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25, 2010

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The Honorable Rudy Salas, Chair Joint Legislative Audit Committee 1020 N Street, Room 107 Sacramento, CA 95814 COMMITTEES
BANKING AND FINANCE
BUDGET
EDUCATION
ELECTIONS AND REDISTRICTING
HIGHER EDUCATION

SUBCOMMITTEES

CHAIR: BUDGET SUBCOMMITTEE NO. 5 ON PUBLIC SAFETY BUDGET SUBCOMMITTEE NO. 6 ON BUDGET PROCESS OVERSITE AND PROGRAM EVALUATION

SELECT COMMITTEE
CHAIR: CAMPUS CLIMATE

FEB 2 6 2019

Dear Chairman Salas:

About 6 years ago, we drastically changed the method by which our State funds K-12 education, replacing a complex funding method that had been in place for about 40 years. To date, no detailed review has taken place to determine whether funds under the new method—totaling more than \$55 billion for the 2018-19 school year—are being spent appropriately. It is time to conduct such a review. I hope the State Auditor finds that funds are being allocated appropriately to help all students achieve academic success, including students who are low income, English learners, and foster youth. All students, regardless the circumstances they are born into, deserve the opportunity to achieve academic success. Bringing transparency to how these tens of billions of dollars we allocate each year are being spent can only help us fulfill our duties as Legislators. We must bring transparency and ensure these funds are helping students achieve academic success.

Background

The funding method for school districts changed dramatically when the Legislature passed and the Governor signed a bill enacting the Local Control Funding Formula (LCFF). The previous funding method, in existence for about 40 years, contained a myriad of funding streams, including 50-plus categorical programs.

Under LCFF, the State provides funding to school districts in just a few categories. It provides uniform base grants based on the average daily student attendance. Adjustments to the base grant of 10.4 and 2.6 percent are provided for students in grades K-3 and 9-12 respectively. Supplemental grants of 20 percent of adjusted base grants are provided for students who qualify as high needs, i.e., are English learners, foster youth, or those who meet income requirements to receive free or reduced-price meals. Concentration grants equal to 50 percent of the adjusted base grants are provided for the percentage of disadvantaged students exceeding 55 percent of a local educational agency's (LEA) enrollment.

The LCFF requires various efforts and actions by school districts, including the development of Local Control Accountability Plans (LCAP). Within a district's LCAP, it is required to address eight different priorities, including student achievement and pupil engagement. A district is also required to describe its needs, set goals and perform analyzes.



Requested Audit

We are requesting an audit of three large, geographically disbursed school districts that contain a significant number of students who are considered low income, English learners, or foster youth. The State Auditor is to use her discretion in selecting the three school districts and perform the following:

- Identify and assess each school district's goals contained within its LCAP and elsewhere that are aimed
 at raising student achievement, especially goals intended to benefit low income, English learners, and
 foster youth students. Determine whether additional goals would be helpful to each school district in
 ensuring the success of these students.
- Identify and evaluate any measurements and measurement tools used by the school districts to assess success in educating its students, including students who are categorized as low income, English learners, and foster youth. Determine whether additional measurements would be helpful to the school district to ensure the success of students.
- 3. Determine the extent to which each school district spends funds on its low income, English learners, and foster youth students. To the extent practical in each school district, identify total funding received and spent on a district-wide and school by school basis. Identify the expenditures at the schools by category and determine whether the expenditures are being spent appropriately. Further, identify the funding received and expended at each school by category, including funding categories identified in LCFF.
- 4. To the extent practical, review multiple school years that help provide the Legislature meaningful information about how these school districts' funding and expenditures have changed under LCFF.
- 5. Identify and evaluate each school district's methodology for distributing and spending funds on its students or at its various schools.
- 6. Review and assess whether each school district's most recent LCAP complies with the spirit and legal requirements associated with LCAPs, especially requirements associated with achievement measurements and helping students who are members of groups associated with chronically low academic achievement. Make any recommendations regarding the LCAP that may help improve their achievement levels.

Thank you for your consideration of this request. Should you have any questions or require any additional information, please contact Victoria Harris at (916) 319-2079.

Sincerely,

DR. SHIRLEY WEBERAssemblymember, 79th District

SHARON QUIRK-SILVA Assemblymember, 65th District