Budget Report
Local Control Funding Formula
WCCUSD Unified School District

Presented By:
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Overview

- Local Control Funding Formula (LCFF)
- Local Control Accountability Plan (LCAP)
- Timelines
- Next Steps

Before and After LCFF

Before LCFF

- Revenue Limits
- State Categorical Programs with Temporary Flex
- K-3 Class Size Reduction, limited funding with unlimited class sizes
- Accountability and Performance Process is Separate from Funding

After LCFF

- Funding differentiated by grade span
- Unduplicated pupil weights, supplemental and concentration
- K-3 Class Size Reduction, target 24:1
- Local Control Accountability Plans required

Revenue Limit Method vs. LCFF Method

Revenue Limit Method **Vs.** **LCFF Method**

- 39 Different Funding Sources and Separate Funding Restrictions

- 3 Main Funding Sources with
- 8 State Priorities and New Restrictions

LCFF Calculations

LCFF
Base Grant Entitlement Calculation

- 2013-14 **target** entitlement calculation
  - Grade span per-pupil grants, based on 2013-14 statewide average initial target per ADA, are increased annually for a COLA (when COLA is funded)

Factors	K-3	4-6	7-8	9-12
Base Grant per ADA	$6,845	$6,947	$7,154	$8,289
COLA @ 1.565%	$107	$109	$112	$130
Base grants – 2013-14	$6,952	$7,056	$7,266	$8,419

LCFF – K-3 CSR and CTE Adjustments

- 2013-14 **target** entitlement calculation
  - K-3 CSR and 9-12 CTE adjustments are additions to the base grant
  - CTE is unrestricted; CSR requires progress toward maximum site average of 24 students enrolled in each class

Factors	K-3	4-6	7-8	9-12
Base grants – 2013-14	$6,952	$7,056	$7,266	$8,419
Adjustment percentage	10.4% CSR	-	-	2.6% CTE
Adjustment amount	$723	-	-	$219
Adjusted grant per ADA	$7,675	$7,056	$7,266	$8,638

LCFF – Supplemental and Concentration Grants Per ADA

- 2013-14 **target** entitlement calculation
  - Supplemental and concentration grant increases are calculated based on an unduplicated count of the total enrollment percentage of English learners, free and reduced-price meal program eligible students, and foster youth.

- 2013-14 Estimates are that 67.5% of West Contra Costa Enrolled Pupils will count toward the Supplemental and Concentration Grant categories.

Target Calculations: 2013-14 West Contra Costa Unified

Factors	K-3	4-6	7-8	9-12
Base Grant	$6,952	$7,056	$7,266	$8,419
Supplemental Grant (avg. based on 67.5%)	$1,041	$1,041	$1,041	$1,041
Concentration grant (avg. for eligible students exceeding 55% of enrollment)	$482	$482	$482	$482
Grade Span Adds	$723			$219
Targeted Goal	$9,198	$8,579	$8,789	$10,161

These concepts are developed using SSC constructs, but have not been validated by State rulemaking.

Funding Estimate: 2013-14
West Contra Costa Unified

Factors	K-3	4-6	7-8	9-12
Base Grant *	$5,851	$5,938	$6,115	$7,086
Supplemental Grant *	$122	$122	$122	$122
Concentration grant *	$53	$53	$53	$53
Grade Span Adds	$608			$184
Estimated Per ADA	$6,634	$6,113	$6,290	$7,445

*State will differentiate funding by grade level and the pupil counts within grade level, but that information is not yet available. Therefore, an estimate is provided based on SSC concepts.

How far away is our target?

- The LCFF has an 8 year implementation plan
- The 2013-14 Funding Target is $263 million
- The 2013-14 Estimated Funding $190 million
  - **The Funding "Gap" is $73 million**
- Each year the LCFF base grants are adjusted, but not necessarily funded. That will be a decision of the State Legislature based upon funds available.
- LCFF is tied to the annual unduplicated pupil counts, which will vary.

The Big Question…

What portion of the LCFF that is funded constitutes Supplemental and Concentration?

- State has not issued specific funding stream information for each category
- WCCUSD 45 day revision assumed a proportional split for each category
- School Services of California (SSC) has worked with the Department of Finance
- SSC Workshop information indicates that the Supplemental and Concentration is a calculation of the amount funded toward the target gap each year

Budget Review

	A	B	C
July 24,2013	ADOPTED	BASE IS UNRESTRICTED	ALL LCFF IS UNRESTRICTED
	2013-14	45 Day 2013-14	45 Day 2013-14
Revenues	$175,229	$165,215	$196,585
Expenses	180,949	180,347	202,145
Deficit Spending	($5,720)	($15,132)	($5,560)
Beginning Fund Balance	23,189	23,376	23,376
Special Reserve Transfer	3,800	10,700	5,560
Ending Fund Balance	21,268	18,944	23,376
Required Reserve	8,091	8,400	8,400
Balance	$13,177	$10,544	$14,976
		INCLUDES USE OF SPECIAL RESERVE	

- During the 45 Day Revision Report we considered what results various funding models would provide.
- The SSC calculation assumes that $4.8 million of the LCFF will be considered Supplemental and Concentration.
- The SSC calculation would be closest to our “LCFF is unrestricted” column C.
- The proportional model is column B
- **The State must provide the rules we HOPE it will be column C.**

Future Funding Estimates

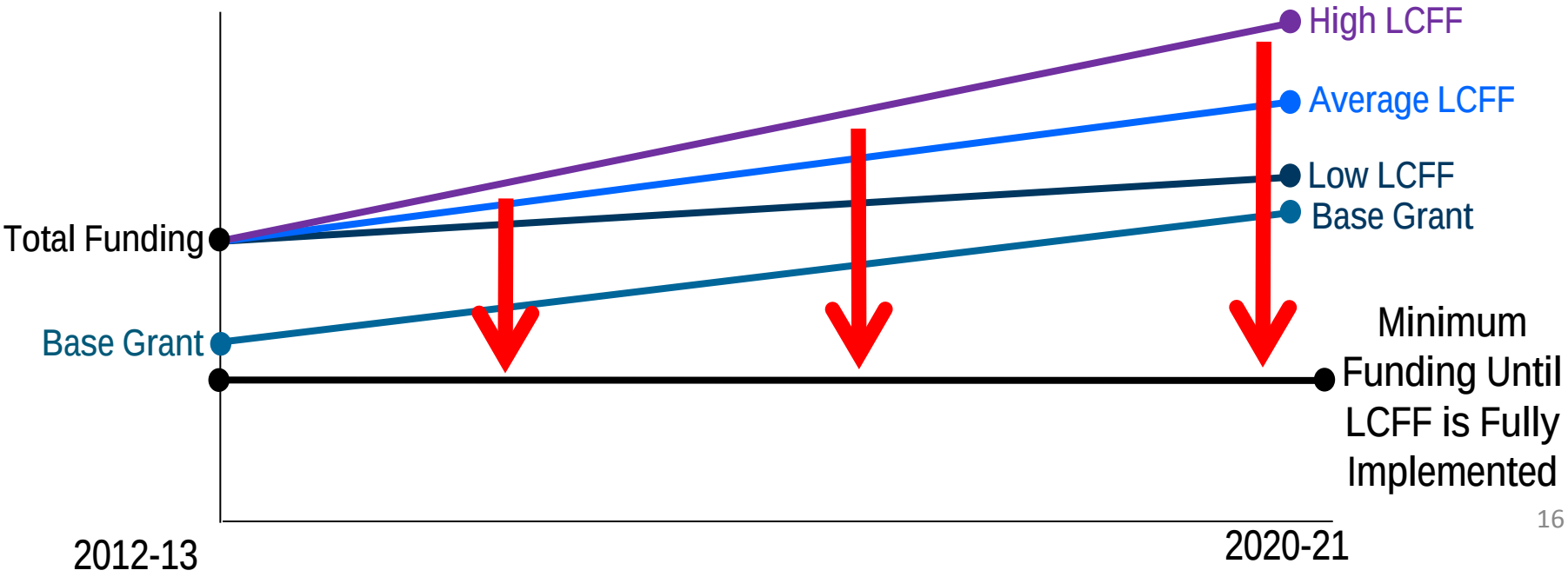
- There is a higher level of volatility and risk in this funding model
  - Student Demographic Changes
  - Legislative Support must continue over time
  - Economic Stability and Growth
- School Services is currently recommending a $123 per ADA increase for 2014-15
  - $1.8 million for our District

Expense Planning

- The District is deficit spending by an estimated $5.5 million as of July
- Conservative Salary and Benefit Increases are being addressed through bargaining
- We need at least $2.4 million toward the K-3 Class Size Reduction initiative
- Because of low funding over several years, demand is higher than the increased funding

High LCFF Districts Are Particularly Vulnerable

- Because of the variability in rates of increase, a district with a high number of students who qualify for supplementary funding will be especially vulnerable
  - But the district that has high supplemental and concentration grants will plan for much higher increases, and in a bad budget year has much further to fall



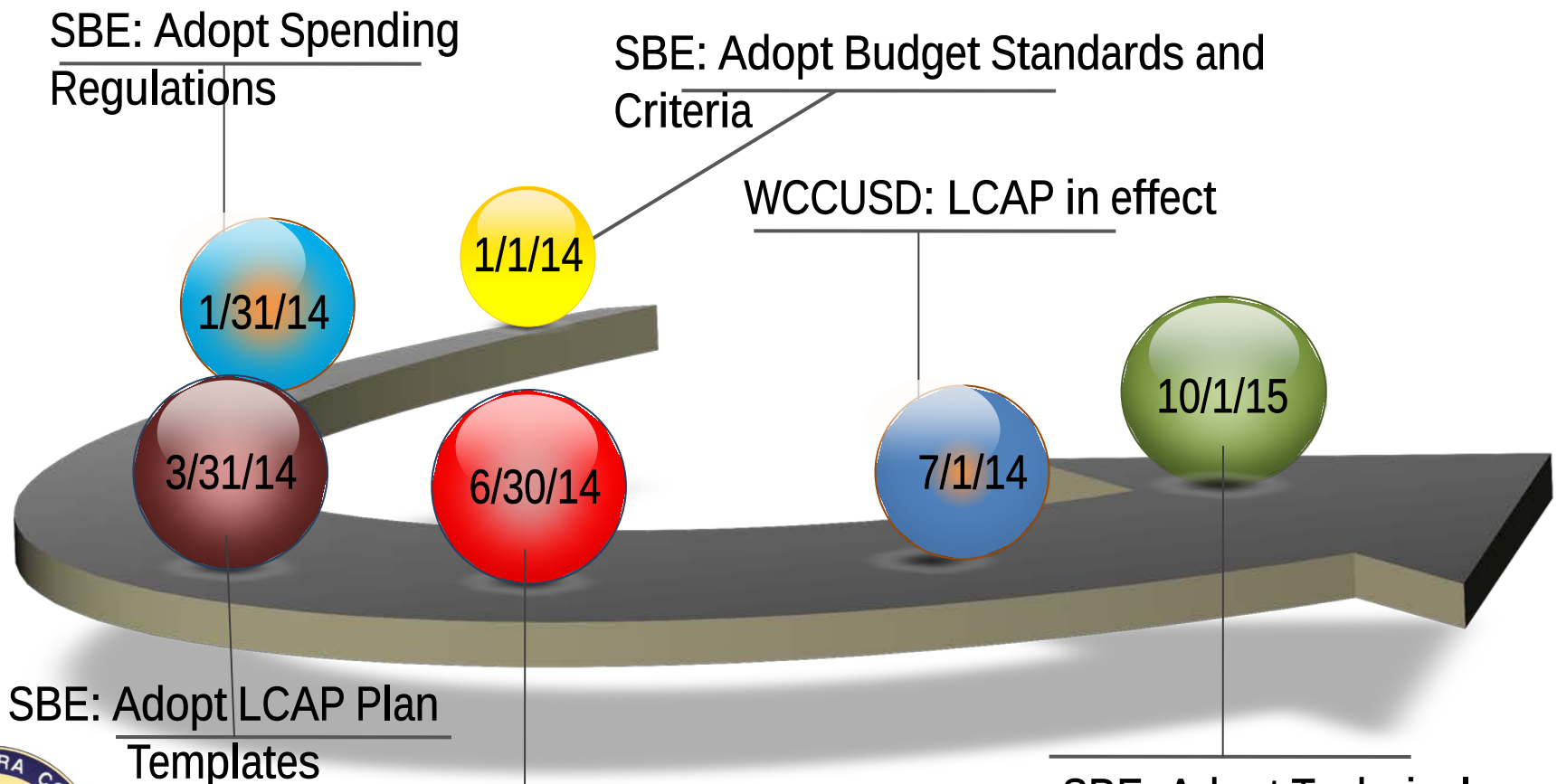
Local Control Accountability Plan

State Priorities

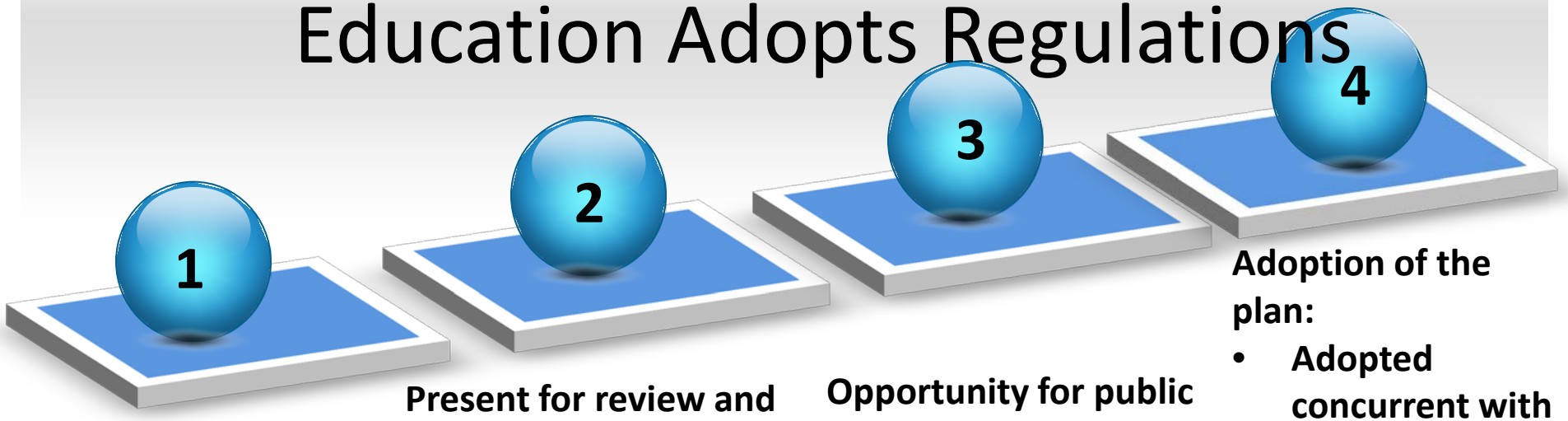
1. Basic Services
2. Parent Involvement
3. Access to Broad Course of Study
4. Common Core
5. School Climate
6. Pupil Achievement
7. Pupil Engagement
8. Pupil Outcome

Board Goals and State Priorities Should align for the LCAP

LCFF and LCAP Timelines



LCFF and LCAP Processes Once State Board of Education Adopts Regulations



Consultation with:

- Teachers
- Principals
- School personnel
- Pupils
- Bargaining Groups

Present for review and comment to:

- Parent advisory committee
- English learner parent advisory committee
- ***The superintendent must respond in writing to comments received***

Opportunity for public input:

- Notice of the opportunity to submit written comment
- Public hearing
- ***The superintendent must respond in writing to comments***

Adoption of the plan:

- Adopted concurrent with the LEA's budget
- Submitted to COE for approval
- ***Posted on district website***
- ***COE posts LCAP for each district/school or a link to the LCAP***

Next Steps

- November Strategic Plan Report Accepted
- December First Interim Budget Report

2014

- January Governor's January Budget
- January Internal Stakeholder Meetings
- January Community LCAP Meetings
- January Site Level Outreach
- January Parent and English Learner Committee Outreach
- February Board Study Session
- March Second Interim Budget Report
- March Adoption of LCAP Template by State Board of Education
- April Community/Stakeholder Review of LCAP
- May Governor's May Revised Budget
- May Public Hearing for LCAP
- June Adopt 2014-15 LCFF Budget and LCAP