

# LCFF & LCAP

November & December 2013

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- LCFF – Local Control Funding Formula
  - Provides additional funds to K-12 public education and simplifies distribution
- LCAP – Local Control Accountability Plan
  - Increase or improve services for unduplicated students (Free & Reduced Price Meal, Foster Youth, English Language Learners)

# Passage of Prop 30

## *Key Education Components*

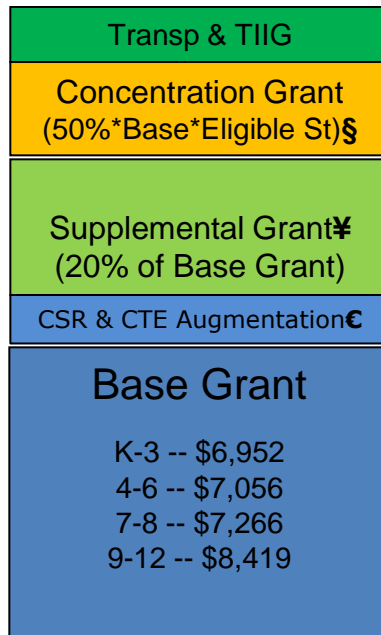
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- Prop 30 will raise about \$6B/yr
  - sales tax by  $\frac{1}{4}\text{¢}$  for 4 years
  - PIT on “wealthy” for 7 years
- **\$1.6B** to reduce inter-year deferral to \$5.7B
  - Originally \$9.3B
  - Reduced by \$2B in November
- **\$1.25B** for Common Core
- **\$2.1B** of new authorization – Local Control Funding Formula (LCFF)
  - Eliminates Revenue Limit calculation
  - Collapses many State Categorical Programs

# Local Control Funding Formula

## Gap Funding

**\$68,936,647**



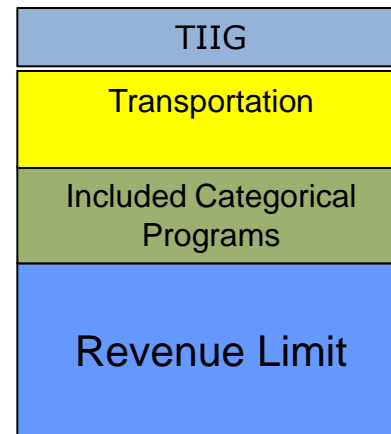
**LCFF Target**

€ - CSR: 10.4% of K-3 base or \$723 per K-3 student, CTE: 2.6% of 9-12 base or \$219 per 9-12 student

¥ - Supplemental Grant for Free & Reduced (FR) eligible students

§ - Concentration Grant requires FR ratio to exceed 55% to be eligible. YCJUSD is ineligible with FR ratio of 52%.

**\$50,018,905**



**2012-13 (Base) Funding**

**Gap -\$18,917,742**

For 2013-14, the State funded 11.78% of Gap or **\$2,228,510**

17% is prorata share of categorical programs

# Gap Funding

## \$2,228,000



Per ADA Funding		
	Prop 98	Actual
2004-05	\$4,824	\$4,930
2005-06	\$5,141	\$5,095
2006-07	\$5,527	\$5,527
2007-08	\$5,779	\$5,779
2008-09	\$6,108	\$5,629
2009-10	\$6,370	\$5,201
2010-11	\$6,345	\$5,208
2011-12	\$6,488	\$5,151
2012-13	\$6,700	\$5,208
2013-14	\$6,805	*\$5,491

<u>New Expenses in 2013-14</u>	
<b>Salary Advancements</b>	\$520,000
<b>Additional Positions</b>	\$450,000
<b>Increased District Portion of Medical Premium (7/1/2013-12/31/2013)</b>	\$200,000
<b>Additional teachers after 8/14</b>	\$400,000
<b>Eliminate Furloughs (maintain K-3 CSR at 28:1)</b>	\$440,000
<b>Miscellaneous</b>	\$150,000
<b>Total:</b>	<b>\$2,160,000</b>

\* \$47/ADA prorata share of Categorical

- Restricted Lottery - \$125,000
- Medical Billing - \$130,000
- EIA/SBCP - \$663,000
- Unrestricted Carryover - \$496,000
- Return to Sp Reserve - \$1,070,000
- Other Restricted - \$410,000
- Planned Expenses - \$1,410,000

## Current Year and Out Year Projections

	2013-14	2014-15	2015-16
<b>Beginning Balance</b>	\$8,336,826	\$4,026,192	\$2,728,773
<b>Revenue</b>	\$65,481,127	\$65,175,345	\$66,602,855
<b>Expense</b>	\$69,791,761	\$66,472,764	\$67,045,661
<b>Revenue - Expense</b>	-\$4,310,634	-\$1,297,419	-\$442,806
<b>Ending Balance</b>	\$4,026,192	\$2,728,773	\$2,285,967

<u>Designations</u>			
<b>Warehouse Inventory</b>	\$54,507	\$50,000	\$50,000
<b>Revolving Checking Acct</b>	\$50,000	\$50,000	\$50,000
<b>Accrued Vacation</b>	\$213,495	\$213,495	\$213,495
<b>Restricted/Site Carryover</b>	\$335,205	\$386,182	\$316,174
<b>Sub-total</b>	\$653,207	\$699,677	\$629,669

<b>Available Reserve</b>	\$3,372,985	\$2,029,096	\$1,656,298
<b>3% of Operating Expense</b>	\$2,093,753	\$1,994,183	\$2,011,370
<b>Yes/No - Meet 3% minimum?</b>	Yes	Yes	No
<b>Amount Needed to Meet 3%</b>	0	0	\$355,072

**Qualified Financial Condition since 3% minimum reserve NOT met in 2015-16.**

# Competing Interests

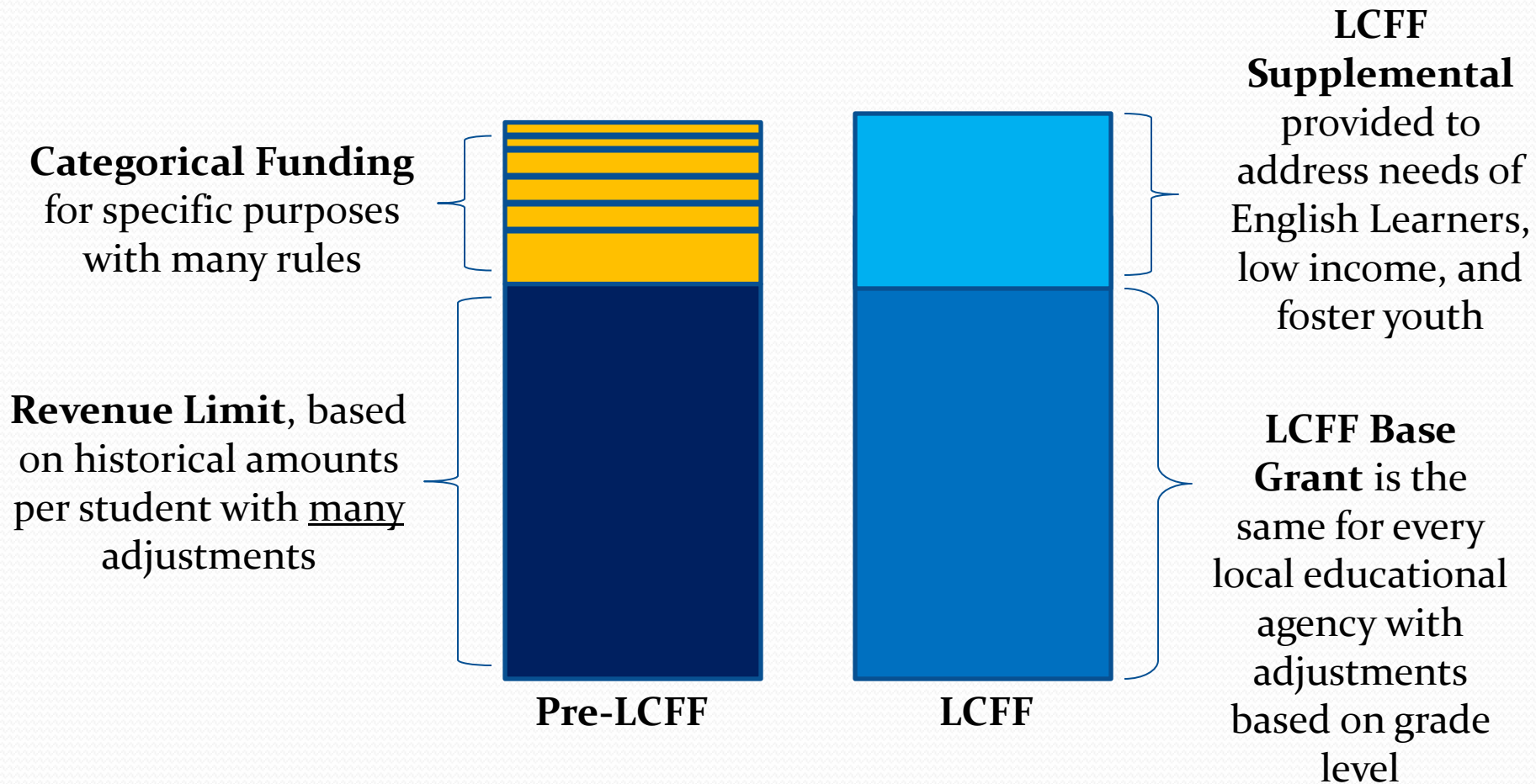
## *Balancing Acts*

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- Implementation of Common Core Standards
- Maintenance & Repair of Facility
- Employee Compensation & Benefits
- Library Services & Additional Classified Staff
- Improve Educational Services to Students
  - Retain/Attract Students
- Safety Concerns
- Improve Financial Footing
  - Eliminate deficit
  - Achieve Positive Certification
- Necessary to compete with neighboring districts & charter schools
- Comply with State & Federal Requirements
  - Exit PI
  - Develop LCAP



# Local Control Funding Formula (LCFF)



**Figure 5**

**Treatment of Categorical Programs Under LCFF**

**Retained Programs**

Adults in Correctional Facilities	Foster Youth Services
After School Education and Safety	Mandates Block Grant
Agricultural Vocational Education	Partnership Academies
American Indian Education Centers and Early Childhood Education Program	Quality Education Improvement Act
Assessments	Special Education
Child Nutrition	Specialized Secondary Programs
	State Preschool

**Eliminated Programs**

Advanced Placement Fee Waiver	Instructional Materials Block Grant
Alternative Credentialing	International Baccalaureate Diploma Program
California High School Exit Exam Tutoring	National Board Certification Incentives
California School Age Families	Oral Health Assessments
Categorical Programs for New Schools	Physical Education Block Grant
Certificated Staff Mentoring	Principal Training
Charter School Block Grant	Professional Development Block Grant
Civic Education	Professional Development for Math and English
Community-Based English Tutoring	School and Library Improvement Block Grant
Community Day School (extra hours)	School Safety
Deferred Maintenance	School Safety Competitive Grant
Economic Impact Aid	Staff Development
Educational Technology	Student Councils
Gifted and Talented Education	Summer School Programs
Grade 7-12 Counseling	Teacher Credentialing Block Grant
High School Class Size Reduction	Teacher Dismissal



# LCAP

(Draft Regulations to State Board of Education, November 2013)

Evidence to demonstrate **increased or improved** services for unduplicated pupils.

Currently three options:

- **Spend** more on services
- **Provide** more, or improve, services
- **Achieve** more - We may demonstrate an increase in achievement by providing evidence of achievement in the applicable state priorities.

# LCAP Content Description

(Draft Regulations to State Board of Education, November 2013)

In all likelihood the LCAP will be organized into sections (elements) with guiding questions intended to generate thoughtful analyses of each LEA's data and findings.

Elements include:

1. Stakeholder Engagement
2. Needs Analysis
3. Goals
4. Performance
5. Services
6. Budget Information:
  - How has the LEA ensured that LCFF funds provide for increased or improved services for low income, English Learners, and Foster Youth in proportion to funding provided for such pupils?
  - How will LCFF funds be spent to provide for students?
  - How are the expenses described under “services” displayed in the LEA's budget or budget display included in this section?

**Figure 8**

## **Required Data for Each of Eight State Priority Areas**

### **Student Achievement**

- Performance on standardized tests.
- Score on Academic Performance Index.
- Share of students that are college and career ready.
- Share of ELs that become English proficient.
- EL reclassification rate.
- Share of students that pass Advanced Placement exams with 3 or higher.
- Share of students determined prepared for college by the Early Assessment Program.

### **Student Engagement**

- School attendance rates.
- Chronic absenteeism rates.
- Middle school dropout rates.
- High school dropout rates.
- High school graduation rates.

### **Other Student Outcomes**

- Other indicators of student performance in required areas of study. May include performance on other exams.

### **School Climate**

- Student suspension rates.
- Student expulsion rates.
- Other local measures.

### **Parental Involvement**

- Efforts to seek parent input.
- Promotion of parental participation.

### **Basic Services**

- Rate of teacher misassignment.
- Student access to standards-aligned instructional materials.
- Facilities in good repair.

### **Implementation of Common Core State Standards (CCSS)**

- Implementation of CCSS for all students, including EL.

### **Course Access**

- Student access and enrollment in all required areas of study.

EL = English learner.

# Draft a Plan

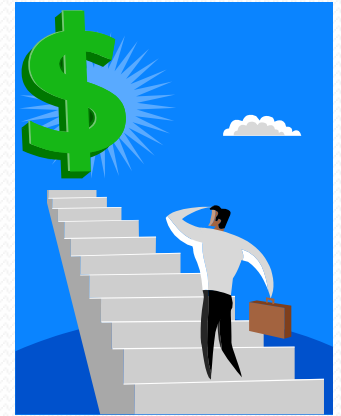
- Develop a three-year implementation plan that aligns current LEA priorities with the state priorities, budget adjustments resulting from LCFF and anticipated reporting requirements.
- Share this plan (and the considerations that informed the plan) with stakeholders.
- Stakeholders should include LEA staff, teacher and classified associations, students, community-based organizations and parents.

# Draft a Budget

Use your  
GOALS, ranked  
in PRIORITY  
order to...

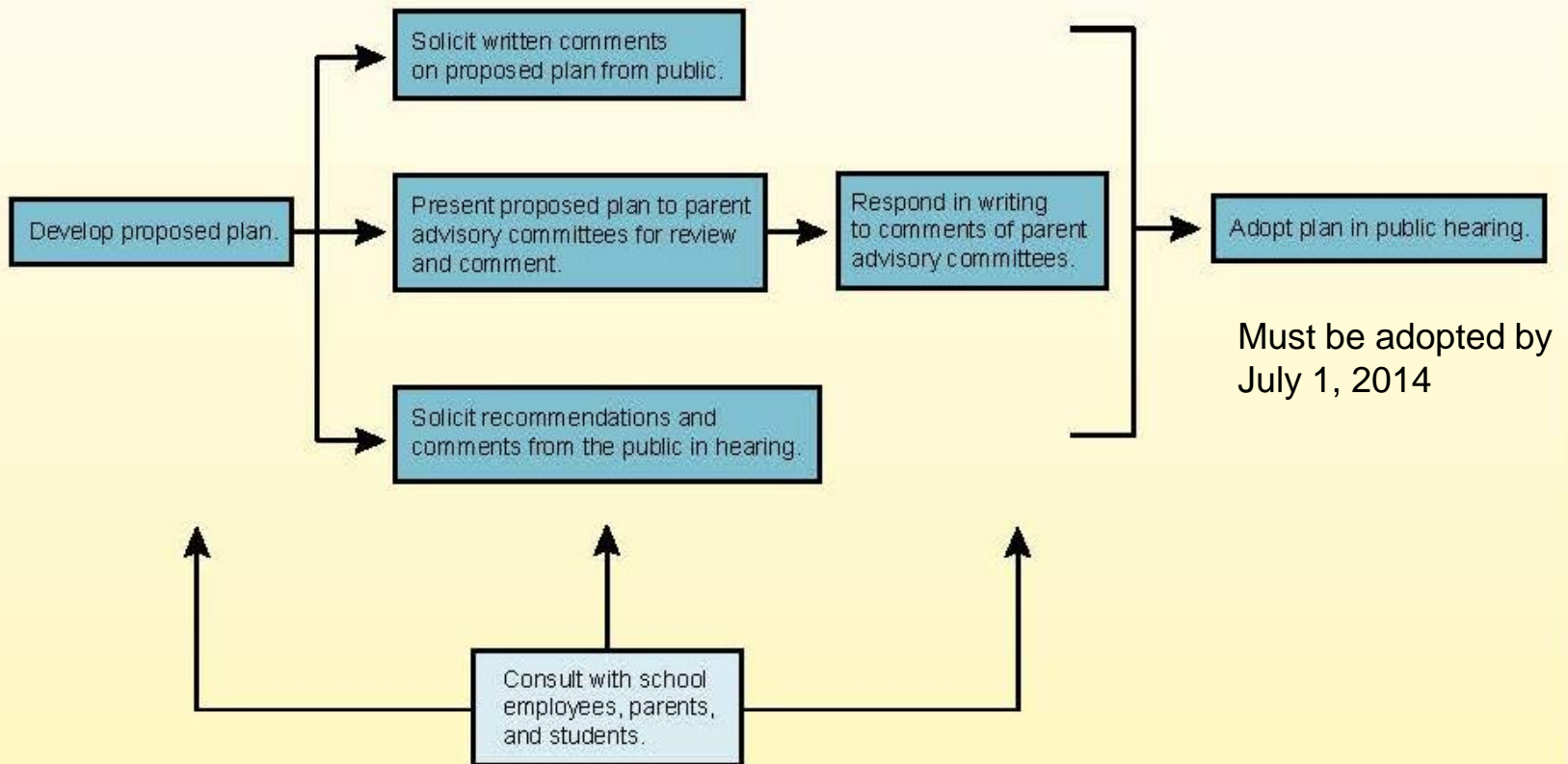
Draft a multi-  
year PLAN, and  
then

Develop a  
preliminary  
BUDGET to  
fund that plan



**Figure 10**

## School District LCAP Adoption Process



LCAP = Local Control and Accountability Plan.

# Summary

## *Transitional Period*

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- LCFF – New distribution formula and provides additional funds for revenue to catch up to expense
- LCAP – Requires plan to improve student achievement and provide relevant educational services

