



**CALIFORNIA LEGISLATIVE BLACK CAUCUS TESTIMONY
SENATOR HOLLY MITCHELL (CHAIR)
SBE MEETING – AGENDA ITEM 13: LCFF
THURSDAY NOVEMBER 13, 201, 8:00 A.M. – 11:00 A.M.
CALIFORNIA DEPARTMENT OF EDUCATION
1430 N STREET, ROOM 1101**

- **Last Friday, the State Board of Education released its “conceptual framework” regulations on the spending provision of the Local Control Funding Formula (LCFF), and even though I understand this is the conceptual phase and that the Board will edit and adjust before adopting the actual regulations in January, I do have to express concern with the direction in which the “concept” is headed.**
- **The most alarming fact to me and my fellow Legislative Black Caucus members is that your proposed regulations seem to allow Local Educational Agencies (LEAs) to spend LCFF state funds in a discretionary manner without having to demonstrate if they are using this funding to increase or improve services to low-income students, English learners and foster youth.**
- **The only provision being that LEAs choose from 3 of the following options: *Spend more*, *Provide more*; and *Achieve more*; as a way to meet the statutory requirement that they “increase or improve services for unduplicated pupils in proportion to the increase in funds apportioned on the basis of the number and concentration of unduplicated pupils...”**

- I want to remind this Board that for many legislators including myself and the other LBC members, our support for LCFF was based on promises that were made that the equity for students with the greatest needs would be honored.
- The Governor also publicly stated that the regulations and templates being developed for the LCFF need to ensure that the funds generated by unduplicated pupils above base funding are “strategically directed to those children with the greatest need –” (Office of the Governor, Press Releases, April 24 & June 5, 2013).
- Our support for LCFF was also based on a compromise that flexibility for LEAs is not TOTAL but limited by the equity provisions of Section 42238.07, which require spending on high need students in proportion to the LCFF dollars generated by them and by the requirements of the Local Control Accountability Plan (LCAP).
- This concept proposal for the spending regulations thus far fall short of this compromise and the promises that were made, and doesn’t appear to match up with the spirit of the law because:
 1. There is no distinction (or mention) in the draft regulations between core services and supplemental services for the neediest students (“unduplicated students”).
 2. There is no requirement for the way in which base funds are to be used and no guarantee that LEAs will not supplant base funds, and pay for core services for the neediest students with supplemental and concentration grant funds. As a result, school districts will be free to play an unfortunate shell game. They could spend their base funding disproportionately on non-needy students, spend their

supplemental and concentration dollars to provide high-need students with basic services such as their classroom teachers, and never provide them with any additional services such as reading support, or counselors; or professional development for teachers to address their unique educational needs.

- 3. The "spend more" option is vague and may result in LEAs rarely achieving fund targets.**
- 4. The "provide more" option is delinked from the "spend more" option, thereby allowing LEAs to satisfy the proportionality requirement of the "provide more" option by offering high-need students ANY additional level of new service, no matter how small or how far below the supplemental and concentration funding level.**

(Note, the "spend more" option, coupled with a requirement to "provide more" to unduplicated pupils seems like a more viable scenario; the spending regulation should not provide an option to do anything else.)

- 5. The "achieve more" option is not a demonstration of "expenditure of funds," which is a requirement of Section 42238.07 and is probably more appropriate for it to be in the LCAP Priorities and the evaluation rubrics.**
- 6. The "achieve more" example provided in the concept proposal has no connection to funding: a district could grow 1 point over two years in its API score and meet this requirement without ever increasing services for the neediest students by spending the LCFF funds they generated from them.**

- **Finally, there is no proposal or instruction to districts on how to implement school wide and district-wide expenditures of funding; and from our experience with Title 1, leaving it up to districts to define for themselves under any of the 3 available options, will create a giant loophole that could result in LEAs diluting LCFF funding without increasing services for the neediest students, who generated the funds.**
- **Besides the issues that I have raised, we have already begun receiving concerns from our school districts, especially LAUSD, in which the Black Caucus members represent 144 of the Provision 2 schools in that district.**
- **One of their main concerns is the California Department of Education (CDE) is asking them to certify every year for the LCFF funding. They want schools to have parents fill out an alternate form that is separate from the school lunch forms, which will determine the number of unduplicated pupils.**
- **Past experience has shown that they never receive 100% of the forms back, it will be even less since this form is asking about their income, and legal documentation is an issue. Collecting this information, NOT EVER collected before from families will be tough and not yield great returns.**
- **As a result of this requirement, for each student that LAUSD is unable to account for, the district will be looking at a loss of \$2,800 per student.**
- **When drafting the language for the LCFF, the state used Provision 2 school estimates and that sufficed. However, in the implementation**

phase, CDE is disregarding those numbers and asking for a manual count of students, in a truncated period of time, which will inevitably result in a loss of funding.

- This requirement is disingenuous, given that CDE provided estimates on LCFF by district per pupil allocations to ensure legislative members were satisfied with the projections under the new formula. The calculations used the 100% status at Provision 2 schools to produce those final estimates. LAUSD and other districts, as well as advocates would hope CDE will uphold the numbers used in June which informed much of our legislative decisions.**
- In closing, I have to reemphasize that while I understand these are draft regulations, they do not reflect the spirit of the law and the sentiment of Members like myself when they casted a vote in support of LCFF.**
- However, I feel confident that the Board will take these concerns into account as they continue to move closer to the January 31, 2013 regulation adoption deadline. I look forward to working with the Board, our Governor, and his administration as the process continues, to ensure the landmark LCFF proposal realizes its full potential.**