

October 14, 2016

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Glen Price
Chief Deputy Superintendent
California Department of Education
1430 N Street
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Via email only

Re: LCFF Equity Coalition Comments re: Revised LCAP Template

Dear Ms. Walters and Deputy Superintendent Price:

We represent the Technical Working Group of a coalition of civil rights, advocacy, community, parent, student and other organizations who have worked diligently on passage and implementation of the Local Control Funding Formula (LCFF). LCFF creates an historic opportunity to focus resources on helping California's neediest students overcome the barriers they face in closing the achievement gap and graduating college and career ready. It also promises a new level of transparency and local engagement for parents, students, and community members in the design of their local schools. As you know, in an effort to give life to these objectives, we have commented jointly multiple times over the last year regarding the State Board of Education's LCFF regulatory proposals and evaluation rubrics/accountability system items, including as to the LCAP Template.

As State Board and California Department of Education staff and the Board finalize the proposed LCAP template, we thought it appropriate to share our coalition's thoughts on the most recent template version posted in late September and as modified as reported to CPAG this week. As an initial matter, we again wish to applaud the staff of the SBE and CDE for a great deal of hard work over the past several months and for listening to many of the concerns expressed by the LCFF Equity Coalition and others in improving the template. In particular, we appreciate:

- A much clearer and cleaner document that is more user-friendly, easier to follow and greatly improved graphically.
- An improved Plan Summary that can help LEAs better summarize their strategies and "tell their story."
- A helpful budget summary portion of the Plan Summary that reflects the extent to which the LEA's LCAP addresses all of its LCFF funds and reflects the General Fund budget.
- Improved instructions for the Demonstration of Increased or Improved Services section that clarify *each* districtwide or schoolwide action or service being funded by supplemental and concentration dollars must be identified and justified according to regulatory standards.
- New components linking the LCAP and Annual Update to outcomes in the evaluation rubrics.
- A new instruction clarifying that duplicative expenditures should be identified as such.
- The addition of a "baseline" level of performance to the 3 years of expected annual measurable outcomes (see Sept. 23, 2016 CDE memo, Attachment 3, p. 8 of 23).

We briefly highlight here a few major issues and a few technical ones which we hope will be addressed before the proposed final version is posted as an agenda item later this month.

I. Ensuring the LCAP is the Comprehensive Planning Tool the Legislature Intended

The LCFF statute establishes 8 state priorities (10 for counties) that broadly define the full scope of a public education system’s mission and requires that all the goals, actions and services serving those priorities with LCFF funds be set forth in the LCAP and subject to community engagement and the transparent planning process. The current version of the LCAP template gives life to this directive in various ways, including by stating that:

“The LCAP is intended to be *a comprehensive planning tool*. Accordingly, in developing goals, specific actions, and expenditures, *LEAs should carefully consider how to reflect the services and related expenses for their basic instructional program in relationship to the state priorities.*”¹

The template also furthers the comprehensive planning function by requiring that, for each LCAP year, LEAs:

“identify *all* annual actions to be performed and services provided to meet the described goal.”²

The proposed revised LCAP makes an important stride in requiring a Budget Summary in the Plan Summary that will ensure LEAs are transparent as to how much (or how few) of their LCFF and General Fund dollars are reflected in the LCAP. However, by omitting the important guiding language quoted above and substituting in the Budget Summary, the revised template appears to be sending the signal that transparency serves as a permission slip *to avoid comprehensive planning and engagement*. In other words, an LEA may believe that as long as it is transparent about how little of its LCFF funds are reflected in the LCAP, then it is free to pick and choose which goals, actions/services, and expenditures it wishes to include in its LCAP and its LCAP engagement processes. If LEAs are not including all goals, actions and services that serve the state priorities, then they will omit LCAP engagement, planning and accountability as to relevant actions and services on which they may actually be spending a majority of their LCFF dollars.

By maintaining the prior guidance language, the State Board and Department will avoid sending the wrong signal and ensure that LEAs and their community stakeholders have the right frame by which to evaluate the Budget Summary information. Accordingly, we recommend that:

- (1) the quoted language cited above be maintained in the revised LCAP Template; and
- (2) the word “all” should be added to the 2nd, 3rd, and 5th paragraphs on Page 11 of 23 (the first page of the Addendum) in front of “goals and specific actions to achieve those goals...”.

II. Maintain the Link Between Specific Actions and the Metrics/Indicators Needed to Judge Their Effectiveness

During the October 13, 2016 CPAG meeting, Deputy Superintendent Price presented the latest adjustments to the revised template to the Committee. Among those changes was the removal of the “Metrics/Indicators” box on page 9 of 23 next to the description of each specific action or service. There was no explanation for the removal. We firmly believe that each specific action or service must be associated with a metric or indicator in order to be able to judge the effectiveness of the specific action over time. This is particularly important—and required by the expenditure regulations—as to districtwide

¹ LCAP Template at p.1 (emphases added).

² LCAP Template Section 2 Instructions (emphasis added).

and schoolwide actions supported with Supplemental and Concentration funds where such uses must be demonstrated to be effective. Accordingly, we recommend that:

- (1) The Metrics/Indicators box *not* be removed from the Planned Actions/Services prompt or, if removed, then for each Metric/Indicator listed in the Expected Annual Measurable Outcomes prompt a new column be added to indicate which Planned Action/Service it aligns to.

III. Transparency for Use of Supplemental and Concentration Grant Funds

The revised LCAP templates should create greater transparency around the receipt and use of Supplemental and Concentration grant funds by LEAs. Even if there is not a direct dollar-to-dollar spending requirement for these funds in the nature of a categorical, there is still a *proportional spending requirement*. In order for the public to determine if this proportionality is being honored, the template should promote transparency around the receipt and use of these grants. Relatedly, the statutory obligation to proportionally increase or improve services is a mandatory duty of LEAs that flows annually with the annual allocation of funds to them by the State. In other words, it is not simply a duty to “propose to” increase or improve services but to actually do it and to do it every year. As such, where an LEA does not expend all of its funds and/or its proportional effort (MPP) in a given year, the level of Supplemental and Concentration expenditures associated with that unspent effort must be carried forward to subsequent LCAP years. Specifically, we believe:

- (1) the Budget Summary portion of the Plan Summary (p. 3 of 3) should break down the Total Projected LCFF Funds for the LCAP Year by adding the parenthetical “(total Projected LCFF Base:_____ and total Projected LCFF Supp. and Concentration:_____)”;
- (2) the Budgeted Expenditures chart in the Goals, Actions, & Services section (p. 9 of 23) should in addition to “Source” add a line to the chart to reflect if the funds used are LCFF Base or Supplemental and Concentration, with appropriately aligned instructions in the Addendum; and,
- (3) the Plan Summary’s Budget Summary should add an additional box for “Planned but Unexpended Supplemental and Concentration Allocation from the Previous LCAP Year.”

IV. Equity Should Address Low Subgroup Performance Relative to State Standards

The “Equity” box in the Plan Summary (pages 2-3 of 23) should not be defined based on a relative measure of large gaps between different student groups but based on an absolute measure of which groups are performing below state standards. As proposed, for instance, LEAs with overall orange performance could never have an equity problem.

We believe that the Equity box should align with the Equity Report in the Evaluation Rubrics and identify plans for addressing red or orange performance for any subgroup on any state indicator. The approach aligns well also with the immediately preceding “Greatest Needs” box which addresses plans where the LEA as a whole is red or orange. Accordingly we strongly recommend that:

- (1) The Equity box should require LEAs to identify any modifications to goals, actions/services and/or expenditures for any subgroup performing at the red or orange performance level.

V. Demonstrating Increased or Improved Services for Unduplicated Pupils

As noted, the revised instructions in the Addendum have improved the clarity around the regulatory requirement to identify and justify each schoolwide or districtwide action supported by Supplemental and Concentration expenditures. However, language in the body of the actual template section muddles this improvement in alignment between the LCAP Template and the expenditure regulations’ legal requirements. We suggest avoiding both this potentially confusing language and the proposed use of a single open-ended narrative textbox. Without more, the latter will likely lead to the same vague and generalized descriptions typically found in the current LCAP Section 3 concerning the uses of these funds rather than the specific justifications, as required, for how these funds are principally directed and effective in serving goals for high need students. We suggest two modest but necessary edits to the template section itself (p.10 of 23):

- (1) Change the word “any” in the second sentence above the narrative box (“Identify any of these actions/services...”) to “each” in order to align with the Addendum instructions and avoid an interpretation that an LEA may, at its discretion, identify only one or more such actions instead of each and every one; and
- (2) Delineate the single text fill-in box on page 10 of 23 into two components such that the top portion addresses how the Minimum Proportionality Percentage (MPP) is being met and the related bottom portion identifies and justifies each schoolwide and districtwide expenditure of Supplemental and Concentration funds. The latter should be divided into multiple rows in order to reinforce the expectation that LEAs separately identify and justify each such use.

VI. Stakeholder Engagement

The Template must do a better job of ensuring LEAs document *all* of their stakeholder engagement, *all* of the recommendations received for modifying the LCAP, and how the LEA responded to *each* of those suggestions. The proposed Template allows LEAs to list only those engagements they want to highlight, only those recommendations they liked, and to avoid identifying recommendations that the LEA rejected. Accordingly, we recommend that, either in the Stakeholder Engagement section itself or in the instructions in the Addendum:

- (1) The Template should clarify that the LEA must identify all formal instances of stakeholder engagement where LCAP input was received and specifically identify all the recommendations received; and
- (2) In identifying the “impact” of the consultations on the LCAP’s development, the LEA must identify the recommendations it accepted and those it rejected and which, therefore, had no impact.

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Thank you for the opportunity to comment. We look forward to continuing working with the State Board of Education, the Department and staff to realize the full promise of LCFF for our neediest students.

Sincerely,

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