners at Loyola Marymount, said it has “serious concerns that the needs of English Learners are being left behind and unaddressed.” While this year’s analysis of 29 districts, covering a third of the state’s 1.3 million English learners, found improvement in some districts from the year before, the attention to English learners remains “very weak across all areas.”

Few LCAPs documented how districts would implement the state’s new English Language Development Standards for English learners; few said how they would identify and address students at risk of becoming long-term English learners; and the “vast majority” lacked a coherent system of supports and programs for these students. Particularly alarming, the report said, is that the transition period leading to full funding is nearly over. Looking to 2016-17, it said, “It is the last year for significant increases in revenue for most districts. Items that get locked in this year

as continuing commitments (e.g., salaries) will preclude much flexibility in subsequent years to add new services, supports and activities.”

HIGHLIGHT BEST PRACTICES

The findings were not all negative. Public Advocates and Ed Trust-West cited some districts’ innovations and best practices, like Sacramento City Unified’s [Community Guide to the LCAP](#), West Contra Costa’s [Interactive LCAP](#) and Santa Rosa High School District’s Master Plan for English Learners. Public Advocates suggested the state board could simplify the LCAP and cut the length by including a spreadsheet of expenditure details, as Oakland Unified created, as an appendix.

Public Advocates and Ed Trust-West remained upbeat about the potential of the funding formula, a new school accountability system and the LCAP – with changes they suggest – to make a difference, especially for low-achieving students. Both organizations encouraged the state board and county offices of education, which must approve districts’ LCAPs, to promote what districts are doing well.

GOING DEEPER

- [“Puzzling Plans and Budgets,” Education Trust-West analysis of second-year LCAPs, April 2016](#)
- [“Weak Response to LCAPs,” Californians Together, LMU Center for Equity for English Learners analysis of second-year LCAPs, April 2016](#)
- [“Keeping The Promise of LCFF,” Public Advocates analysis of second-year LCAPs, April 2016](#)
- [Current LCAP template and regulations](#)

- [EdSource Guide to Local Control Funding Formula](#)

“For those districts making a serious investment in shifting the culture of their schools and district operations to incorporate meaningful community engagement and candid reflection, transformative change may be possible,” Public Advocates wrote.

“Even with the early challenges raised in this report, LCFF by and large remains the greatest move toward a more equitable school finance system in California in 40 years,” Ed Trust-West concluded. “Any bold and significant change will inevitably encounter bumps in the road. What’s important is that we course-correct when we hit those bumps.”

David Sapp, deputy policy director and assistant legal counsel for the state board, said that board members will find the advocates’ critiques useful as they consider revising the template. The board must also weigh the potential impact of adding complexity and restrictions for districts still feeling their way with a different system of making decisions, he said.

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