

#LCFF10YEARS
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TAKING STOCK OF
CALIFORNIA'S MARCH TO EQUITY

The Local Control Funding Formula at 10



Wednesday, December 6

Get Connected

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Wi-fi network: Kimptonguest
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Join the conversation

- Submit questions using the QR code or by visiting bit.ly/lcff-questions
- On Twitter
 - #LCFF10Years
 - @LPI_Learning



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The Local Control Funding Formula at 10



Wednesday, December 6

Welcome & Agenda

Patrick Shields

Executive Director,
Learning Policy Institute



Agenda

- **Panel Discussion:** The Origin of the Local Control Funding Formula
- **Research Presentation:** School Funding Effectiveness
- **Video Interview:** California's Progress Toward Equity
- **Panel Discussion:** Looking Ahead to the Next Decade of LCFF
- Closing Remarks
- Event Reception

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Linda Darling-Hammond

President and CEO,
Learning Policy Institute;
President, California State
Board of Education





LCFF At Ten

Where Have We Been? Where Are We Now? And Where Should We Go?

By 2010, California was...

- One of the lowest-spending states overall and relative to GDP and cost of living
- One of the most unequally resourced and segregated states for students
- 50th in ratios of pupils to teachers, administrators and counselors
- In the bottom 5 states in student achievement on every measure



From 1980s to
early 2000s

- Prison population quadrupled
- Corrections costs increased by 900% and outstripped spending on public higher education
- School expenditures stalled and then declined
- The state paid \$50,000 a year to incarcerate young men it would not spend \$10,000 a year to educate a few years earlier

Test-Based
Accountability
Did Not
Improve
Outcomes:
Why?

State Tests Focused on Low – Level Skills

No Incentives for Enriching Curriculum

Drivers of Achievement Were Invisible

Mandated Solutions Were Often Unhelpful

Focus on Rating Schools & Teachers Ignored:

- Growing Poverty, Homelessness
- Inadequacy and Inequality in School Resources
- The role of State and District policies

And then, it all changed....



California Launched an Entirely Different Path

- New funding plan - LCFF
- New accountability strategy:
 - 8 State Priorities + Dashboard
 - LCAP to guide investments
 - Support rather than sanctions
- New approach to governance
 - More coherent state direction
 - Local decisionmaking
- New standards, curriculum frameworks, and assessments aimed at higher order skills



Multiple Measures: Opportunity to Learn + Outcomes

Student Achievement

- SBAC Test Scores / Gains
- English Proficiency Gains
- Evidence of College & Career Readiness
- Performance Assessments

Other Outcomes

- Completion of a college or career ready pathway
- Completion of a workplace learning or community service experience

Student Engagement

- Attendance
- Dropout rates
- Graduation rates
- Evidence from student surveys

School Climate

- Suspensions, Expulsions
- Student & Professional Supports
(student, teacher, and parent surveys)

Curriculum Access

- Access to curriculum in the core academic subjects, STEM, the arts, and physical education

Basic Services

- Teacher Qualifications
- Access to materials
- Adequate Facilities

Implementation of Common Core

- Access to CCSS instructional practices
- Access to CCSS professional development

Parent Involvement

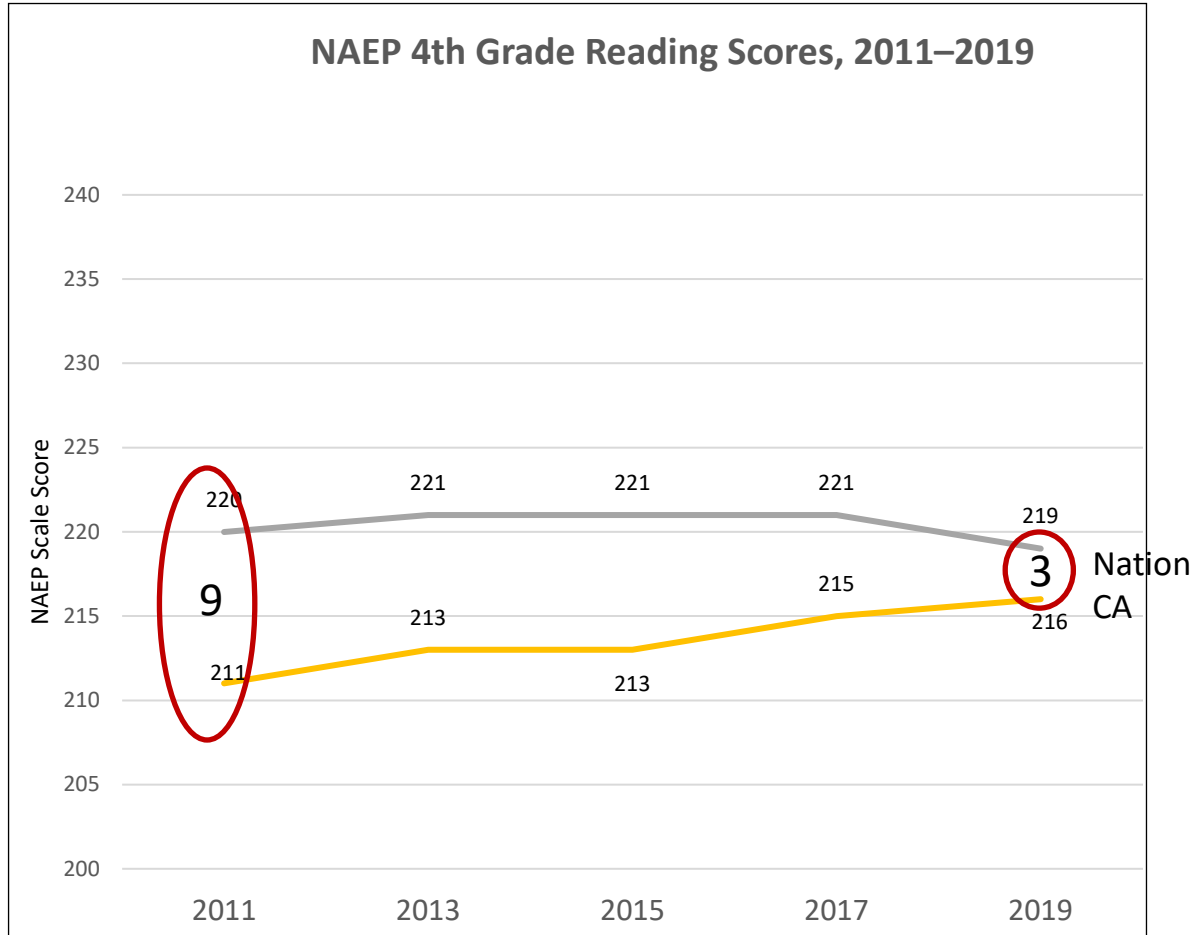
- Efforts to seek parental input
- Evidence of parent participation
(parent surveys)

Since 2010,
California
Graduation
Rate Has
Risen

California Graduation Rate

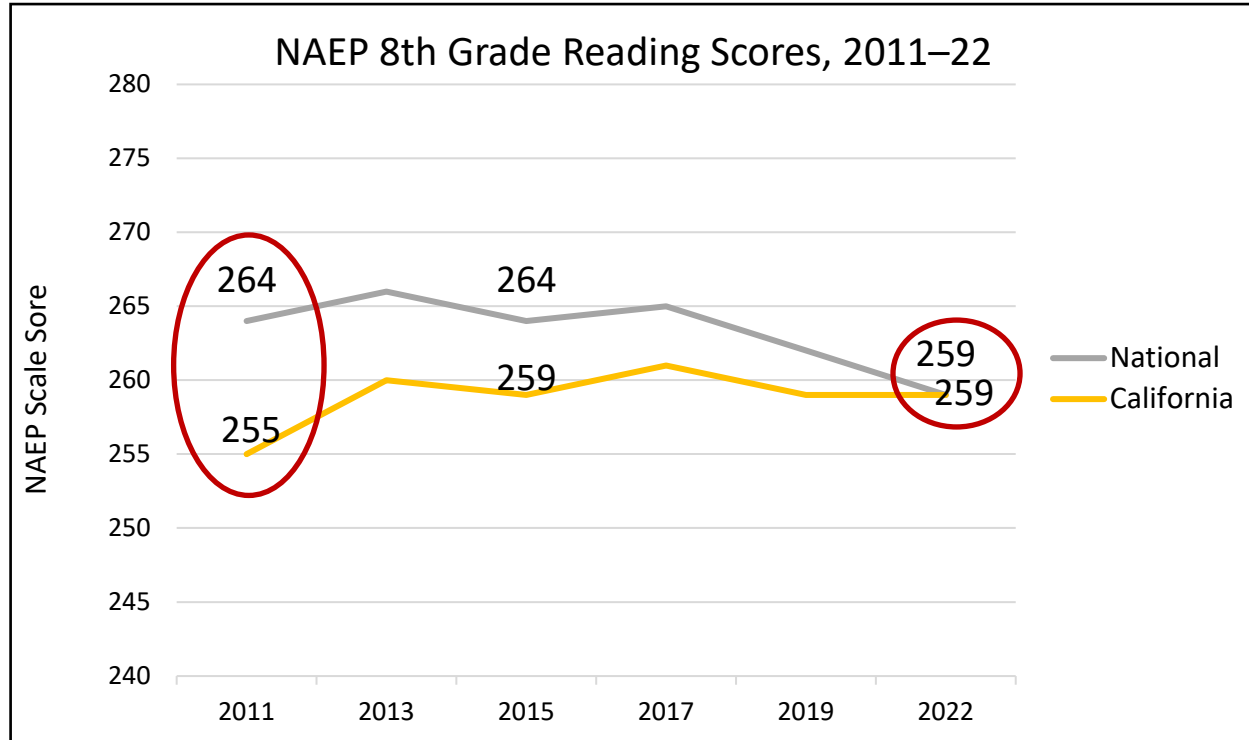


California had among the Largest Gains in 4th Grade Reading from 2011 to 2019



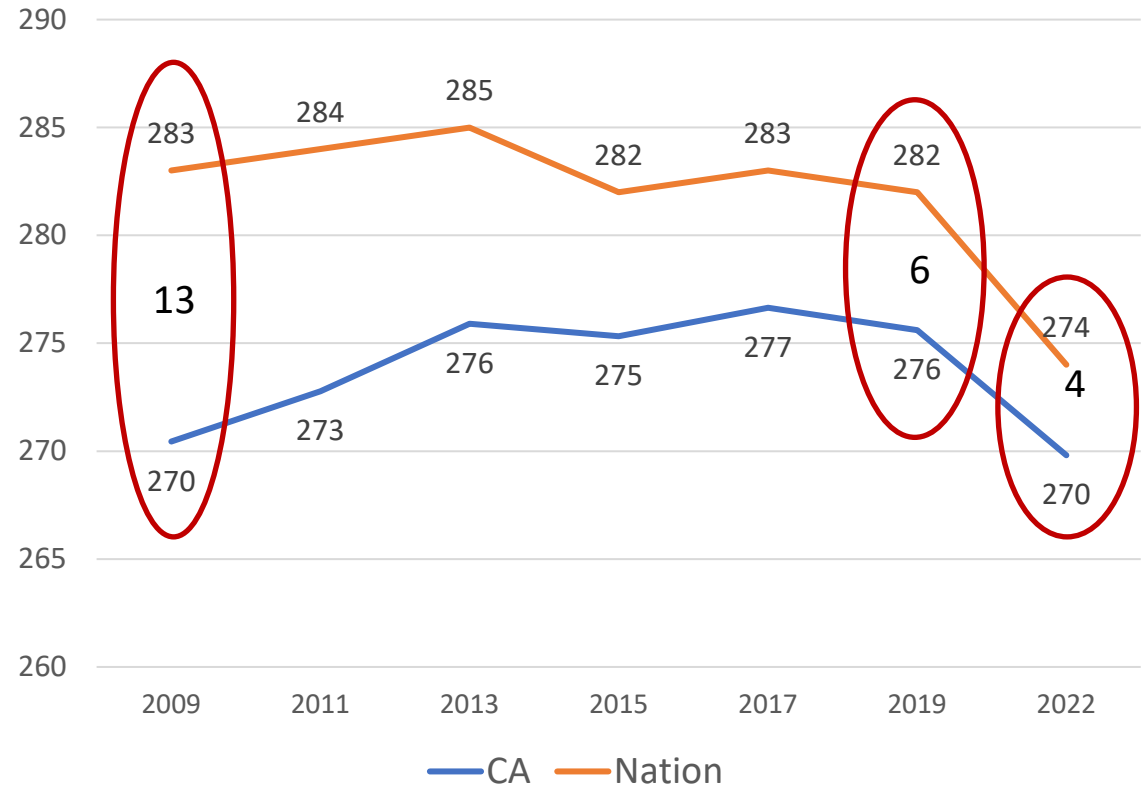
California Has Had the Largest Gains of Any State in 8th Grade Reading from 2011 to 2022

California has had the largest reading gains of any state in the last decade and did not lose ground on national tests during the pandemic, even as students became lower income and more linguistically diverse.



California Also Climbed in Math, but Fell Back, Like Other States, During the Pandemic

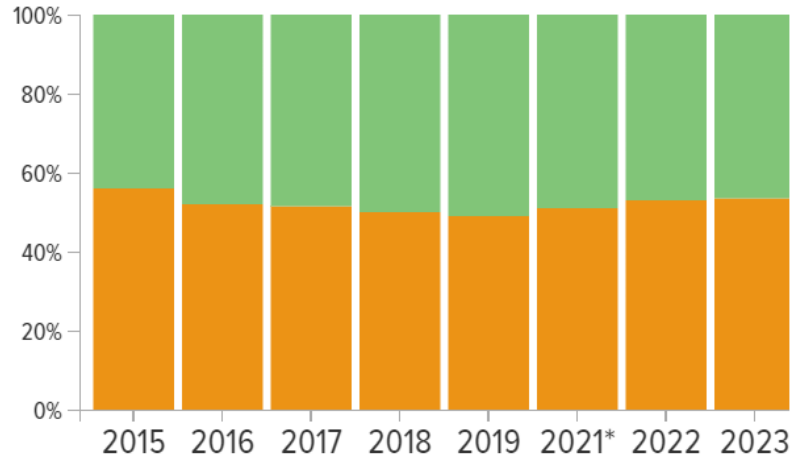
NAEP 8th Grade Math Scores, 2009-2022



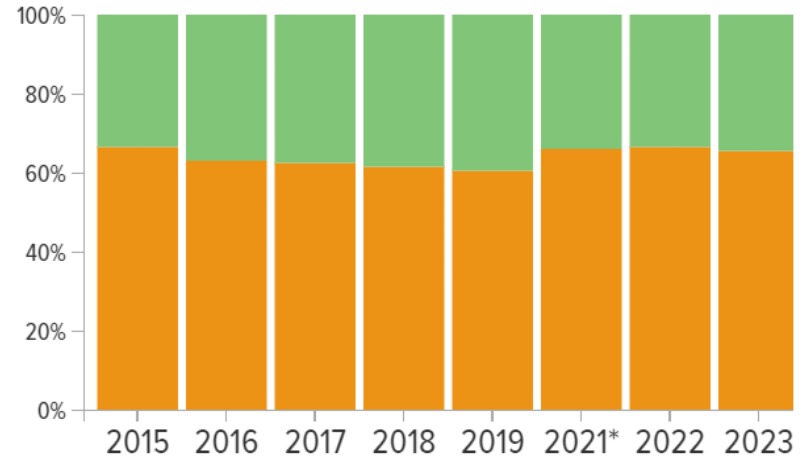
Progress on State Tests Is Just Beginning to Rebound

Standard Not Met or Nearly Met Standard Met or Exceed

ENGLISH LANGUAGE ARTS RESULTS

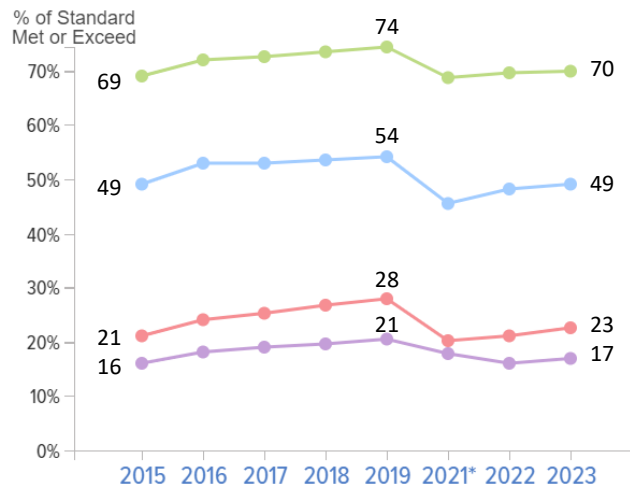
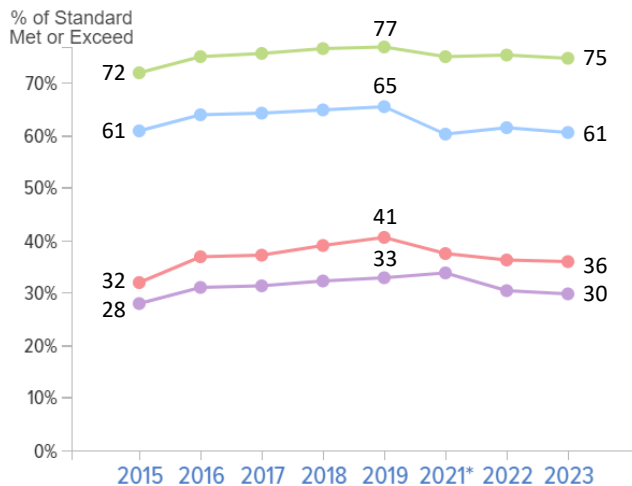


MATH RESULTS



Large Achievement Gaps Remain

ACHIEVEMENT GAP RESULTS: RACIAL/DEMOGRAPHIC BREAKDOWN



There are New and Ongoing Challenges to Be Tackled



- Deepening poverty for children
 - From 60% to 63% between 2022 and 2023
 - Growth in students experiencing homelessness and foster care as well
- Learning recovery needs
- Educator shortages that call for system redesign
- A rapidly changing knowledge economy that demands new skills and deeper learning with implications for curriculum and assessment
- State revenue challenges

How Should We Approach
the Next Ten Years?

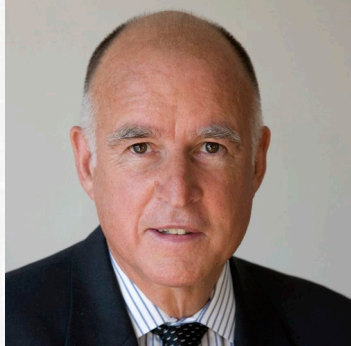


Panel Discussion: The Origin of LCFF



Linda Darling-Hammond
President and CEO,
Learning Policy Institute;
President, California State
Board of Education

Moderator



**Edmund G. (Jerry)
Brown Jr.**
Governor of California,
1975–1983 and
2011–2019



Ana Matosantos
Former Cabinet Secretary
in the Office of Governor
Gavin Newsom; Former
Director, California
Department of Finance



John Affeldt
Managing Attorney,
Public Advocates



Michael Kirst
Former President,
California State
Board of Education

Q & A

You can submit questions two ways:

- ▶ Write your question on an index card, raise your hand, and someone will collect the card
- ▶ Submit questions using the QR code or by visiting bit.ly/lcff-questions



School Funding Effectiveness: Evidence From California's Local Control Funding Formula

Rucker Johnson

Chancellor's Professor
of Public Policy,
University of California,
Berkeley



The Anatomy of School Spending Effectiveness

Taking Stock of California's March to Equity: The Local Control Funding Formula at 10

Rucker C. Johnson, UC-Berkeley & NBER
December 6th, 2023

Grateful for data partnership with California Dept of Education, and generous support from LPI, PACE, William T. Grant Foundation, UC-Berkeley Population Center/NIH, & California Policy Lab

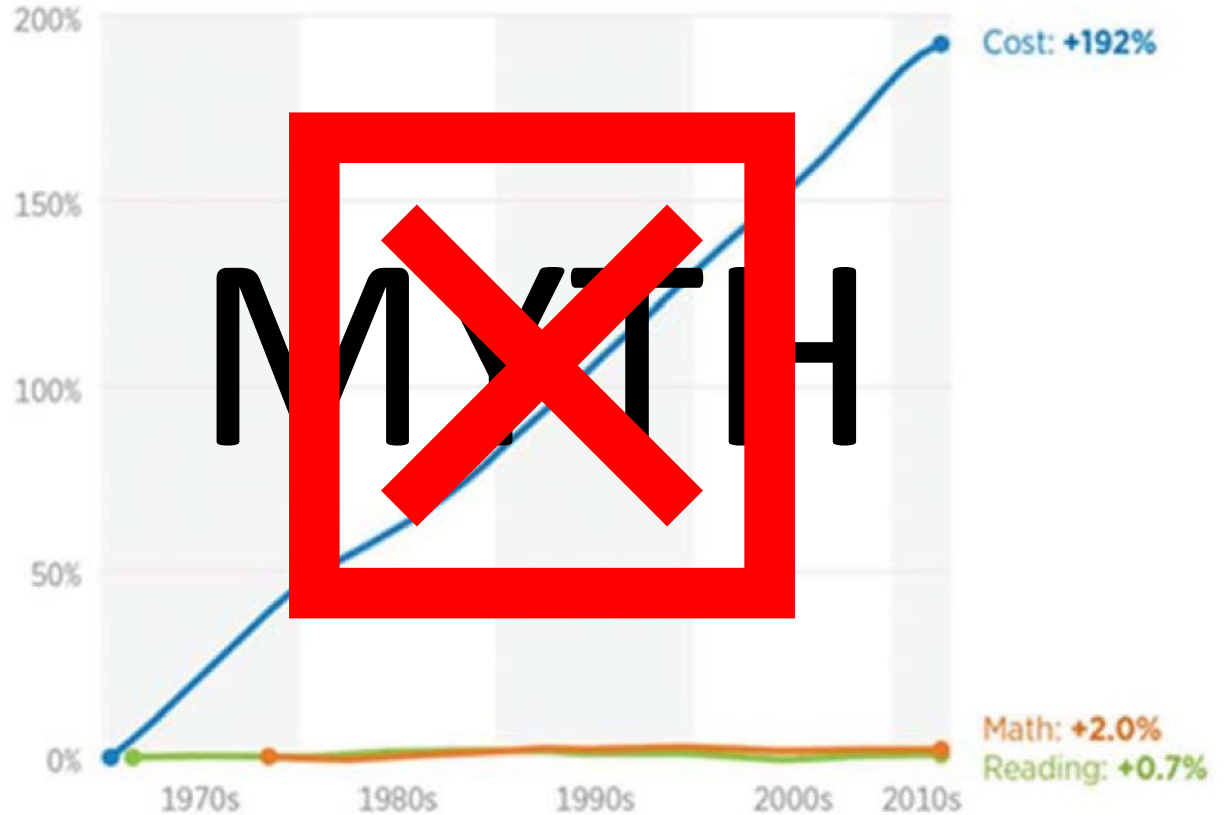
Bring the
impacts of
education

CHART 1

Education Spending vs. Achievement

Since the 1970s, the total education spending on a student from kindergarten through high school graduation rose by 192 percent. Meanwhile, math and reading scores have remained nearly unchanged.

PERCENTAGE CHANGE



Overview

- **Highlights of LCFF**
- **Key Results**
 - Figures showing evolution of LCFF impacts (staggered rollout)
 - Causal impacts of spending (for each grade & subject)
 - Distribution of School-specific Spending Effects
 - Exploring Mechanisms—which school investments matter most?
- **Discussion**

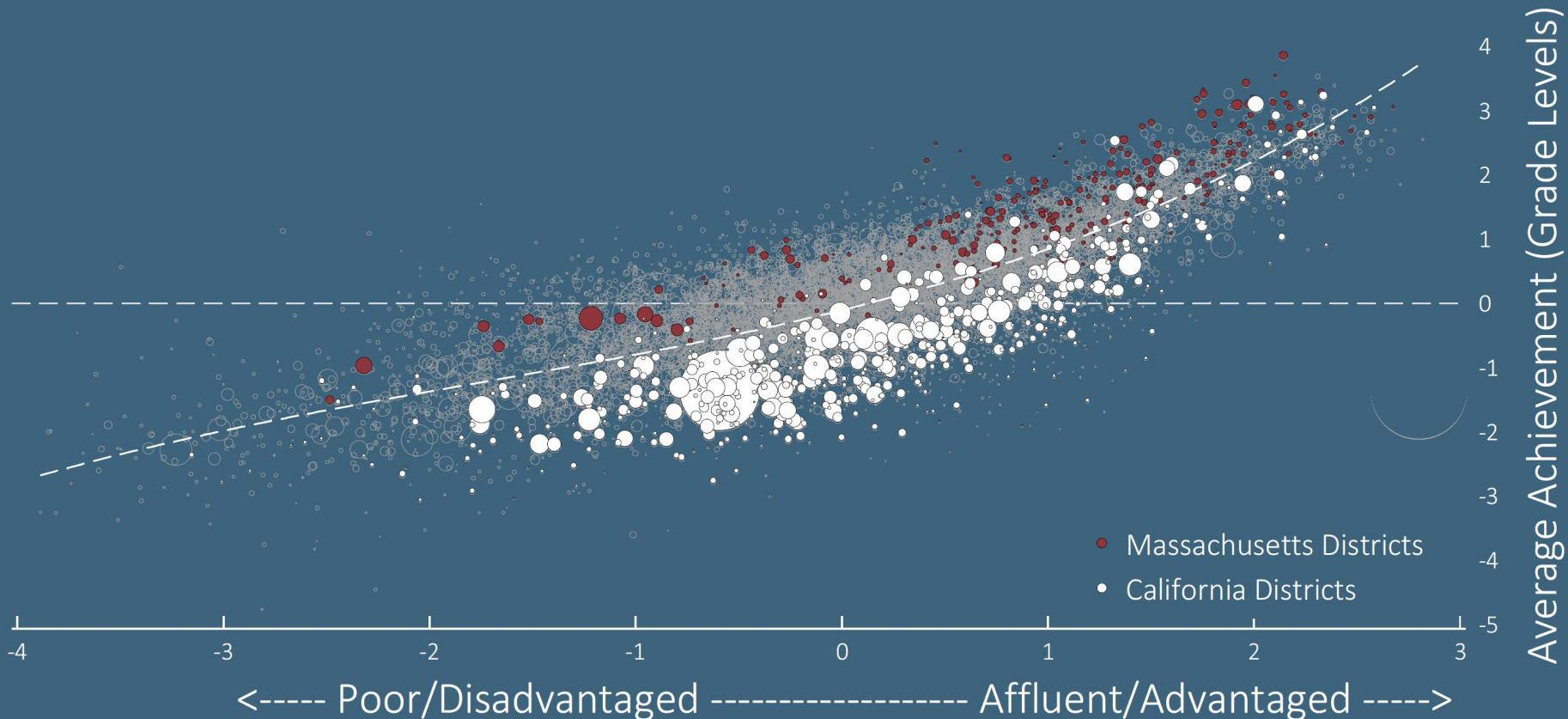
Preview Results

- Positive significant effects of LCFF-induced increases in per-pupil spending for every grade, every subject, & every school that experienced new infusion of state funds
 - Impacts on achievement increased with school-age years of exposure & w/amount of increased LCFF funding
 - Impacts on college readiness & high school graduation rates
 - Significant narrowing of achievement gap
 - Significant reductions in student behavior problems, suspensions/expulsions
 - Positive effects of funding & K-ELS for EL students
 - Synergistic effects of TK & K-4 school spending
 - Large, positive TK impacts for low-income children on 3rd-4th grade reading/math achievement;
 - Smaller TK effects for non-poor children on avg (likely due to greater access to high quality private preK options)

Academic Achievement and Socioeconomic Status

PRE-LCFF

California and Massachusetts School Districts, 2009-2013



CALIFORNIA'S SCHOOL FINANCE REFORM

THE LOCAL CONTROL FUNDING FORMULA

The Local Control Funding Formula

- **Increased state support: \$18B over 8 years**
 - 2013 to 2020
 - Targeted to students: supplemental/concentration
- **Not targeted to district property wealth, but to students**
 - Based on student-level disadvantage
 - Free/Reduced Lunch
 - English Language Learners
 - Homeless
 - Foster

The Local Control Funding Formula

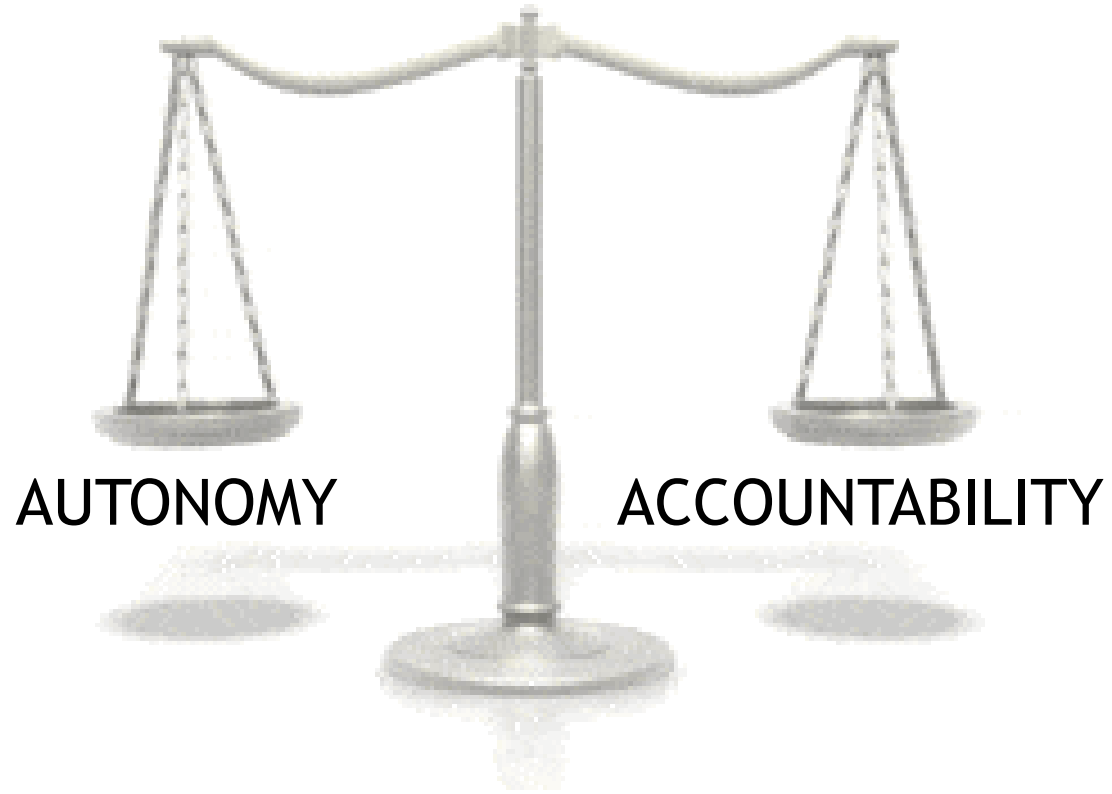
- **Increased state support: \$18B over 8 years**
 - 2013 to 2020
 - Targeted to students: supplemental/concentration

Funding Formula:

1. base grant: \$8,000 per pupil (depending on grade level)
2. supplemental grant: \$1,600 for each “high-need” student
3. concentration grant: \$5,300 per “high-need” student in districts >55% high-need

The Local Control Funding Formula

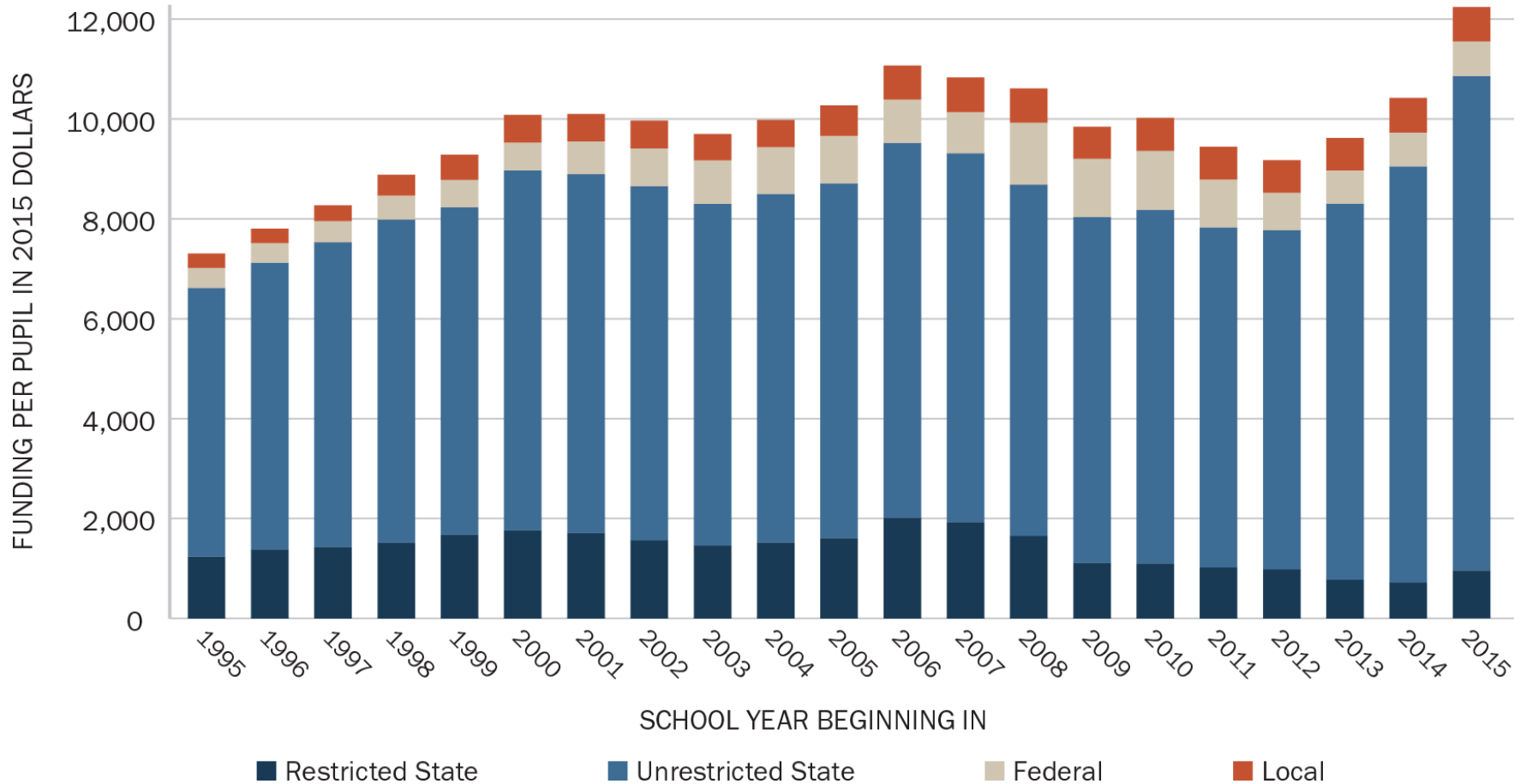
- **Increased state support: \$18B over 8 years**
 - Targeted to students: supplemental/concentration
- **Increased discretion over expenditures**
 - LCFF \$\$ is “unrestricted”
 - LCAPs
 - Reduction in remaining categorical programs



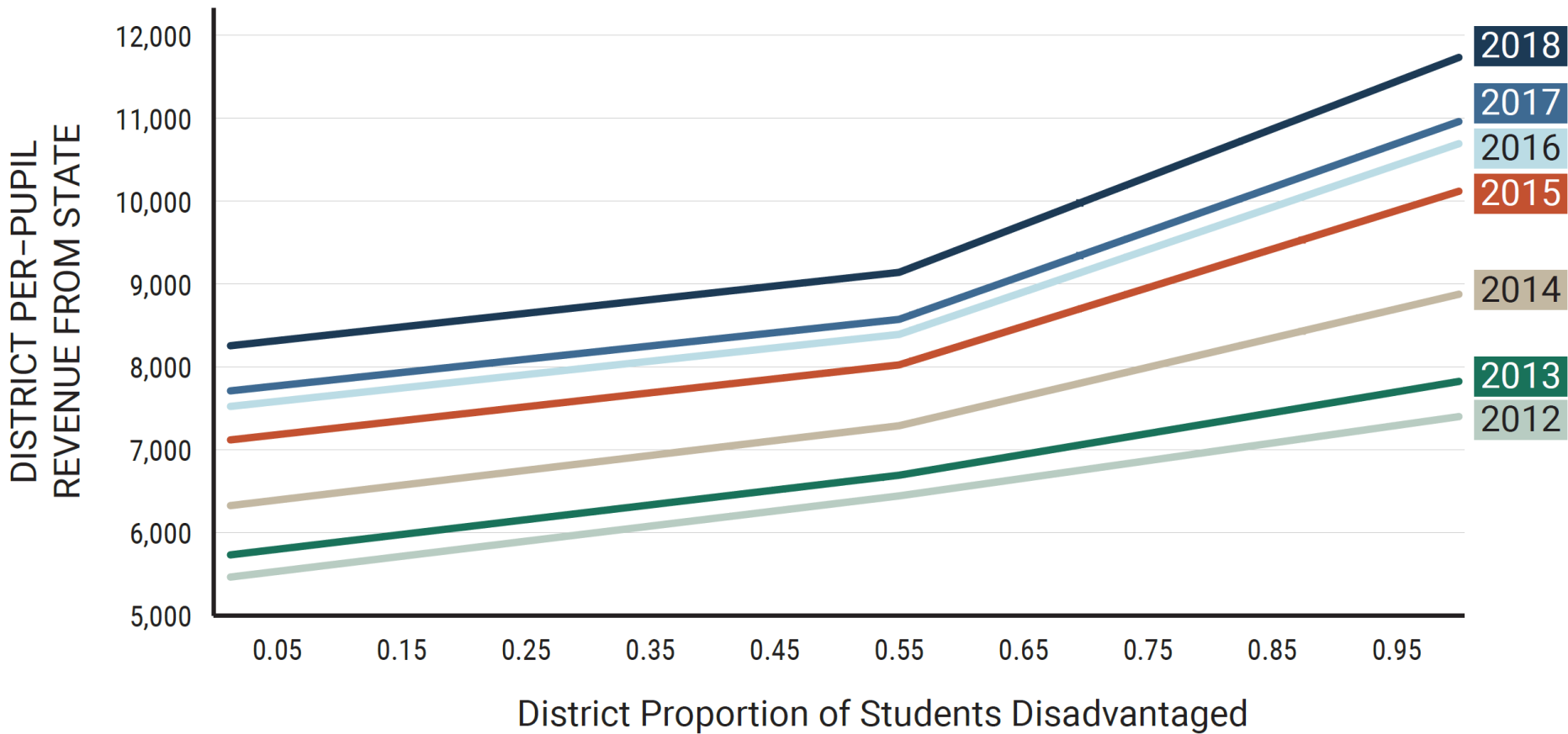
AUTONOMY

ACCOUNTABILITY

Funding Sources by Year



Funding Formula Amounts Before (2012) and During (2013–2018) the Rollout of LCFF



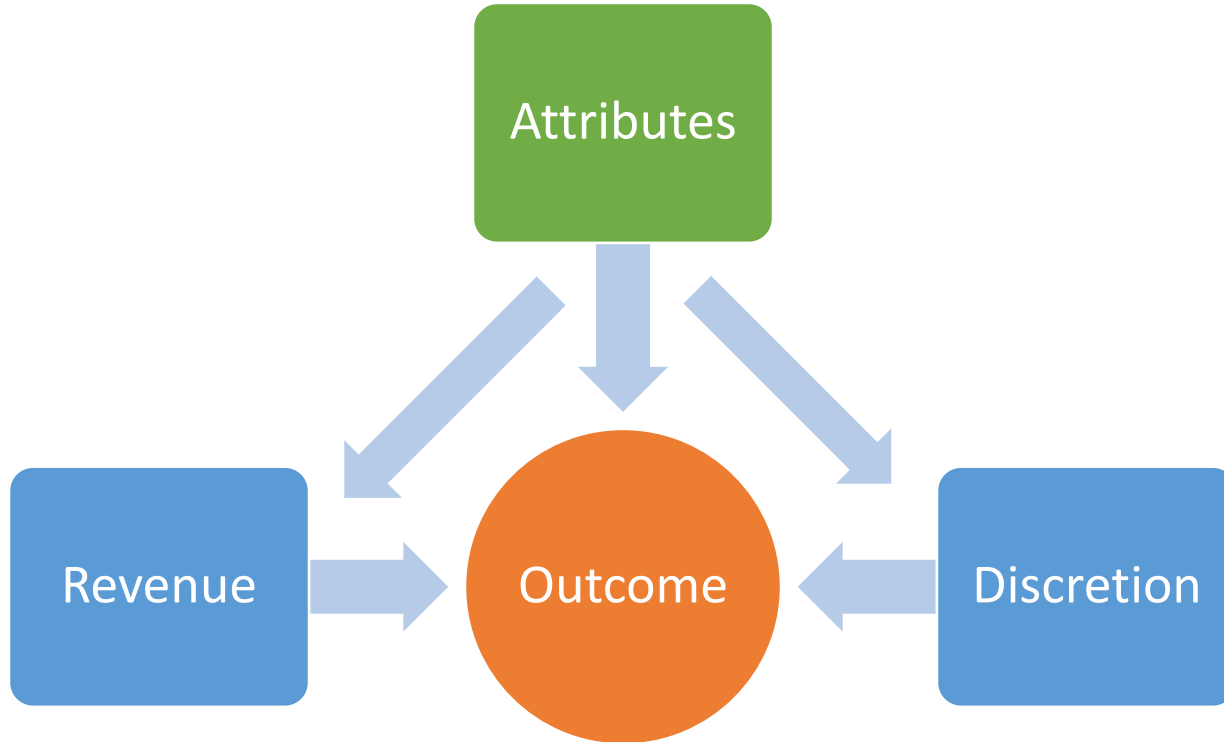
Data

- Universe of CA public school students, annual data 2004-2019
 - 6.2 million students each year K-12 (N=6.2millionx13 Student-year obs!)
 - ~10,000 schools and 1,000 districts
- Finance Data, CA Dept of Education, SACS unaudited data (preK-12, adjusted for inflation in real 2015 dollars), 1995-2019
- Test Score data, CA Dept of Education, student-level student achievement (race/ethnicity, poverty, LEP, gender)
 - Separately by Subject (Math & Reading) & Grade (3rd-8th, 11th grades)
 - NAEP-scale normed (following Reardon et al. (2016))
- High School Graduation Rate Data, CA Dept of Education, student-level
- Matched with LCFF school reform vars
- Student-birthcohort panel data spanning school-age years of cohorts born between 1990-2010

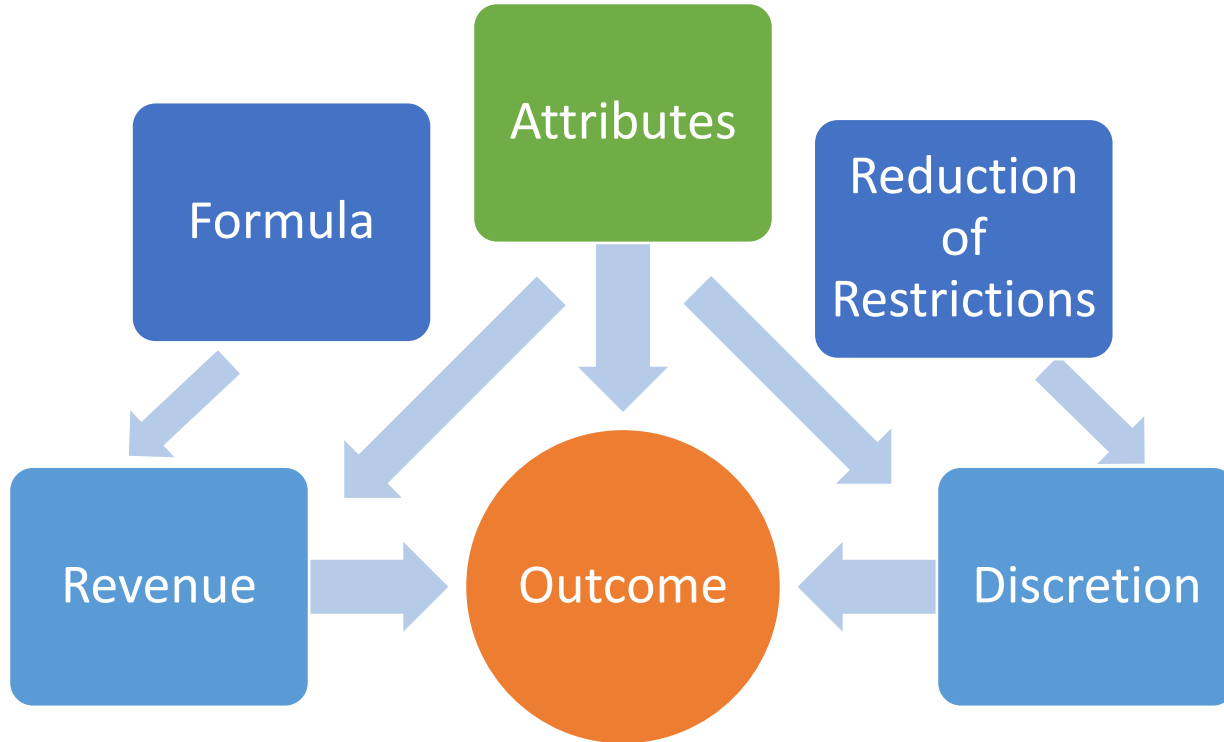
Increased Revenues/Discretion



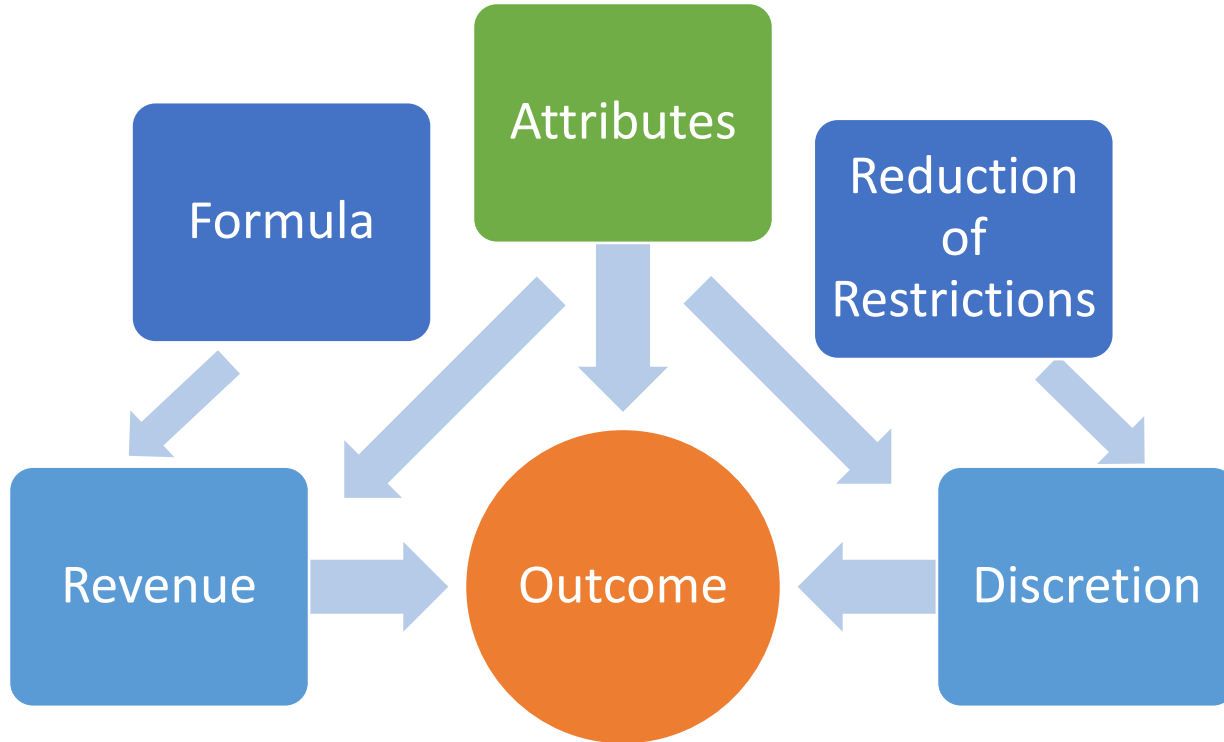
Increased Revenues/Discretion



Increased Revenues/Discretion



Increased Revenues/Discretion



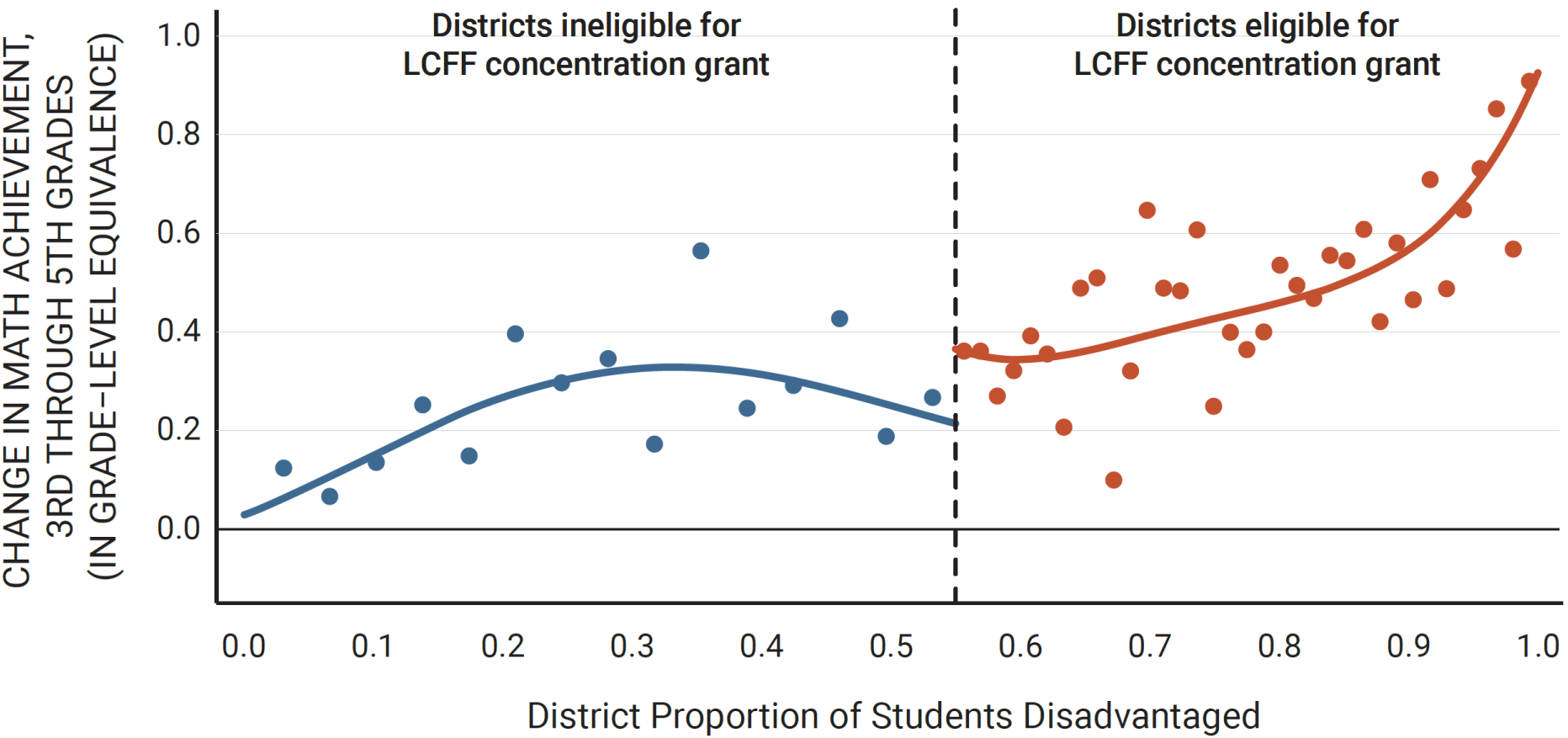
Pathways

School
Funding →
Reform

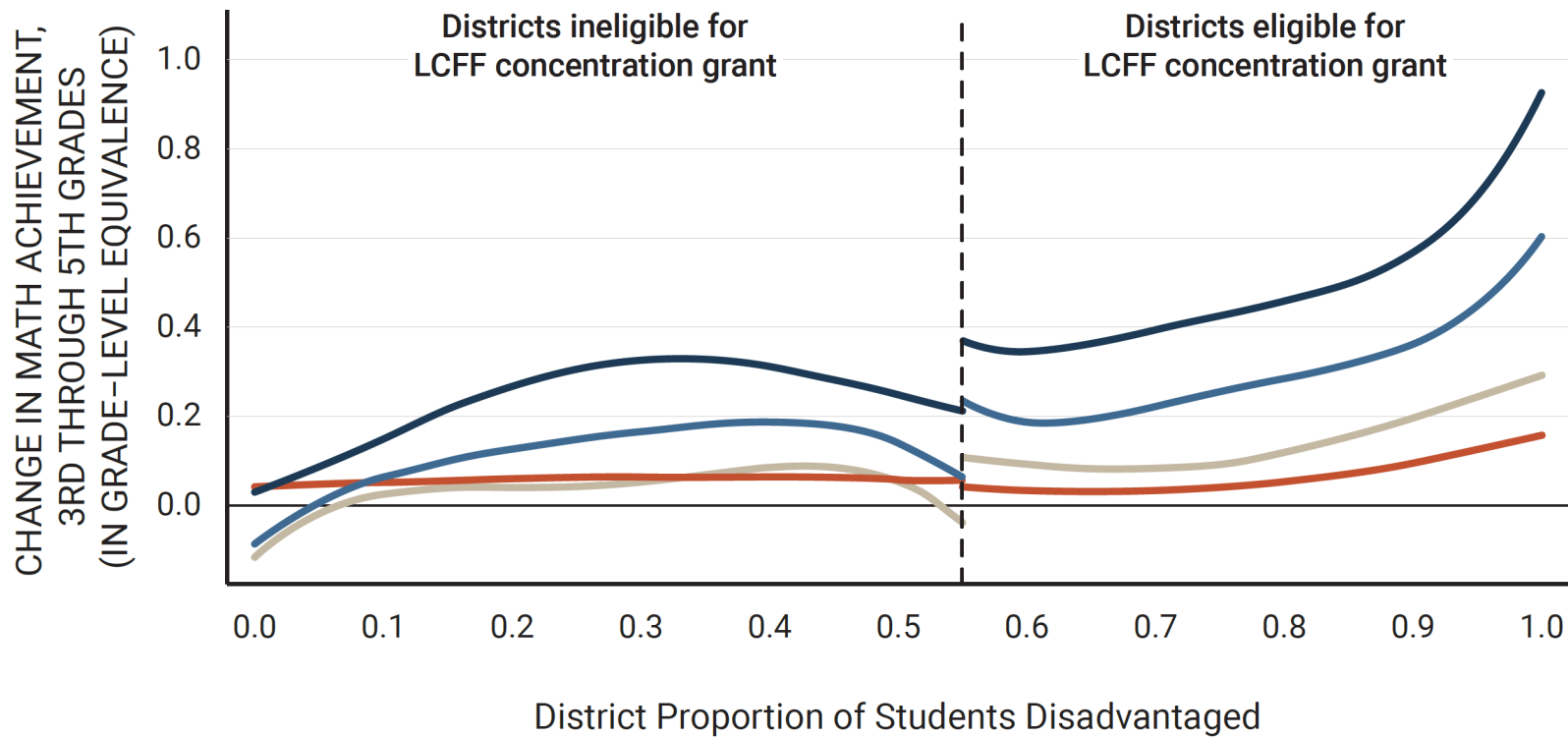
→ Mobility

Class Size
Teacher Salaries
Teacher Turnover
Guidance Counselors
Health Services
Administrative Salaries
Buildings
Teacher Prof

Increase in Math Achievement From 2014 (Before) to 2018 (After) LCFF, Grades 3 Through 5



Increase in Math Achievement Before and After LCFF, by Year, Grades 3 Through 5



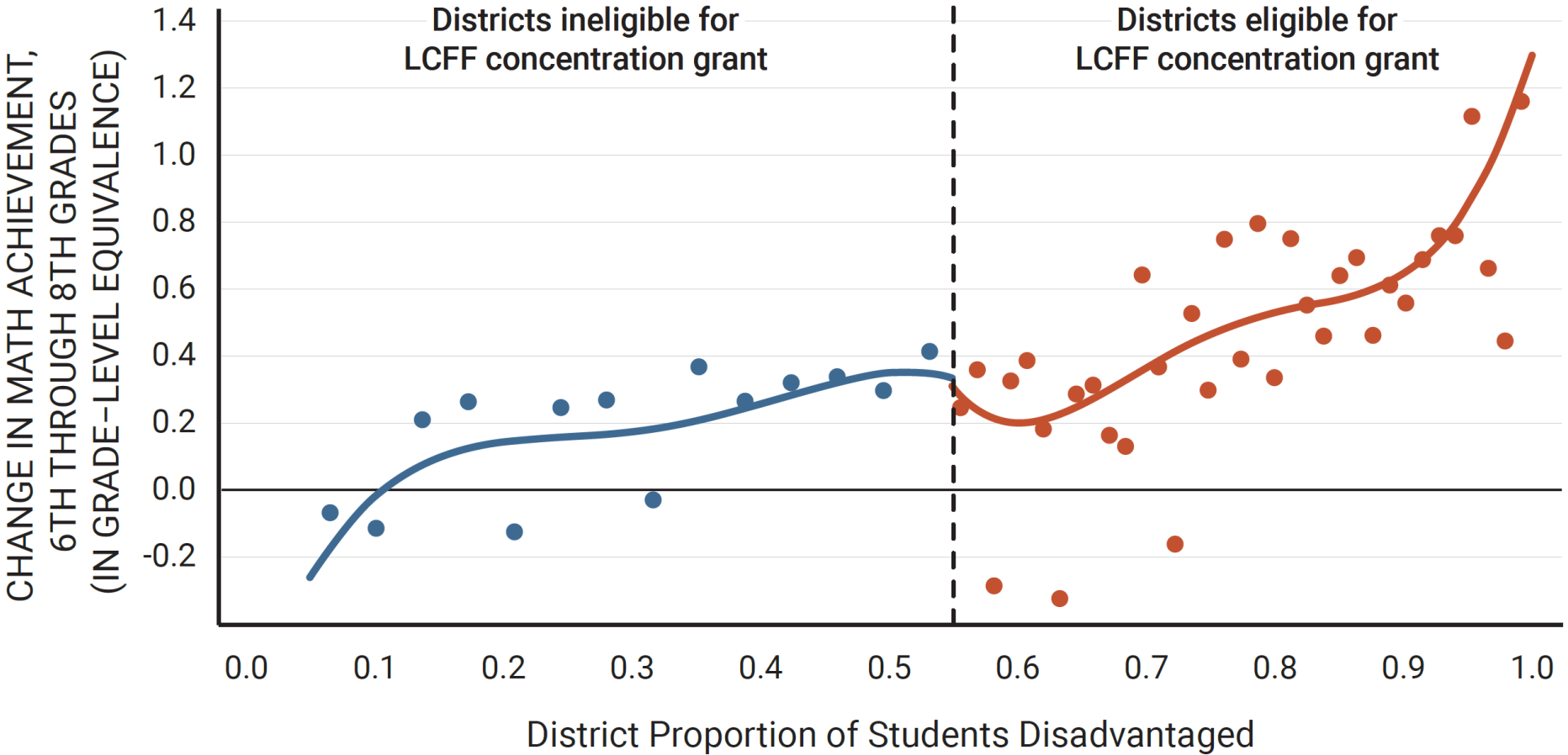
— 2015 (relative to 2014)

— 2016 (relative to 2014)

— 2017 (relative to 2014)

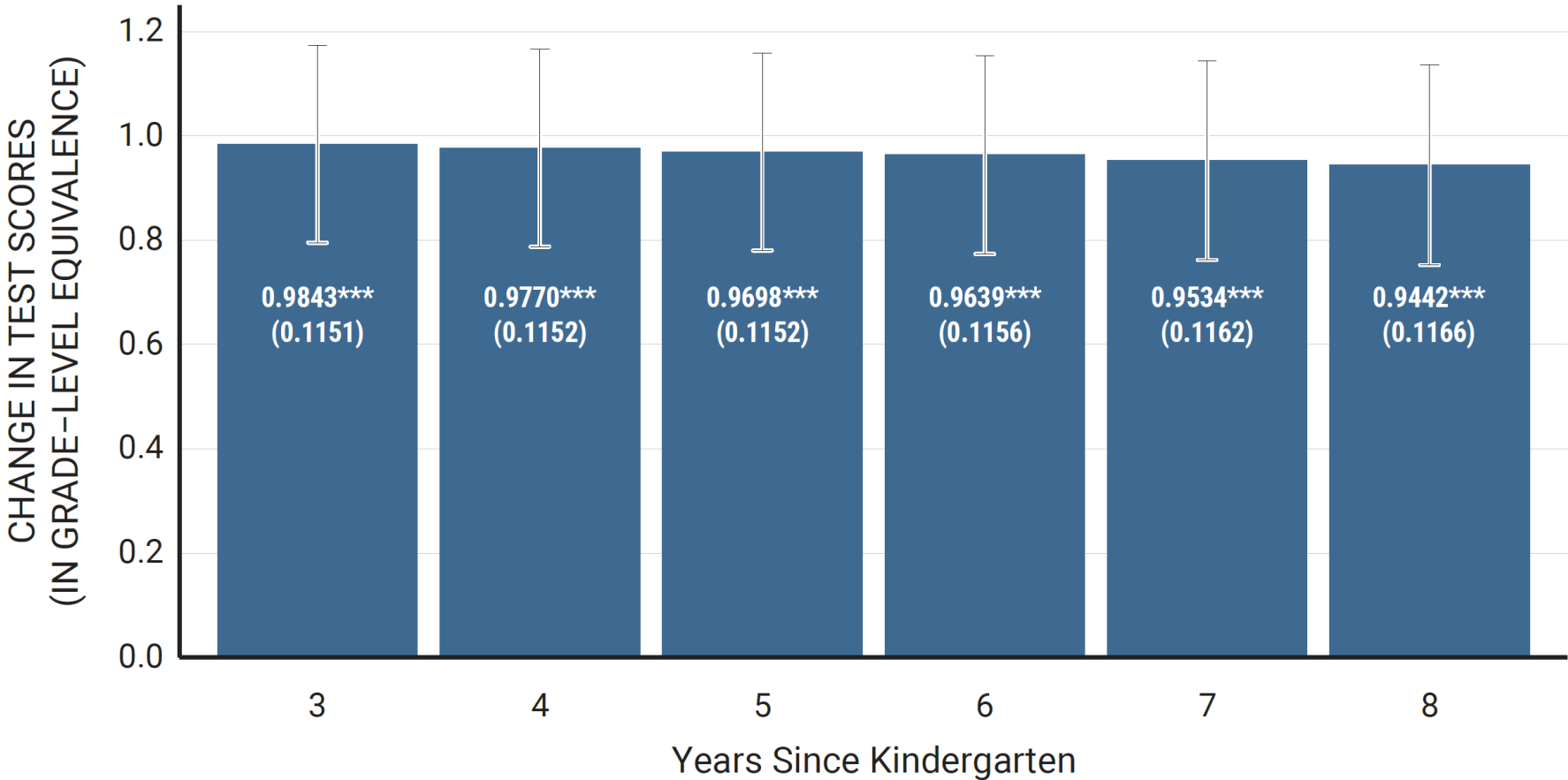
— 2018 (relative to 2014)

Increase in Math Achievement Before and After LCFF, Grades 6 Through 8

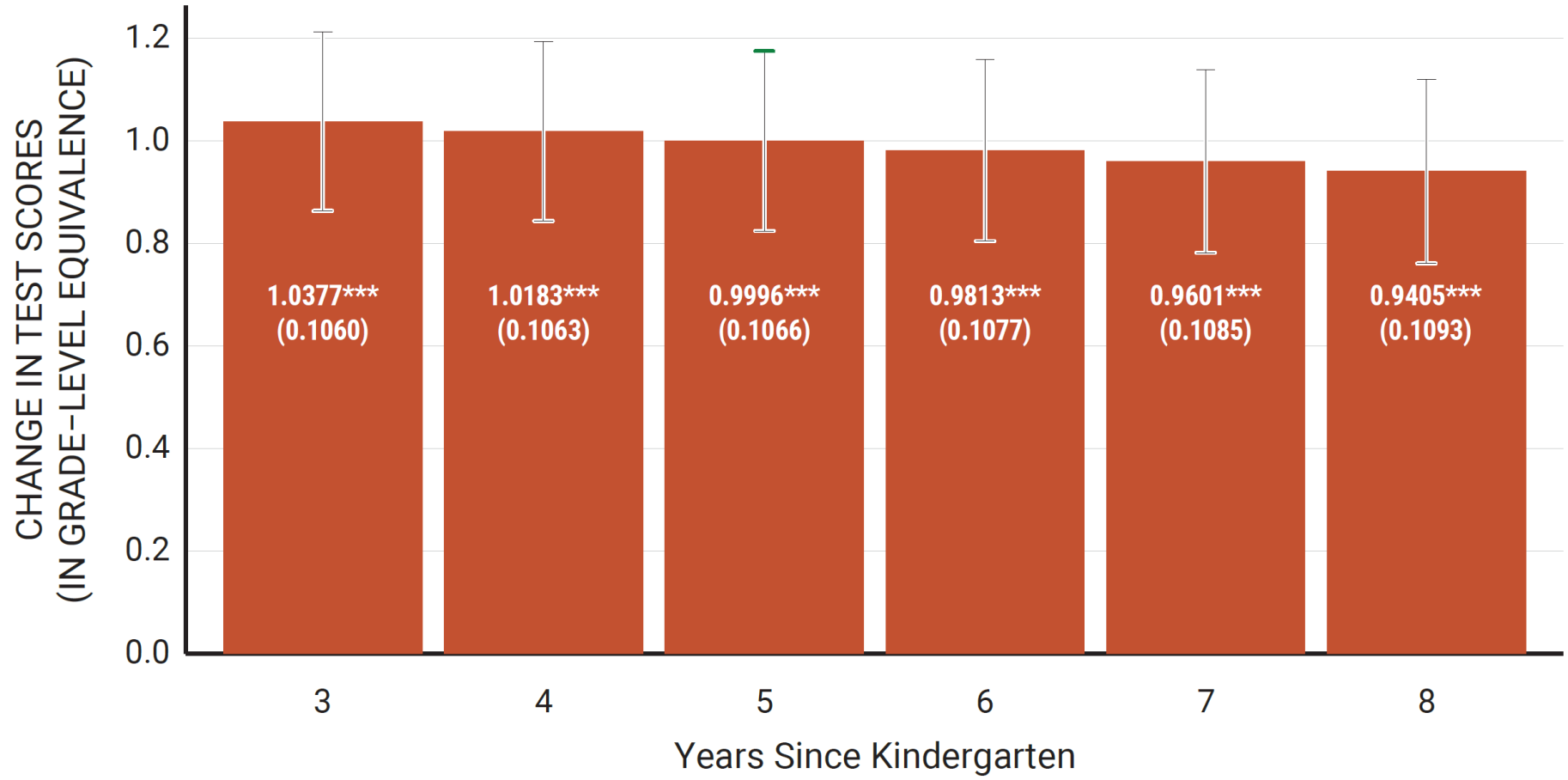


KEY FINDINGS

Estimated Impacts of \$1,000 Increase in Per-Pupil Spending for 3 Years on Math Achievement, All Students

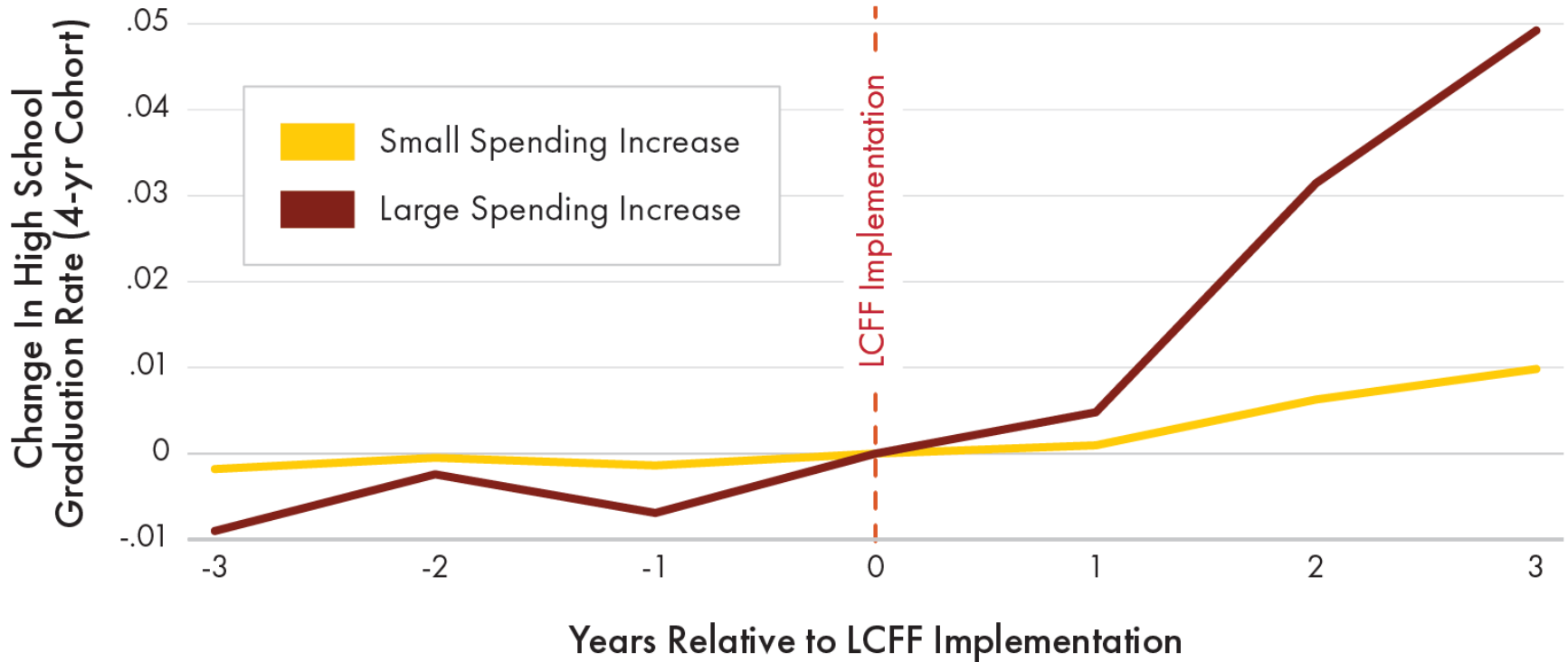


Estimated Impacts of \$1,000 Increase in Per-Pupil Spending for 3 Years on Reading Achievement, All Students

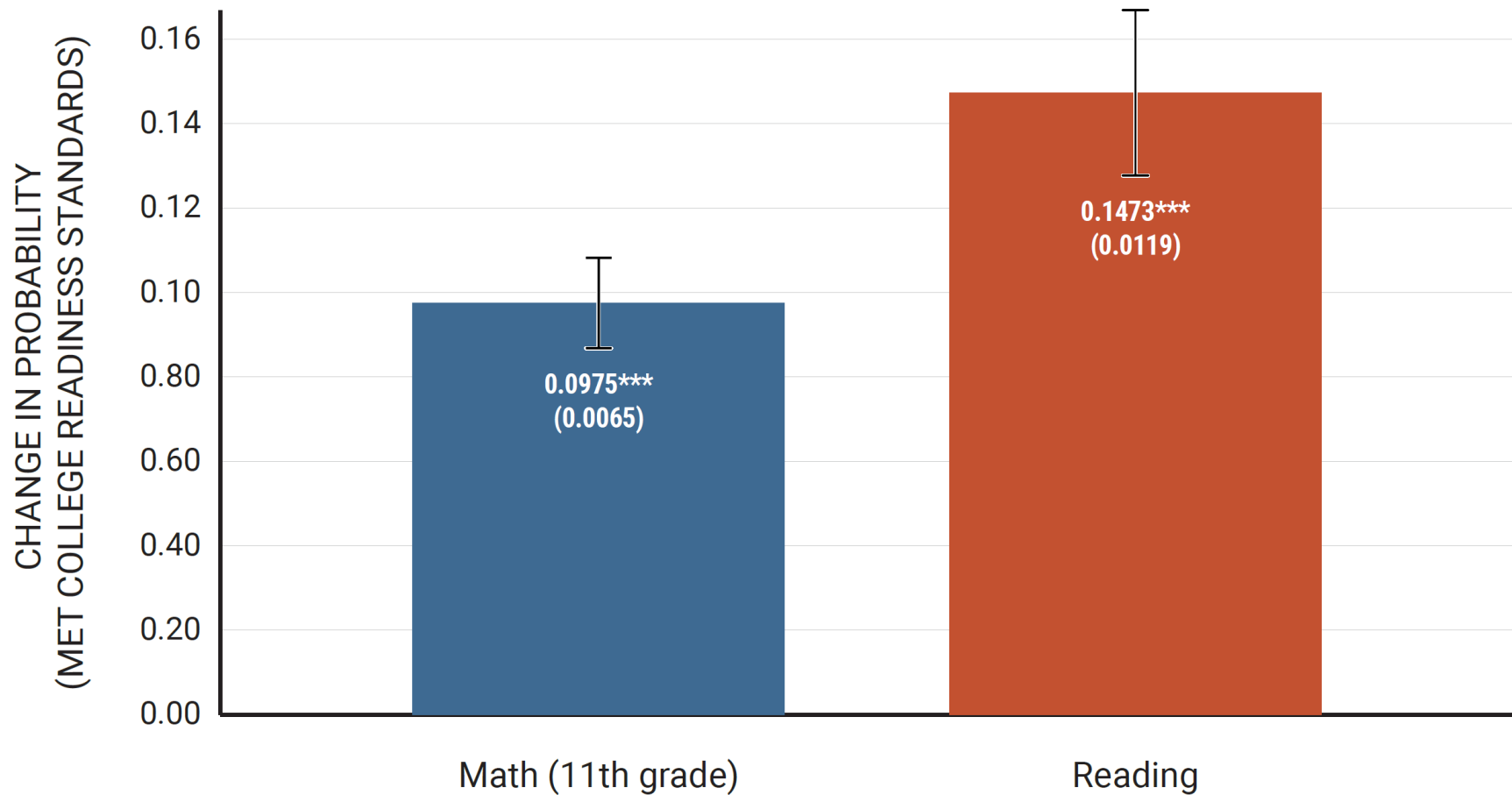


Effects of LCFF on High School Graduation Rate for Children From Low-Income Families

Large (vs. small) SFR-induced spending increase

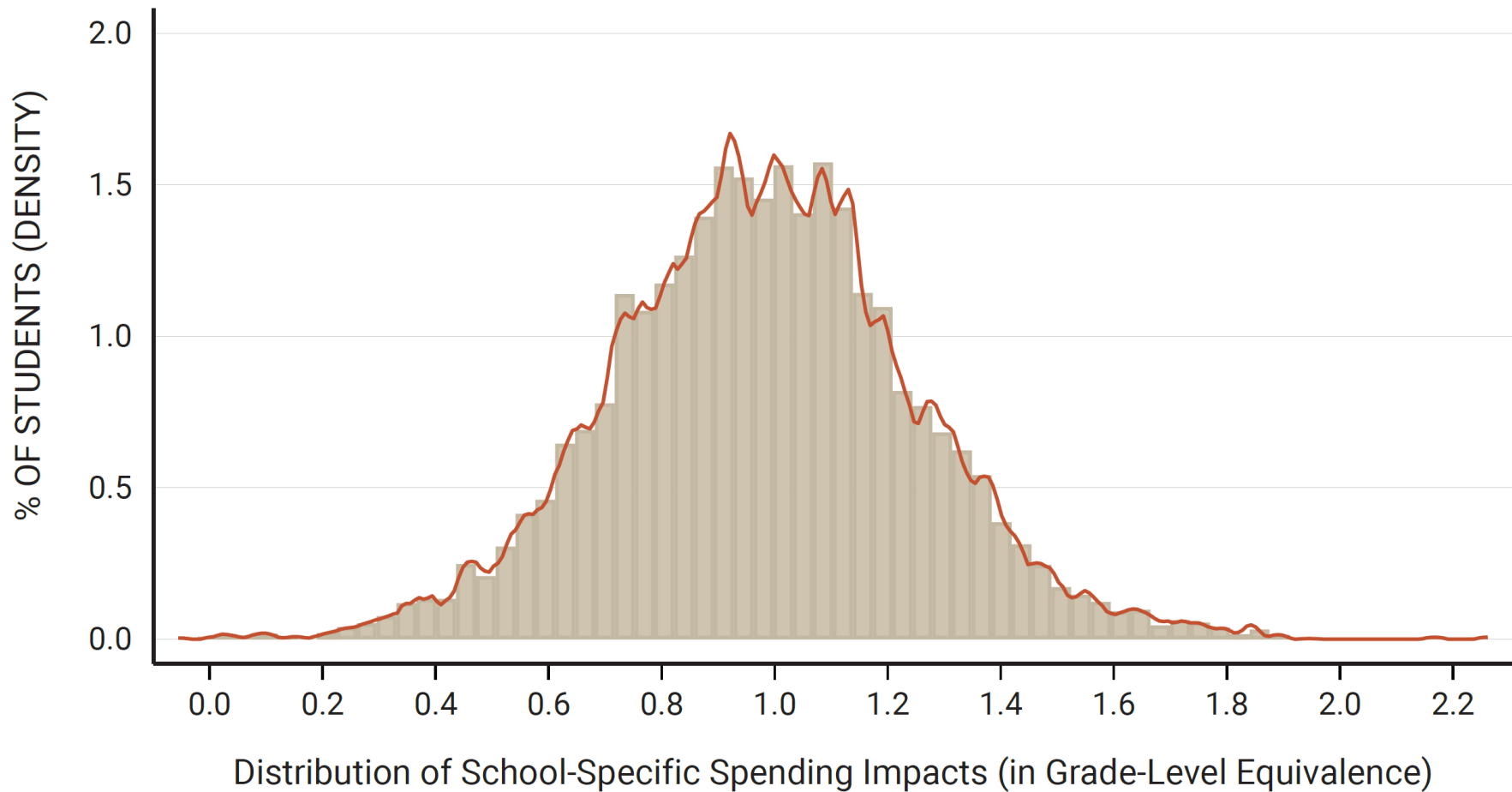


Estimated Impacts of \$1,000 Increase in Per-Pupil Spending for 3 Years (9th–11th Grades) on College Readiness, All Students



**EXPLORING PATHWAYS:
WHICH TYPES OF SPENDING ARE MOST EFFECTIVE IN BOOSTING STUDENT ACHIEVEMENT?**

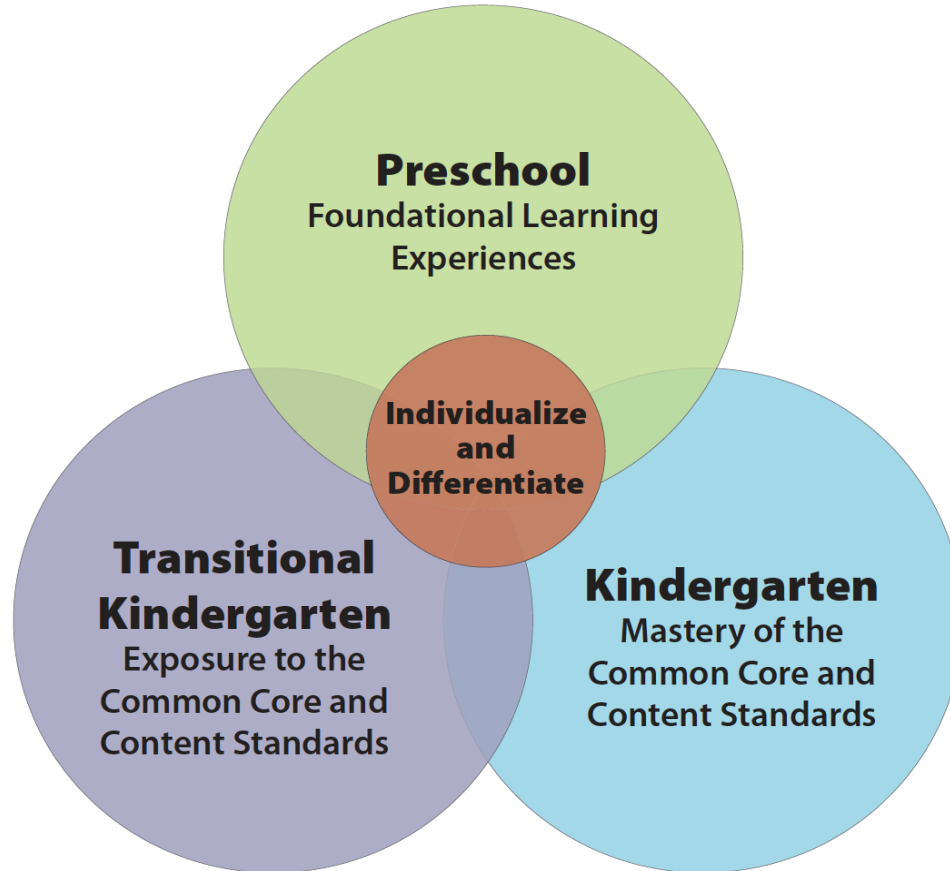
Distribution of School-Level Changes in 6th-Grade Math Achievement From \$1,000 Increase in Per-Pupil Spending for 3 Years



Explained 84-95% of Variation in School Spending Effectiveness

- Class Size
- Teacher Salaries
- Teacher Turnover
- Guidance Counselors/Health services
- Teacher professional development

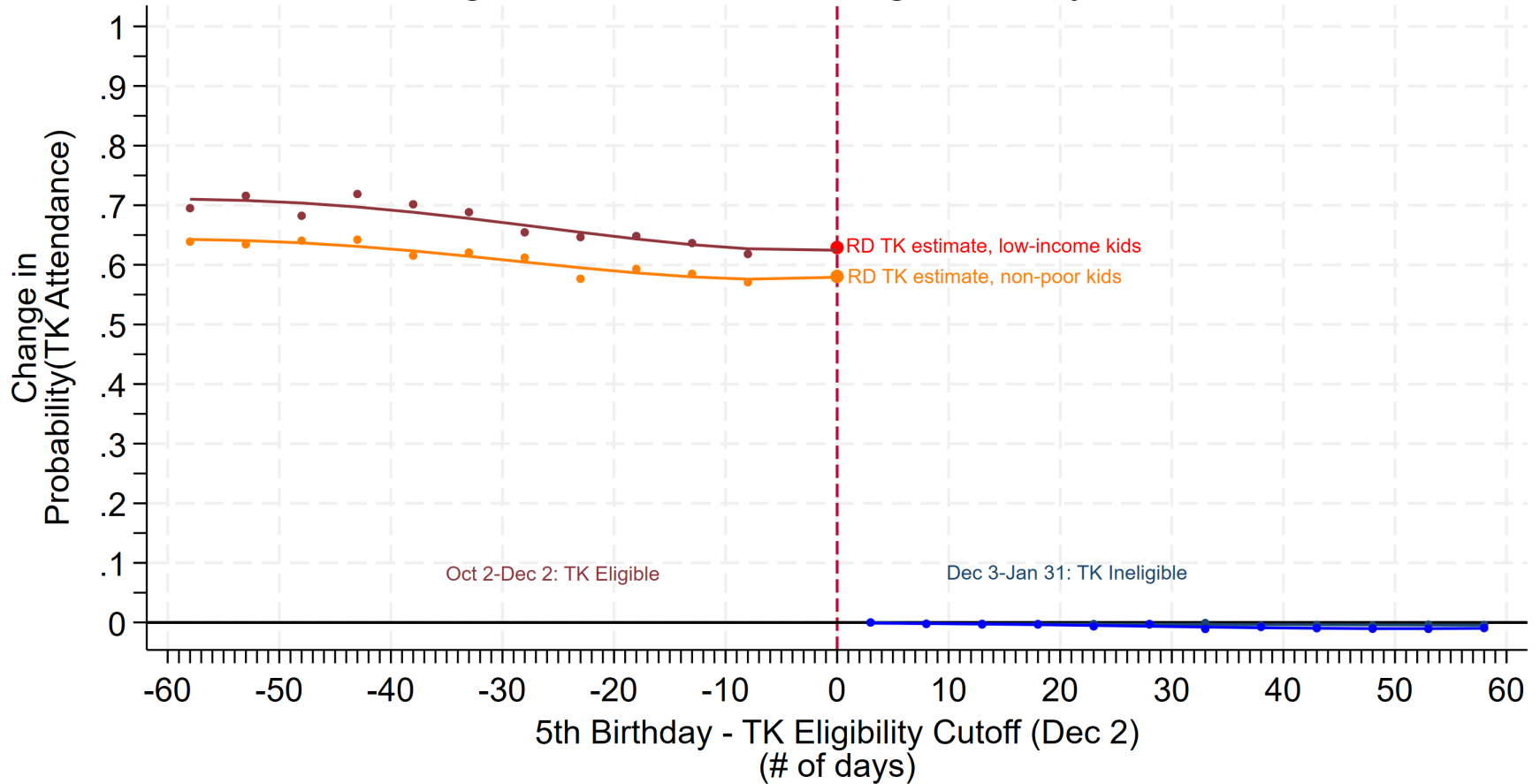
Figure 1: Continuum of Development



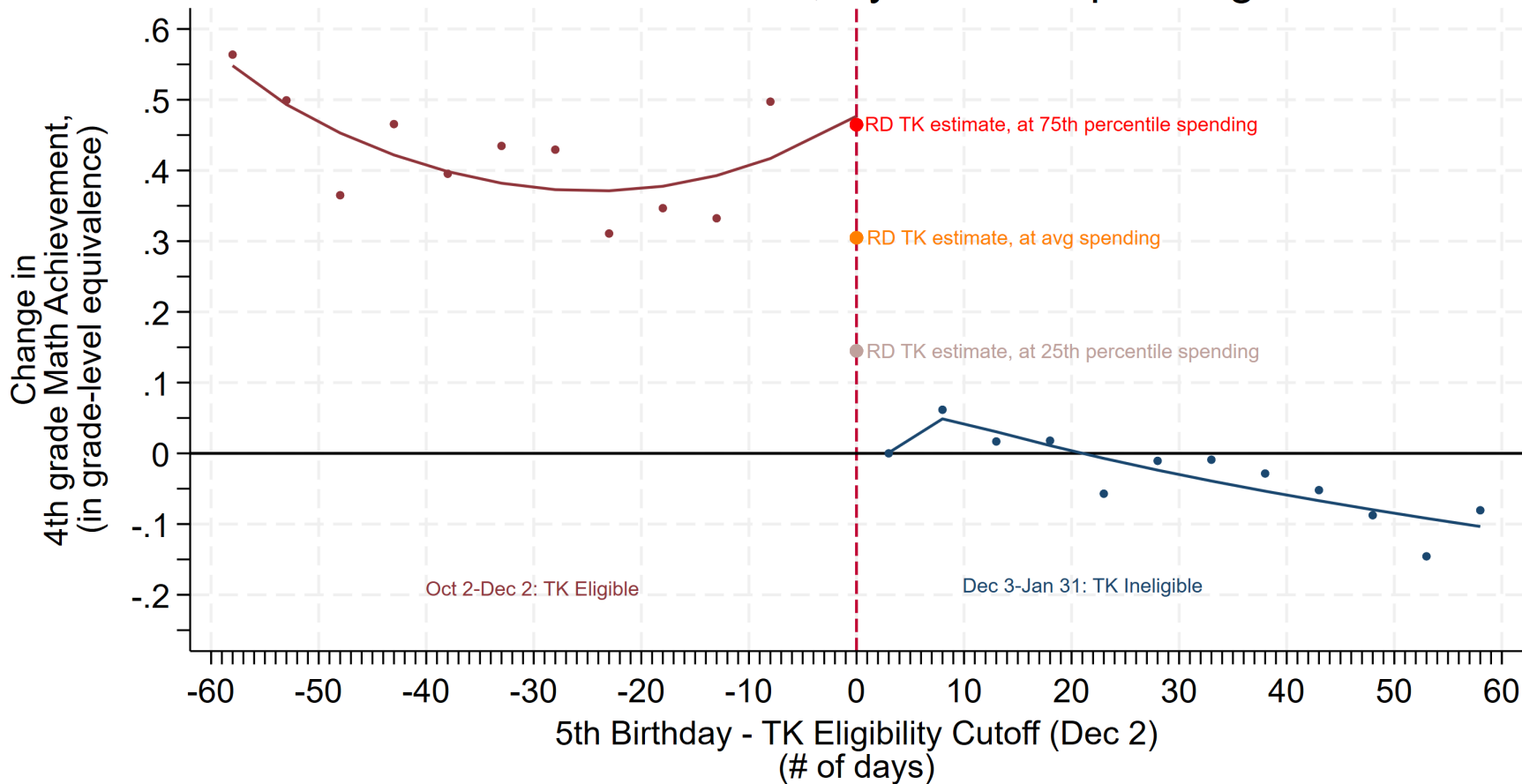
Synergistic Impacts of TK & LCFF

- For low-income children, Transitional Kindergarten magnifies the impacts of LCFF-induced increases in elementary school spending (& vice-versa)

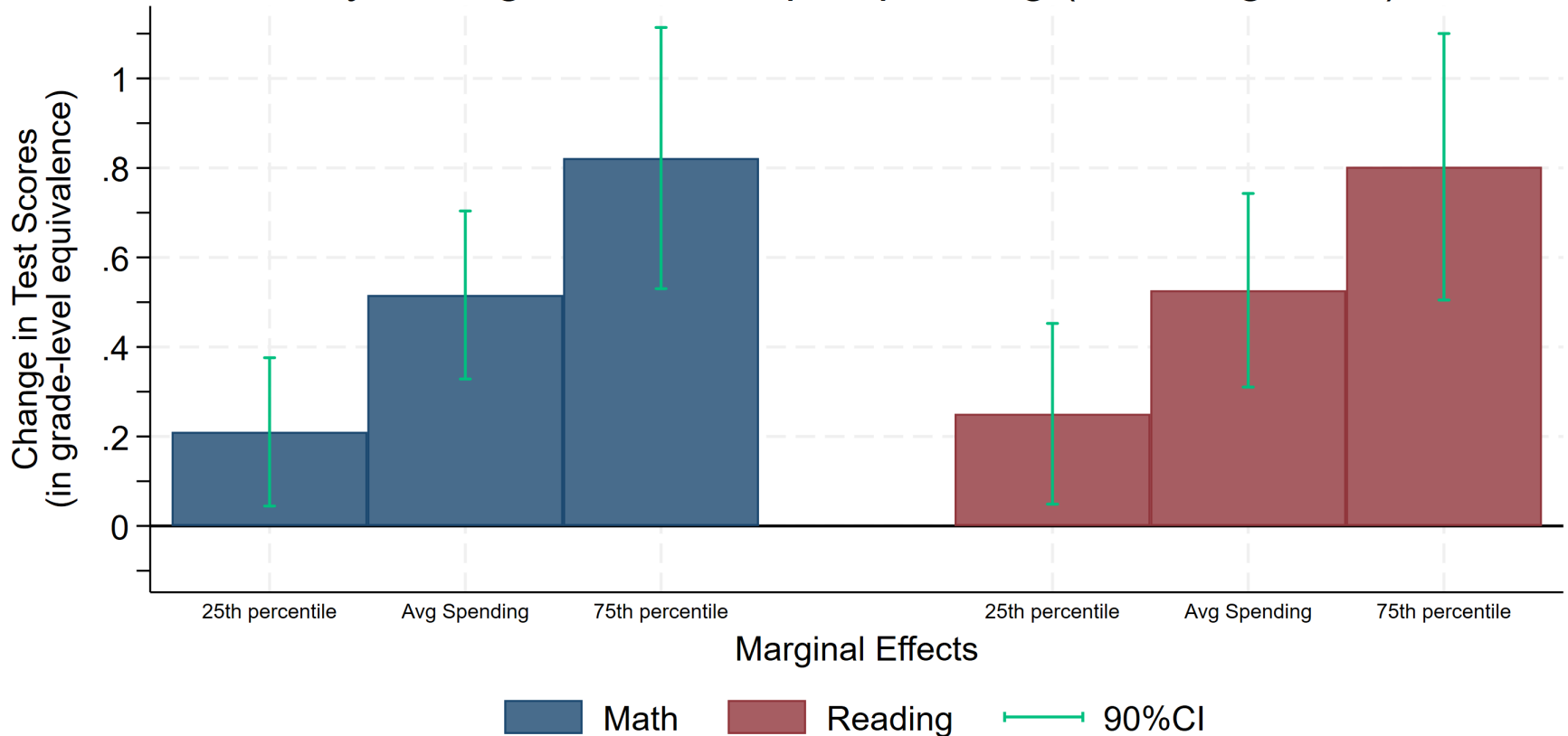
Effect of TK Eligibility on the Likelihood of Attending Transitional Kindergarten, by Parental SES



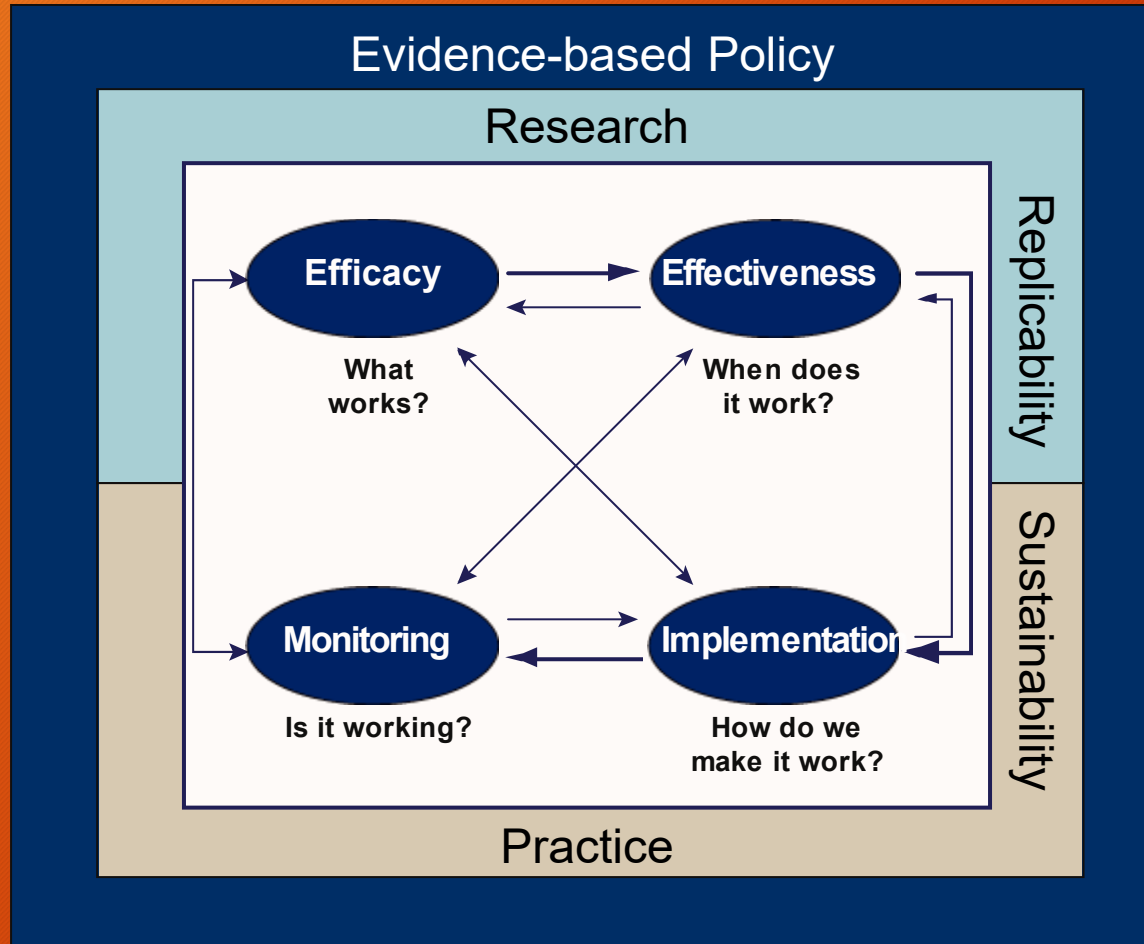
Effect of TK Eligibility on Math Achievement 4 years after K Low-income Kids, By School Spending



Impacts of Attending Transitional Kindergarten on 3rd Grade Achievement, Low-income Kids By Changes in Per-Pupil Spending (1st-3rd grades)



Research to Practice



Seeding the Future



Reimagining Equity & Excellence by Design



Thank you!!!
ruckerj@berkeley.edu

Panel Discussion: Looking Ahead to the Next Decade of LCFF



**Assemblymember
Al Muratsuchi**
California 66th
Assembly District



Julien Lafortune
Research Fellow, Public
Policy Institute of California



Lamont Jackson
Superintendent, San Diego
Unified School District



Martha Hernández
Executive Director,
Californians Together



Tara Kini
Chief of Policy and Programs,
Learning Policy Institute

Moderator



Thank You!

Event Reception

4:30 – 6 p.m.

Please join us for drinks
and hors d'oeuvres.

Event Survey

bit.ly/LCFFsurvey

More information

learningpolicyinstitute.org/LCFF10Years