



California Pan-Ethnic Health Network

The Local Control Funding Formula and Equity: Opportunities to Improve Health for California's Students

California is one of the nation's most diverse states. Our overall population is comprised of a majority of people of color (60%), and among children under 18, nearly three quarters (72%) are from communities of color.¹ This year the Governor and State Legislature approved a new way of funding for school districts, charter schools, and county offices of education to better address student needs. The Local Control Funding Formula (LCFF) provides a base grant for each student, and depending on the percentage of English learners, foster youth, and low-income students, may also provide supplemental and concentration grants. The LCFF also establishes new transparency and accountability requirements on how school districts spend the money. This primer provides a brief overview of the LCFF and how it can be an opportunity to improve the health of students of color in California.

Student Health is Critical to Academic Success

Research shows that the health of California's students has a direct impact on attendance, academic performance, and dropout rates. For example, health conditions such as asthma, obesity, and diabetes can contribute to absenteeism and poor performance. In addition, mental health and feeling safe can impact success in the classroom. When left untreated, a student's mental health and wellbeing can hinder development and learning.

Personal safety is a major concern among students of color, with African American and Latino students less likely to feel "safe" or "very safe" in their school.² Further, students of color have disproportionately higher rates of expulsion and suspension, and a student who has been suspended or expelled is nearly five times more likely to drop out than his or her peers.³ African Americans (24.7%), Native Americans (20.7%), and Latinos (17.7%) have significantly higher dropout rates than their White counterparts (8.9%).⁴ Students who do not graduate high school are less likely to have regular, steady jobs, and they earn less when they have jobs compared to their peers who graduate.⁵

Children of color often face higher rates of obesity, asthma, and diabetes.⁶ A recent audit found over half of the state's school districts not in compliance with state requirements to provide at least an average of 20 minutes per day of physical education for elementary schools and 40 minutes per day for middle and high schools.⁷

The long-term impact of lower educational attainment and higher dropout rates are life altering. As California embarks on the implementation of the new Local Control Funding Formula it is critical to identify ways to support students' health and academic performance by improving the school environment to better address students' needs.

Overview of the Local Control Funding Formula⁸

LCFF Base Grants and Additional Funding

Base Grant: Under the new Local Control Funding Formula, all districts will receive a base grant according to average daily attendance across four grade spans: K-3, 4-6, 7-8 and 9-12.

These base grants will be updated for cost-of-living-adjustments (COLAs) as the state budget allows. Additional increases have been built into base grants for grades K-3 and 9-12 to help with class-size reduction in early grades and career technical education in high school (See *Figure 1*).

**Figure 1: Target Base Rates by Grade Span
(per ADA)**

K-3	\$6,845 + adjustment of 10.4% of base rate
4-6	\$6,947
7-8	\$7,154
9-12	\$8,289 + adjustment of 2.6% of base rate

Supplemental and Concentration Grants: The LCFF provides additional funding to school districts with higher percentages of English Learners (EL), Low-Income (LI) students and Foster Youth (FY). A district will receive **supplemental funding** of 20% of the adjusted base rate for each EL/LI/FY student. The district’s EL/LI/FY population is determined based on a 3-year rolling enrollment average and students who are eligible to be counted in more than one EL/LI/FY category are only counted once. School districts with EL/LI/FY populations exceeding 55% will receive **concentration funding**. These districts will receive an additional 50% of the adjusted base grant for each EL/LI/FY student above the 55% threshold.

Importance of New Funding Mechanism: By eliminating previous spending requirements, school districts will now have more flexibility on how to use funds under the LCFF. However, funding must be used “to increase or improve services for EL/LI students in proportion to the increase in funds apportioned on the basis of the number and concentration of unduplicated pupils.” The way these supplemental and concentration funds can be used has important consequences for students of color. The State Board of Education (SBE) must develop regulations by January 31, 2014 on the use of these funds.

Transparency and Accountability: Local Control and Accountability Plans

School districts will be required to adopt Local Control and Accountability Plans (LCAPs) that outline how funds will be spent to provide “high-quality education programs.” The purpose of the LCAPs is to hold districts accountable. Districts must work with school employees, parents, and students in developing the LCAP and provide an opportunity for parent advisory committees to provide input. The SBE will be developing a template of the LCAP for school districts by March 31, 2014 to provide consistency across school districts, and districts must adopt their LCAP by July 1, 2014 and every three years thereafter. The LCAP template will include the eight priority areas in which districts must establish annual goals and specific actions, including several data measurements under each goal (see *Figure 2*). Additionally, districts must include goals for each numerically significant student subgroup in the district (see *Figure 3*).

Figure 2: State Priority Areas and Data Measurements

Student Achievement	<ul style="list-style-type: none"> • Performance on standardized tests • Score on Academic Performance Index • Share of students that are college and career ready. • Share of English learner that become English proficient • English learner reclassification rate • Share of students that pass Advanced Placement exams with 3 or higher • Share of students prepared for college by the Early Assessment Program
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Student Engagement	<ul style="list-style-type: none"> • School attendance rates • Chronic absenteeism rates • Middle school dropout rates • High school dropout rates • High school graduation rates
Other Student Outcomes	<ul style="list-style-type: none"> • Other indicators of student performance in required areas of study. May include performance on other exams
School Climate	<ul style="list-style-type: none"> • Student suspension rates • Student expulsion rates • Other local measures
Parental Involvement	<ul style="list-style-type: none"> • Efforts to seek parent input • Promotion of parental participation
Basic Services	<ul style="list-style-type: none"> • Rate of teacher misassignment • Student access to standards-aligned instructional materials • Facilities in good repair
Implementation of Common Core State Standards (CCSS)	<ul style="list-style-type: none"> • Implementation of CCSS for all students, including English learners
Course Access	<ul style="list-style-type: none"> • Student access and enrollment in all required areas of study

Figure 3: Student Subgroups to Be Included in Local Control and Accountability Plans

<p>Racial/Ethnic Subgroups: Black or African American American Indian or Alaska Native Asian Filipino Hispanic or Latino Native Hawaiian or Pacific Islander White Two or more races</p> <p>Other Subgroups: Socioeconomically disadvantaged students English learners Students with disabilities Foster youth</p>
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Ongoing Monitoring

The State Board of Education must also develop mechanisms to assess school districts’ performance under the LCAPs. The LCFF requires the development of three performance “rubrics” that must consider multiple performance measures by October 1, 2015. The following is a description of the three evaluation rubrics:

- **Self-Assessment Rubric:** to assist districts in evaluating strengths and weaknesses.

- **Support Rubric:** to be used by the County Office of Education to determine if a school district does not improve outcomes in more than one state priority for at least one subgroup.
- **Intervention Rubric:** to be used by the Superintendent of Public Instruction to determine if a district does not improve outcomes in three out of four consecutive school years for three or more subgroups in more than one state or local priority and thus is considered to be persistently failing.

Policy Recommendations

There are many elements to the new LCFF and a short timeline for getting involved. The benefits will only be realized through our collective engagement and action. Below are a few policy recommendations developed during a convening of health and education advocates for the state to consider as funding criteria, the LCAP template, and evaluation tools are finalized:

- **Improve School Facilities and Infrastructure around School Campuses:** Ensure that schools address problems with facilities, placing a higher priority on low-resourced communities.
- **Ensure Compliance with Physical Education Standards and Increase Opportunities for Physical Activity:** It is critical that schools provide the minimum required physical education and identify ways to incorporate physical activity throughout the school day. Further, barriers to opening school campuses to the community should be eliminated.
- **Improve Access to Healthy School Meals, Snacks, and Beverages:** A number of policies have been enacted to curtail the consumption of unhealthy food and beverages. We should support compliance with new federal and state laws related to school meals, access to free and fresh drinking water, and free and reduced meals accessibility for students who qualify.
- **Expand Access to On-Campus Health Services:** Mental and physical health support services should be better integrated and more accessible to all students.
- **Improve Safety, School Discipline, and Violence Prevention Efforts:** This could include policies that reduce school violence, promote restorative justice, educate students about bullying and teen violence, and promote youth development.
- **Engage Students and Parents:** Better partnerships are needed to ensure that parents and students are partners in student academic success, not merely passive recipients.

¹U.S. Census Bureau. *U.S. Census*. 2010. Accessed at factfinder2.census.gov.

²California Department of Education. *California Healthy Kids Survey*. 2008-2010. As cited on www.kidsdata.org.

³N. Kelly and B. Becker. "Research-Based Policy Opportunities to Support Effective, Common Sense School Discipline Policies." Education Development Center and Fight Crime: Invest in Kids California. January 25, 2012. Accessed September 23, 2013 <http://www.childrenow.org/index.php/learn/beingwelllearningwell/#research>

⁴California Department of Education, *California Basic Educational Data System*. 2011. As cited on www.kidsdata.org.

⁵Swanson, C. "Cities in Crisis 2009: Closing the Graduation Gap." *Editorial projects in Education*. 2009. Accessed at www.edweek.org/media/cities_in_crisis_2009.pdf.

⁶UCLA Center for Health Policy Research. *California Health Interview Survey*. 2011-2012. Accessed at ask.chis.ucla.edu/main/default.asp.

⁷The City Project. *Physical Education Is A Right: The Los Angeles Unified School District Case Study* (2010).

⁸Our review of the LCFF is primarily informed by the following report: Legislative Analyst Office, *An Overview of the Local Control Funding Formula*, July 2013. Available at: <http://www.lao.ca.gov/laoapp/PubDetails.aspx?id=2797>.