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August 8, 2016

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Sacramento County Office of Education
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Sent via email

RE: Sacramento City Unified School District's 2016-19 Adopted Local Control Accountability Plan

Dear Superintendents Gordon, Stickel and Sanchez:

Public Advocates requests that you reject the 2016-19 Local Control Accountability Plan (LCAP) adopted by the Sacramento City Unified School District (SCUSD), unless changes are made to it that address the following issues:

- I. Differences in amounts shown for S&C funds received and expended in prior years in the district's MPP calculations in 2015 v. 2016;
- II.
 - A. Carrying over unexpended S&C funding (districtwide and school site);
 - B. Using S&C funds for retroactive employee salary increases;
 - C. Using S&C funds at a higher rate than required to match state grant funding for continuation of the district's CTE/Linked Learning programs; and
 - D. Greater transparency regarding plans to use S/C funding districtwide (salary increases/teacher collaboration) and school wide (academic counselors, translation services, generally).

As you know, Public Advocates has been committed to supporting community engagement in local school districts' ongoing process to develop LCAPs since the enactment of the Local Control Funding Formula (LCFF). Our partnership with local Sacramento parents and community stakeholders and the relationships we have seen being developed since the start of LCFF implementation have been encouraging.

I have commended SCUSD on the ongoing progress and learning in the LCAP development that has taken place each year. As an organization with insight into LCAP development in many districts statewide, we recognize SCUSD as a leader

in providing a more comprehensive LCAP that reflects most of the District's budget and improves every year in its transparency.¹ I also personally acknowledged the tremendous amount of work that goes into this effort, which makes the document a more useful tool for continuous improvement, in particular appreciating the work of district staff, Cathy Morrison, LCAP Coordinator and Dr. Al Rogers, Chief Strategy Officer. At my request, we discussed the issues in my letter of June 16, 2016 (attachment 1) in the time between the initial public meeting on June 16 of the Board of Trustees to consider the LCAP and the public's comments and the Board's adoption of the LCAP on June 28.

The final 2016-19 LCAP contained some changes as we recommended, however, it is still insufficient to show and tell community stakeholders how the services, actions and expenditures are real increases or improvements that are principally directed to, and effective in, meeting the district's goals for its unduplicated students.

I. Following Up With 2015-16

After the District's adoption of the 2015-16 LCAP (last year's), we wrote to Superintendent Banda and Chief Business Officer Castillo regarding our concerns that the district was not meeting its minimum obligation to increase or improve services for high-need students as compared to the services provided to all students in 2015-16, the effort it is required to show in the LCAP by a percentage in Section 3B. (see Community Priority Coalition Aug. 18 letter to Supt. Banda & Mr. Castillo, attachment 2.) We contended:

- 1) The district's adopted 2015-16 LCAP failed to describe how it would meet its minimum obligation to high-need students in 2015-16. The adopted 2015-16 LCAP, p. 89, described \$5.4M in section 3B, compared to the district's calculation of \$38.9 M it would receive in supplemental and concentration funds in 2015-16 stated in section 3A;² and
- 2) The district's MPP calculation dated 6/30/15 showed a Prior Year Expenditure (in 2014-15) of supplemental/concentration funding in the amount of \$13.1 M when it estimated receiving \$27.5 M in supplemental/concentration funds in 2014-15, indicating that the district shortchanged unduplicated students by \$14.4 M.

SCUSD responded on Aug. 28 (attachment 3) stating that the LCAP had already been approved by SCOE after it made revisions at SCOE's recommendation. We met with Superintendent Banda, Mr. Castillo, Board members Woo and Ryan, and community members of the Community Priority Coalition) on September 22, 2015. Mr. Castillo shared with us a revised list of supplemental/concentration fund expenditures (see attachment 4) which he said the district was actually planning to spend in 2015-16 totaling \$44.1M which was more than was stated in Section 3A. of the 2015-16 revised LCAP, \$38.9 M. This list did not explain how these additional expenditures were principally directed to, and effective in, meeting the district's goals for its unduplicated students. In effect, this list contained expenditures that backfilled cuts previously made to the district's program during the recession. To justify this backfilling, Mr. Castillo shared with us a document State Funding Incorporated Into LCFF. (attachment 5). Mr. Castillo indicated that SCUSD would not be revising the LCAP because it had already been approved. Community stakeholders who participated in the district's LCAP process were forced to accept the 2015-16 LCAP.

During the 2015-16 school year, community stakeholders in the two required parent advisory committees were clear in their requests for more information about how supplemental/concentration funds (S&C) were

¹ Jongco, A., *Keeping the Promise of LCFF*, (Apr. 2016) Public Advocates, p. 10, available at <http://publicadvocates.org/report-keeping-the-promise-of-lcff>.

² See table in Attachment 2 A to aid in following the chronology of documents SCUSD provided in response to concerns raised by community stakeholders and Public Advocates.

being used to increase or improve services for unduplicated students both at the district level and school sites. See their written comments to the district. (attachments 6 and 6A.)

On June 4, 2016, Mr. Castillo responded to our May 19, 2016 Public Records Act request for the calculation of SCUSD's minimum proportionality percentage which would be reflected in the 2016-19 LCAP (2016-17 MPP). We are concerned with the discrepancies between the amounts in the 2016 MPP and the 2015 MPP calculations:

- 1) The 2016 MPP document states the prior year expenditure (in 2014-15) of S/C funds is \$25.4 M—a \$12.3 M difference and substantial increase to the amount in the 2015 MPP — \$13.1 M.
- 2) The 2016 MPP states the estimated S&C for 2015-16 is now \$48.6 M—\$10M more than stated in the 2015 MPP. Prior year expenditures of S&C funds for 2015-16 are stated as \$46.7 M—\$2.9 M less than estimated S&C for 2015-16.

The prior year expenditure amount is important as it becomes the baseline upon which the next year of S&C spending is added in the 7-step calculation required by LCFF spending regulations. (5 California Code of Regulations 15496(a).) As LCFF funding is being phased in over a period of years, this calculation is a critical way of keeping track of districts' minimum obligations to increase/improve services to its high-need students and ensure that high-need students get the benefit of dollars they generate for the districts in the same year the district receives the funding.

An LEA shall determine the percentage by which services for unduplicated pupils must be increased or improved above services provided to all pupils **in the fiscal year** as follows...(5 California Code of Regulations 15496(a)).

Districts that fail to meet their minimum proportionality obligation in the fiscal year as LCFF funding is phased in, run the risk of finding themselves below their minimum proportionality percentage when full funding is reached and forced to make difficult choices to recommit funding that has been designated for other ongoing expenditures.

We and community stakeholders are confused. **We request that SCOE require SCUSD to verify the accuracy of the amount in S&C received in 2014-15 and its Prior Year Expenditure in 2014-15. The difference between 29.5M (received) and 25.4 M expended is 4.1 M. If these are accurate figures, we request that SCOE require SCUSD to carry over this amount in S&C funding and engage the community in developing its plan for spending it. Cal. Educ. Code § 52062(b)(1-2).**

II. Looking Forward to 2016-17

- A. **The 2016 MPP calculations show \$46.7 M in prior year S&C spending for 2015-16. However, the adopted 2016-19 LCAP Annual Update totals \$41.3 M in S&C spending. Please require SCUSD to carry over the \$5.4 M difference to 2016-17.** There are still outstanding priorities that community stakeholders have identified that could be funded with these S&C funds that should be carried over to 2016-17 specifically to increase or improve services for unduplicated students. See, e.g., recommendations for the LCAP 2016-17 SCUSD submitted by Sacramento ACT, HmongInnovatingPolitics (HIP) and Black Parallel School Board (combined as a separate attachment to email). Further, the district should engage the community in the decision and expenditure of those funds. **We request SCOE to remind the district of this obligation and require it to follow through. Cal. Educ. Code § 52062(b)(1-2).**

- B. 2016-19 Adopted LCAP: S&C funding for a retroactive districtwide teacher salary increase. Action 1.1A (p. 19, 2016-19 LCAP) plans a 2.5% salary increase to ensure the district “can provide a fully credentialed, qualified teacher for every student.” \$4.9M in S&C is allocated for this salary increase. Since the objective of providing fully credentialed, qualified teachers applies to every student, it is not an increase in services principally directed to meet the needs of unduplicated students, but an action that should be part of the district’s base program. **We request that SCOE clarify this with SCUSD and prohibit the use of S/C funding for this purpose because it is not an increase/improvement in services for high-need students but for ALL students.**

Further, SCUSD provided a 2.5% salary increase *retroactive* to July 15, 2015, for its classified staff in CSA and SEIU, certificated staff in SCTA and administrators in UPE. At the June 16, 2016, Board of Trustees meeting after it reviewed the LCAP draft, the Board approved the AB 1200 Disclosures (attachment 7) which indicate that all these salary increases are to be paid by LCFF funds. **We request that SCOE require SCUSD to make this transparent in the LCAP and include the amounts and fund category of this spending. Further, if S&C funds were used for these increases, we request SCOE prohibit this plan as a *retroactive* service cannot be characterized as an improvement or increase.**

- C. Career Technical Education. Action 1.1 G. (p. 24, 2016-19 LCAP) plans to maintain the district’s commitment to Linked Learning and expand its College Guidance Initiative through the Linked Learning Program at a cost of \$2.5 M in S&C funds coupled with \$1 M in grant funds. The planned spending for this action/service was added in the most recent draft June 12. SCUSD was awarded \$2.5 M from the Career Technical Education Incentive Grant (CTEIG), a state block grant which requires awards to be matched dollar for dollar 1 in the first year and \$1.50 for every \$1 grant received in the second year. This looks like a lop-sided match from LCFF supplemental and concentration funds. **We request that SCOE require SCUSD to explain this match and reduce it so that no more than the required matching amount of S&C is planned. Further, we request that SCOE require the District to justify the use of S&C funding as principally directed to meet the needs of unduplicated students and its effectiveness. The district was one of the early adopters of CTE and Linked Learning. Without justifying the increase/improvement in the CTE/Linked Learning programs that are being planned with these S&C funds, it looks like the district is simply supplanting S&C funds for something it was already providing.**

D. Transparency in Using Supplemental/Concentration Funding to Increase/Improve Services Principally Directed Towards, and Effective in, Meeting the District’s Goals for its High-Need Students.

A key feature of LCFF is the promise of equity and increased resources for highest need students. That is why, under the permanent LCFF regulations, school districts must explain how:

- Each use of supplemental and concentration funds will be spent in a way that is, “principally directed toward” district goals for low-income, English learner, or foster youth students – the high-need students who generate those supplemental and concentration dollars; and
- The proposed use of funds will be “effective” towards meeting those goals.

SCUSD has chosen a strategy of funding districtwide and school wide with supplemental and concentration funds. In addition, the district schools with less than 40% high-need students which are spending supplemental funds in a schoolwide manner (not targeted to high-need students) must also explain how they determined that to be the “most effective use” of these special funds.

These parameters around supplemental and concentration spending still preserve flexibility to the District, and are built into the law to ensure that districts honor the promises of equity and improved outcomes for high-need students. We want to make sure District staff and leaders understand that *these requirements apply to all districts* regardless of the concentration of high-need students. Moreover, providing these justifications are critical to the transparency necessary to assure community members, including parents/caregivers and students, that the District is keeping the needs of low-income, English learners, and foster youth students at the heart of its planning.

SCUSD made slight revisions to its final 2016-19 LCAP in response to our requests, but they still do not provide the transparency required. **We request that SCOE require more transparency as follows:**

1. S&C funding for a districtwide teacher salary increase and added collaborative time in 2016-17 and going forward.

Action 1.1B (p. 20, 2016-19 LCAP) plans an increase of an hour a week in collaborative time in “professional learning activities that focus on a school’s SPSA and/or the district Strategic Plan and related initiatives. Site-level data teams *may* (emphasis added) examine student work, analyze school/student data, plan and develop curriculum and assessments. Professional learning should also include use of a multi-tiered system of supports. \$4.9 M in S&C is allocated for this additional hour of collaborative time. **We request SCOE require SCUSD to clarify how this service is principally directed towards and effective in meeting its goals for unduplicated students. In addition, we request that SCOE require the language in the LCAP to be changed to reflect the definition of collaborative time in the district’s AB 1200 Disclosure:**

“Collaborative time is time spent in professional learning activities that focus on a school site’s Single Plan for Student Achievement plan and/or the District Strategic Plan and related initiatives. This may be done in department/grade level teams, and/or special populations of certificated unit employees, or as whole-staff activities. Team meetings will focus on improving student achievement through the examination of student work, analyzing student/school data, sharing methodologies, planning and developing curriculum and assessments. This time is intended to be for group collaboration.” SCUSD Board agenda item 11.4, June 16, AB 1200 Disclosures, p. 6 (attachment 7).

2. The district explains in Section 3A. that providing a districtwide salary increase, plus having an hour of collaborative time is part of their strategy to recruit and retain high quality teachers. Almost \$10 million in S&C funding is planned for this expenditure. This planned service/action was added in the most recent draft posted June 12. The factual justifications for this may have been shared in collective bargaining negotiations, but our understanding is that these issues were not presented to either of the parent advisory committees and at least one advisory committee member commented to that point at the June 16 Board meeting. Seeing this in writing for the first time in the draft LCAP when no further parent advisory committee meetings were scheduled makes it very hard for community stakeholders to engage in the plan and how they will hold the district accountable.

To be clear, Public Advocates is not opposed to the District’s proposed use of supplemental and concentration funds to increase salaries for the teachers in Sacramento City USD if the district can properly justify that use. Indeed, we support District efforts to take steps to recruit and retain quality teachers. However, the district has not identified how this service is principally

directed towards, and effective in, meeting the district's goals for its high-need students. Indeed, parents in both advisory committees expressed concern that the actions/services described to be occurring in school sites was actually occurring.

We appreciate that the district added to Identified Needs in Goal 1 “restructure professional learning for teachers and principals to include analysis of data, stabilize the teaching force, particularly in schools with high numbers of unduplicated students.” In the same way that SCUSD is tracking student performance, it should also track whether it is improving its recruitment and retention, at least in part on its impact on its reliance on underprepared teachers (interns, short-term subs, waived) and its impact on the achievement of unduplicated students.³

3. Academic Counselors. Action 1.1 H (p. 25, 2016-19 LCAP) plans to hire new counselors with almost \$6 M in S&C funding. Both Parent Advisory Committees recommended academic counselors that could meet the needs of unduplicated students, including bilingual counselors. While the high ratio of students to counselors is a problem, hiring more counselors by itself will not meet the needs of unduplicated students and their families if they do not have the skills, training or background to work with the diversity reflected in SCUSD, a concern raised in both Parent Advisory Committees (PACs). Requests by both parent advisory committees for measuring the ratios of counselors to students (and bilingual aides to students) reflect this concern. **We request that SCOE require the district to include measurable outcomes in addition to counselor to student ratios that measure the district's progress in meeting the needs of unduplicated students and their families such as those noted: closing the information gap about post-secondary and financial aid opportunities, course requirements and prerequisites, etc. This will make more transparent the district's justification for this service as an increase/improvement that is effective in meeting its goals for its unduplicated students.**

4. Matriculation and Orientation Center. Action 3.2 A (p. 75) plans to maintain the translators at the district's Matriculation and Orientation Center (MOC) as its main effort to communicate with limited-English proficient families. Comments by community stakeholders indicate that many families are not aware of the resources that the MOC provides and that school sites are not using this service. The English Learner Advisory Committee commented on this and the fact that the MOC staff needed cultural competency training. The Superintendent's response to the recommendation by the English Learner PAC for training of MOC staff in cultural competency is that the Equity office will include this training and the information that MOC services are contracted through school sites. It is not in the LCAP. **We request that SCOE require SCUSD to include it in the LCAP and work with community stakeholders to identify ways it will measure progress in the use of the MOC to meet the needs of its limited-English proficient families.**

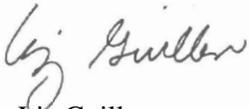
³ SCUSD has consistently filed Declarations of Need with the Commission on Teacher Credentialing since at least 2011 declaring that there are insufficient teachers in the workforce to hire to meet its needs and therefore needs 50 teachers without proper credentials or authorizations. A later item on the June 16 Board agenda was the Declaration of Need for more than double that amount. Item 11.3 Approve the Declaration of Need for Fully Qualified Educators for the 2016-2017 School Year, available at http://www.scusd.edu/sites/main/files/file-attachments/11.3_8.pdf. Considering the entire state is experiencing a teacher shortage, it will be important for parents and other stakeholders to understand how this plan is actually meeting the district's goals for its unduplicated students.

5. School Site Actions/Services. SCUSD plans close to \$10 M in S&C spending at school sites. There is a great deal of reliance in the LCAP on school sites being provided S&C funds and being responsible for the planning and use of these resources. However, parents in the English learner advisory committee raised concerns that LCAP expenditures at school sites are not being seen or experienced. There are many other actions where school sites are being allocated S&C funding but there is no support or capacity building to school site staff or families in the LCAP. It is noteworthy that the additional hour of teacher collaborative time paid for with S&C funding is also a site-level activity, and it raises the same concerns expressed by community stakeholders: **how will these actions/services be principally directed towards, and effective in, meeting the district's goals for its unduplicated students?**

Each year since LCFF was enacted, SCUSD has allocated S&C funding directly to school sites. Community stakeholders have reviewed school site budget documents that were provided by the district and have testified in Board meetings and Board budget committees that these school site funds were not fully expended after each year. There was no disagreement on that point from district staff. **We request that SCOE require SCUSD to identify the amounts of S&C funding that school sites did not spend in 2014-15 and 2015-16 and carry them over to 2016-17 as S&C funds to build on the estimated \$58.7 M in S&C funding the district receives. In addition, we request that SCOE require SCUSD to engage community stakeholders in developing plans for the use of these funds.**

Thank you for your consideration of these concerns and requests. I look forward to discussing them with you.

Sincerely,



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cc: Superintendent José Banda
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Ms. Alma Lopez, Sacramento ACT
Mr. Carl Pinkston, Black Parallel School Board
Mr. Jonathan Tran, Hmong Innovating Politics
Ms. Theresa Hernandez, SCUSD LCAP English Learner Parent Advisory Committee
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