

Evolution Series

Twenty years of health equity innovation

Health Equity

Local Control Funding Formula Fact Sheet



INCREASING EQUITY IN SCHOOL FINANCE

How to get involved in local implementation of the LCFF

The Local Control Funding Formula (LCFF) transforms the way that California’s public schools are funded, increasing funding overall and giving districts more money to increase or improve services for high need students. This can have profound implications for improving health equity. People who receive quality education tend to have better jobs, higher income and live longer, healthier lives than those with less education. Completion of formal education (e.g., high school) is a key pathway to employment and access to healthier and higher paying jobs that can provide food, housing, transportation, health insurance, and other basic necessities for a healthy life.¹ LCFF recognizes that students with additional academic needs – low-income, English language learner, and foster youth students - need additional financial resources to support their education.

Public health departments, community agencies, parents, guardians and others interested in improving equal educational opportunities for all students can get involved to ensure that local education agencies (LEAs) – such as county offices of education, districts, and charter schools – use the LCFF funds appropriately.

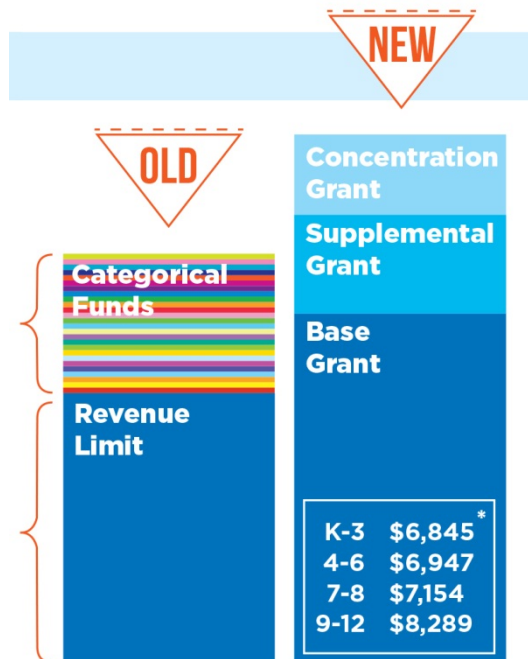
What is the LCFF?

Governor Brown signed the LCFF into law on July 1, 2013. This formula will **increase per-pupil funding** for most districts in California. **No districts will receive less money than they would have under the old funding formula.** In total, the LCFF will add \$2.1 billion in funding for the 2013-14 school year.

Federal programs will be funded the same as before, including special education.

Under the previous funding model, districts received state money through **categorical funds** that could only be spent on specific programs. Now schools can use these funds for what is most needed locally – for educational instruction, school maintenance and/or categorical programs.

The rest of the money, called the **revenue limit**, was given out using a complicated and outdated formula, which did not take the needs of students into account. Districts could use these funds at their discretion.



The LCFF brings **equity to school finance** in that everyone gets an equal amount per student in the “base grant”, according to grade level.

Districts receive an additional 20% above the “base grant” for each high need student they serve in the supplemental grant. “High need” students fit into one or more of the following categories:

- Low-income
- English learners
- Foster youth

And, for LEAs with more than 55% high need students, an additional 50% is given for every student served over that threshold in the concentration grant.

Students only get counted once. For example, districts cannot receive more than an additional 20% over the base grant for students who meet the criteria for more than one “high need” category.

¹ Robert Wood Johnson Foundation, Health Policy Snapshot, Public Health and Prevention, Policy Brief December 2012, “Why Does Education Matter So Much to Health?” http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2012/rwjf403347

- LCFF requires LEAs to increase or improve services for disadvantaged students in proportion to the increase in funds they generate in the school district, county office of education, or charter school. Funds may be used for district- or school-wide purposes.
- Districts must set specific goals for populations of at least 30 student subgroups (i.e. non-white racial/ethnic groups, low income, English learners and students with disabilities) and at least 15 foster youth students.
- Formal plans for this new money need to be adopted by LEAs by July 1, 2014. (Charter schools do not have to make plans for the money until 2015.)

What opportunities exist for giving input on how funds will be spent?

- LCFF requires that LEAs establish district- and county-level **Parent Advisory Committees** (PACs) that include the families of high need students to advise school boards and superintendents on LCFF implementation decision-making.
- If an LEA enrolls at least 15% English learners and at least 50 total English learners, it must also establish a **District English Learner Advisory Committee** (DELAC), which must include parents/guardians.
- **Public health professionals can also get involved.** LEAs are encouraged to “solicit input” from teachers, local organizations and other community stakeholders, but the law around the LCFF only requires the formation of PACs. Some districts allow for people other than parent/guardians to take part in the PAC groups.

What is the LCAP?

LEAs must adopt 3-year Local Control and Accountability Plans (LCAPs) by July 1, 2014 for LCFF implementation. LCAPs must address 8 “state priorities” including parent participation. LEAs must actively engage with communities as they write these plans:

- Superintendents must present the initial LCAP to the PAC and DELAC and respond in writing to any comments from these committees.
- School boards must first present the LCAP at a public hearing along with their annual budgets, with 72 hours’ notice. Boards must wait until a subsequent public meeting to adopt the LCAP and budget.
- Superintendents must ensure the LCAP is consistent with the school plans that individual School Site Councils (SSCs) annually develop and update. Some districts are using their SSCs to recruit parents/guardians for the LCFF parent advisory committees.
- Individuals can file complaints that LEAs have failed to comply with any provision of LCFF, including the community engagement and spending requirements.

STATE PRIORITIES

Districts must set annual goals in **8 State Priority areas**

- 1 **Basic Necessities** *Qualified and properly assigned teachers, sufficient instructional materials, facilities in good repair*
- 2 **Implementation of Common Core State Standards**
- 3 **Parental Involvement**
- 4 **Student Achievement** *Statewide assessments, API, EL reclassification rate, college preparedness, etc.*
- 5 **Student Engagement** *Attendance rates, dropout rates, graduation rates, etc.*
- 6 **School Climate** *Suspension and expulsion rates, etc.*
- 7 **Access to Courses**
- 8 **Other student outcomes in subject areas**

LOCAL PRIORITIES

Districts can also establish local priority areas

What are the potential health impacts of the LCFF?

Educational attainment is one of the most important social factors to affect health outcomes. In addition to providing opportunities for safer and higher income jobs which can impact health, research shows that each additional year in school is associated with increased life expectancy and better health.² People with more education have lower morbidity rates from the most common acute and chronic diseases, independent of basic demographic and labor market factors. Overall, life expectancy is increasing for everyone in the United States, yet differences in life expectancy have grown over time between those with and without a college education.³

According to a draft report of a Health Impact Assessment of the LCFF for Oakland Unified School District from Alameda County Public Health Department:⁴

- Educational outcomes, especially high school graduation rates, are closely linked to multiple health outcomes.
- There are significant, consistent and inter-related racial, income, and place-based inequities in education and related health outcomes.
- Based on the current Results Based Budgeting formula, the amount of General Purpose funding per student is about the same for schools with low and high needs students. Therefore, funding is not proportional to the greater needs of students facing high poverty.
- School Funding influences multiple pathways from educational attainment to health-related outcomes, which include:
 - **Teaching Quality** – higher quality teachers with staff development opportunities can lead to higher educational attainment of their students.
 - **Student and family engagement** – can increase student attendance, meaningful student involvement in schools, and academic outcomes. These positive outcomes would lower stress, reduce school and community violence, and increase satisfaction in school and community.
 - **Access to health and support services at school** – for lower income students of color with already higher rates of asthma, depression, substance abuse, and exposure to crime, having services accessible to them at school can directly affect physical and mental health outcomes along with educational attainment.
 - **Safer and better physical school conditions** – funds could be used to improve campus climate, reduce violence on and near campuses, support students' needs who have been affected by violence, create safer and better physical school conditions, and maintain school buildings. This could affect educational outcomes and in turn, health outcomes.

What can Local Health Departments do?

- Identify schools in their health jurisdiction where there are the highest inequities.
- Build on existing relationships and/or MOUs with schools and districts to identify ways to get involved in the LCFF process; develop new relationships if needed.
- Seek to have the Public Health Director or Health Officer get a seat at any district or county-level tables being created and offer public health contributions.

² Lleras-Muney A. The relationship between education and adult mortality in the United States. *Review of Economics Studies*. 2005;72:189-221.

³ National Poverty Center Policy Brief: Education and Health #9, March 2007. Prepared from a paper by David M. Cutler and Adriana Lleras-Muney.

⁴ <http://www.acphd.org/social-and-health-equity/policy-change/place-matters/workgroups/education.aspx>

- Find out about the local processes for receiving input on LCAPs and develop relationships with specific individuals, if possible. Find out what opportunity public health might have to give input.
- Share data on health inequities and the relationship between health and education.
- Identify which organizations in the jurisdiction are doing work around the LCFF (i.e. youth organizations, parent education groups) and develop relationships with them to support community/parent engagement in this process.
- Share information about LCFF with the families you provide services to and encourage them to get involved in local engagement activities. Additional resources to share with clients are available at the websites listed at the end of this document.
- Support employees to be involved in local parent engagement committees and/or public forums.

What are some questions to ask?

- Has your district revised its 2013-2014 budget?
- How much does your district estimate they will receive in supplemental and concentration funds?
- How does your district plan to spend the LCFF funds?
- How will the funds be allocated between different school sites in the district?
- How will funds support programming to reduce educational achievement gaps?
- What is the projected difference LCFF is making in the quality of education in your district?
- Does the LCAP reflect the community priorities?
- What is your district's plan for meaningful parent and community involvement in the development and adaptation of the LCAP and LCFF budget?
- How will achievement of LEA's LCFF priorities be measured?

What is the timeline for action?

Winter & Spring 2014	<ul style="list-style-type: none"> • State Board of Education passes regulations for LCFF implementation by January 31, 2014. • Communities ensure LEAs review and monitor the year's LCFF spending. • Communities ensure strong role for parent advisory committees and DELACs. • LEAs engage the community to develop 3-year LCAPs for LCFF implementation. • A LCAP draft template is out and the State will issue a final LCAP template by March 31, 2014. • The California Endowment will be hosting informational events for parents and the community.
Summer: By July 1, 2014	<ul style="list-style-type: none"> • School boards hold public hearings to discuss draft LCAPs at the same meeting as the annual budget hearing, with at least 72 hours notice. • School boards adopt LCAPs in a subsequent public meeting, along with the budget. Within 5 days, school boards submit LCAPs for approval to the county or state superintendent, who may request amendments. • LEAs must use this process for annual updates each year thereafter.
Ongoing	<ul style="list-style-type: none"> • School boards must hold a public hearing and public meeting before revising their LCAPs. • Superintendents must notify communities when they can submit written comments on the LCAP, and must respond in writing to any stakeholders. • LCAPs, revisions, and updates must be published on district/county websites. • Individuals can file written complaints that LEAs are not complying with any of the LCFF requirements. Complaints can be appealed to the State.

How to find out more and keep informed?

The California Department of Education has a number of resources on its website:

- For general information on the LCFF, visit: <http://www.cde.ca.gov/fg/aa/lc/>
- Take a look at the fact sheet available at: <http://www.cde.ca.gov/fg/aa/pa/lcff13factsheet.asp>
- To receive updates regarding LCFF, send a “blank” email to: join-LCFF-list@mlist.cde.ca.gov

Children Now and FairShare4Kids have detailed information to support local involvement including fact sheets, trainings, and webinars:

- http://www.childrennow.org/index.php/movement/2013_budget_lcff_outcomes
- <http://fairshare4kids.org/toolkit/>