Governor’s Budget Proposal Emphasizes Local Control

On January 10, Governor Brown released his proposed 2013-14 State Budget. Overall, the proposal is encouraging: fully funding the Proposition 98 guarantee, including a $1.6 billion increase in general purpose funding for school districts.

Although the budget includes significant additional funding, it does not include a traditional cost-of-living adjustment (COLA). Instead, the budget proposal presents a “Local Control Funding Formula”. Under the new formula, “target” levels of funding will be set for each district, based on the undeficited revenue limit funding; supplemental grants for students who are English Learners, eligible for free and reduced-price meals, or foster youth; and additional concentration adjustments where 50% of the students or more meet these criteria. The state will then compare that target to the funding a school district is already receiving, including the categorical funding that is being consolidated into the new funding formula. The $1.6 billion will then be allocated proportionately to each district based on the gap between its target and its current funding.

In the short run, this proposal will create confusion for school districts as they attempt to estimate the impact of the budget proposal. In aggregate statewide, the proposed new funding equals about $267 per ADA on average, which is much more than the COLA would provide. However, some districts (those that are already close to their “targets”) will get less than a COLA would have provided. In contrast, districts that are well below their targets would anticipate much bigger increases.

The budget proposal also includes three significant, specific changes from last year’s weighted student funding proposal:

- Local educational agencies could receive supplemental and concentration grant funding for an English language learner student for no more than five years;
- Career technical education funding (mostly regional occupational centers and programs) will be included in the grades 9-12 student funding rate, rather than folded into the overall funding formula, which could potentially increase ROCP funding;
- Link funding in the K-3 grade span adjustment to maximum class sizes. A student-to-teacher ratio of 24 to 1 would be established as the maximum standard in grades K-3 upon full implementation of the new formula. This ratio may be exceeded if agreed to at the local level according to local priorities.
Accountability

Like last year, the proposal would eliminate most categorical education programs and instead provide that funding to districts as discretionary money. For accountability purposes, the Governor’s Budget proposes that each district must adopt a “District Plan for Student Achievement” aligned with the local budget. The plan must address key issues like quality teachers, instructional materials, facilities, services to low-income and EL students, and common core implementation.

The Governor’s Budget also contains specific proposals regarding adult education and online education.

Adult Education

• “To create a more accountable and centralized adult education learning structure, the Budget proposes... an increase of $300 million to support the program within the community colleges. It also shifts $15.7 million for the Apprenticeship Program. The proposal eliminates the current bifurcated system and places the community colleges in a position to improve coordination at the regional and statewide levels... Funding will be allocated from a new adult education block grant based on the number of students served, and the colleges will be encouraged to leverage the capacity and expertise currently available at the K-12 district adult schools.”

Online Education

• “To remove impediments to greater instructional flexibility, the Budget proposes statutory changes that will enable school districts to offer asynchronous online courses through a streamlined and outcome-focused independent study agreement... To hold these types of courses accountable, a refined independent study contract focused on specific measurable student outcomes, and teacher validation of those outcomes, will be used as the basis for whether schools receive funding for offering these courses. Under such a revised contract, schools will be held accountable for student achievement, rather than process requirements.”

Tolakson Releases Assessment Recommendations

On January 8, State Superintendent Tom Tolakson released his proposals for revising California’s student assessment system. Among the many recommendations are the following:

• Suspend portions of the Standardized Testing and Reporting Program assessments and adjust the Academic Performance Index to reflect suspension of such assessments;
• Beginning in the 2014-15 school year, fully implement the SBAC ELA and mathematics assessments;
• Develop and administer science assessments aligned to the new science standards, once adopted;
• Invest in interim, diagnostic, and formative tools;
• Consider alternatives to the current California High School Exit Exam.

The full report may be found at www.cde.ca.gov/ta/tg/sa/ab250.asp.