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LOCAL CONTROL FUNDING FORMULA IN CALIFORNIA:

How to Monitor Progress and Learn
from A Grand Experiment

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Inside this document we:

- suggest core empirical questions that stem from key moving parts of the LCFF reform.
- dig deep into how eight districts frame the reform and the program models on which they will rely in Year 1 of implementation.
- suggest a division of labor on monitoring implementation and illuminating promising practices.

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WHAT IS LCFF? *in brief*

Simplifying the Funding Formula

The Local Control Funding Formula (LCFF) was enacted by the California legislature in June 2013 and fundamentally changes the distribution of education dollars to districts. The legislation simplifies the formula for sending money to districts and now takes into account the higher costs of educating certain groups of students, specifically those from Low Income (LI) households, English Language Learners (ELL), and Foster Youth (FY).

Base Grants

The LCFF establishes uniform per-student base grants. The rates for different grade spans reflect the recognition that some levels of education incur higher costs than others.

Supplemental Grants

For each student classified as ELL/LI/FY, districts receive an additional 20% of the adjusted base rate per student. Students who meet requirements for multiple categories are only counted once.

Concentration Grants

On top of the supplemental grant, districts that have a high proportion (over 55%) of ELL/LI/FY students receive 50% of the adjusted base rate per student for each student above 55% of enrollment.

Links Weighted Funding to District Goals and Outcomes

LCFF also places local decision-making within district budget formulation and shifts the long-term accountability focus from fiscal compliance to educational outcomes. Based on stakeholder input, districts are required to adopt Local Control and Accountability Plans (LCAPs) as part of their budgeting process. These plans identify goals for improving services and outcomes, name specific actions to reach those goals, and identify the funding sources linked to these programs and strategies. Districts will be held accountable to the goals in their LCAPs, but the mechanisms of accountability are still being determined.

DECENTRALIZING SCHOOL BUDGETING AND ACCOUNTABILITY

A SHARED ARCHITECTURE FOR BUILDING KNOWLEDGE

The state's 900-plus school districts – granted flexibility and fresh funding under the Local Control Funding Formula (LCFF) – now embark on a colorful variety of strategies to raise achievement and reduce disparities. By providing fungible allocations to local school boards and lifting regulatory controls, Sacramento invites district leaders to craft their own approaches for improving schools.¹

The state's taxpayers – eight years out – will provide \$18 billion new dollars annually to lift low-achieving pupils under the ambitious LCFF initiative.

But will this huge public investment and experiment in local budget control pay off for students, teachers, and schools? Empirical answers to this crucial question will not arrive for several years. But devising a coherent plan for tracking implementation could yield a more complete and valid statewide picture year-by-year and over time.

Districts followed a shared framework for setting measureable goals and program strategies in their initial Local Control and Accountability Plans (LCAPs). The state board of education will be crafting a “rubric” for monitoring district activity that is captured by LCAPs and budgets, and locally reviewed by county offices of education. Independent scholars are beginning to study district cases as well, including the level of civic participation in district budgeting, commonly invoked program models, and school-level change.

As the state and private funders begin to support agencies and research teams to examine LCFF implementation, we could benefit from a coordinated effort – at least a shared architecture that clarifies key questions, delves into diverse school districts, identifies sources of quantitative data, and helps to build long-term capacity inside districts and Sacramento to identify what works, what doesn't, and why.

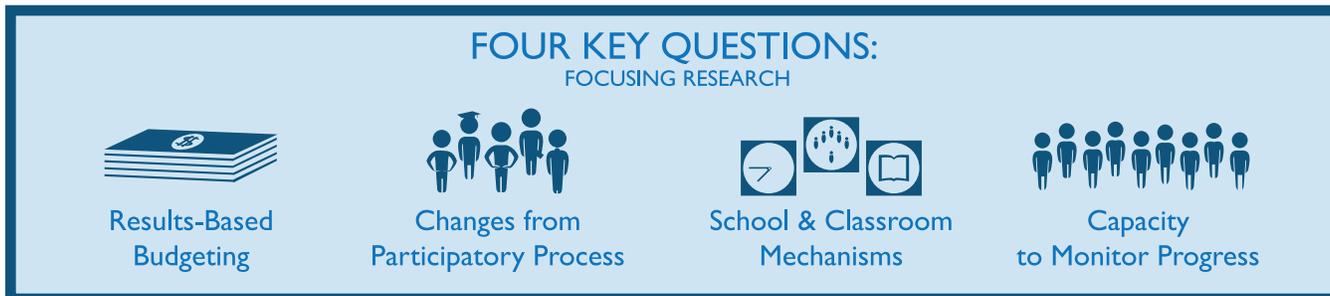
Moving toward this goal of reaching consensus on a shared monitoring plan, this brief –

- Puts forward **core empirical questions** that stem from key moving parts of the LCFF reform.
- Illustrates wide **variability** in how eight contrasting districts frame the reform and the program models on which they will rely in Year 1 of implementation.
- Suggests a **division of labor** between what public agencies can do well in terms of monitoring implementation, and where independent university analysts or research firms may be better suited to conduct deeper studies inside districts and schools.

One piece of the puzzle is how budget decisions – rooted inside districts – will result in dollars moving to “targeted” pupils and schools that serve high concentrations of these students. On the other hand, we know that deeper school reform must involve more than a simple compliance mentality that creates a new form of categorical program. We also want to learn how *goal setting* and *budget processes* may be improving within districts, perhaps engaging a wider range of stakeholders than before. In short, tracking how dollars follow students out to schools is crucial, yet just one part of the puzzle.

We begin by posing the core empirical questions. We then review the differing contexts, across eight districts, in which these issues arise. This prompts discussion of what's important to learn within each organizational level (mainly, state, district, school), what data exist, and the capacity of districts or county offices to inform the key questions. We close with options for *who should conduct research* for which questions, *how to fund it*, and whether a *coordinating group* could ensure that we cooperate to build knowledge about the moving parts of the LCFF reform.

FOUR KEY QUESTIONS TO FOCUS RESEARCH



We suggest that analysts focus on the core dynamics on which success of the LCFF reform will likely depend. Subsidiary empirical questions will surface. But staying focused on these four arenas of activity could ensure thicker data across differing kinds of districts:

1. What is the impact of results-based budgeting?

Has the LCAP template moved districts to define measurable goals that aim to reduce disparities in student achievement? What prevalent staffing strategies, program models, or civic partnerships have surfaced among districts during Year 1? What are the school-level problems these program models hope to alleviate?

2. What changes are the result of a new participatory process?

Are local school boards building their budgets differently, reshaping who's involved within the district office and among community stakeholders?²

3. Are school and classroom mechanisms changing?

What school or classroom-level changes – spurred by the Common Core, richer pedagogies, additional support staff, or a more engaging school climate – will be supported by LCFF supplemental and concentration grants? That is, as dollars or staff positions move to targeted pupils, what kinds of organizational changes are intended?

4. Do districts have the capacity to learn and adjust?

How will districts track implementation and try to associate LCAP activities to school-level change and, in turn, achievement gains? Even large urban districts with research analysts rely heavily on surface-level administrative data. How will districts learn about what's changing at the school level – what's working, what's not, and why?

These dynamics will naturally play out differently among California's wildly diverse range of school districts. And three additional levels of the education system will be implicated as well: schools, county offices of education (COEs), and state-level agencies. The state's 900-plus districts differ radically in size and capacity, as do COEs, charged with reviewing district plans. Sacramento agencies also vary in their priorities and political clout, often surrounded by education interest groups.

INFORMING ACTION AT ALL LEVELS



Four organizational levels will be generating and interpreting a variety of information stemming from the implementation of district LCAPs. Each level will be placed under the microscope as well, studied to determine how budget decisions are paying off inside schools, or not, and how low-performing schools or district leaders are held accountable by governing agencies.

Ideally the LCFF reform will expand the capacity of each level of the education system to carefully learn about which budget and program priorities narrow disparities in learning. Some districts will track progress toward goals with administrative data; others will dig deeper to learn what program models affect school-level change. All districts could benefit from *formative feedback* regarding local implementation: what promising practices are taking hold inside schools and what are not.

At the same time state agencies, parents, and interest groups will rightfully push for *summative* data for accountability purposes: are districts truly making progress in narrowing achievement gaps and improving equity? What program models seem to pay-off across schools and districts? Does a participatory budget process spill over to greater parental or community involvement in the implementation of school-level reform?

So, any monitoring and stock taking of best practices must specify what data will be gathered to inform what adjustments and policy priorities at what level of the system. Ideally objective monitoring can occur – via case studies, sample surveys, and quantitative research – alongside district-led tracking of implementation and the cultivation of formative feedback.

State Agencies

The California Department of Education (CDE), the state Board of Education (SBE) and the Legislative Analyst's Office

(LAO) will all play key roles. The newly created California Collaborative for Educational Excellence (CCEE)³ may also be analyzing district plans; research findings could help to inform and focus their work.

County Offices of Education

County offices (COE) are charged with reviewing district LCAPs and budgets. It remains unclear how this information will be tabulated and compiled to yield valid inferences about state-level patterns.⁴ Between-county analysis could inform differing paths taken by urban and rural counties, or by districts in differing regions.

District Leaders

District officials oversee the development of LCAPs and budget allocations to schools, including the funding of new staff positions and program models that intend to lift low-achieving students. District spending plans must now set measurable goals tied to reducing disparities in achievement.

Schools

Expectations for measurable improvements in schools are high - where new staff, shifting pedagogies and Common Core standards, and a variety of social practices are supposed to engage and motivate low-achieving students. How schools will gather reliable data for district assessment of progress remains an open issue.

Overall, studies emanating from these four levels may add-up to generalizable findings over time – but only if research

- unfolds under a shared architecture focused on core questions on which analysts will focus,
- employs rigorous methods to describe implementation across levels and illuminates causal mechanisms linking program models to school-level change, and
- draws on both statistical and qualitative techniques, based on transparent and publicly available data.

Decentralization of Budget Authority

One challenge in monitoring progress stems from the colorful diversity of California’s school districts, which now employ a wide variety of budget strategies and program models. Over a thousand local flowers are beginning to blossom.

The state once assumed that a discrete and centrally regulated program – Miller-Unruh reading efforts, or gifted and talented programs, for instance – would push into various schools in a fairly uniform way to lift a specific set of students. Evaluators would then go about estimating an average effect on student achievement across radically differing districts and schools.

The decentralization of budget authority and accountability jolts how we think about monitoring progress, tracking dollars, even describing the breathtaking array of program strategies that districts have put forward in their Year 1 LCAPs. Stakeholders rightfully aim to learn what’s working, what’s not. But venturing generalizable inferences will be difficult. Instead, we may work toward understanding how districts varied in shaping their budget planning, the prevalence of shared program strategies (e.g. class-size reduction, stronger aid for English-learners, more counselors), and the school-level conditions that nurture success or failure of these strategies.

IMPLEMENTATION OF COMMON CORE STATE STANDARDS (CCSS)

One of eight state priorities (see below) under LCFF legislation, implementation of the Common Core must be a central focus of any research on the effects of equitable distribution of resources on student outcomes. Common Core’s emphasis on deeper learning and creative problem solving promises to enrich teaching and learning for all students. But more inventive pedagogy and materials will take hold only if a school’s overall context offers fertile soil. LCFF may (or may not) provide the monitoring and dollars necessary to enrich professional development and student and community engagement around Common Core. In turn, the efficacy of district-level budgeting and accountability efforts may depend on the extent to which teachers and school leaders embrace pedagogical shifts.

EIGHT STATE PRIORITIES for LCFF:

1. Basic Services
2. Common Core State Standards
3. Parent Involvement
4. Student Achievement
5. Student Engagement
6. School Climate
7. Access to a Broad Curriculum
8. Other School Outcomes

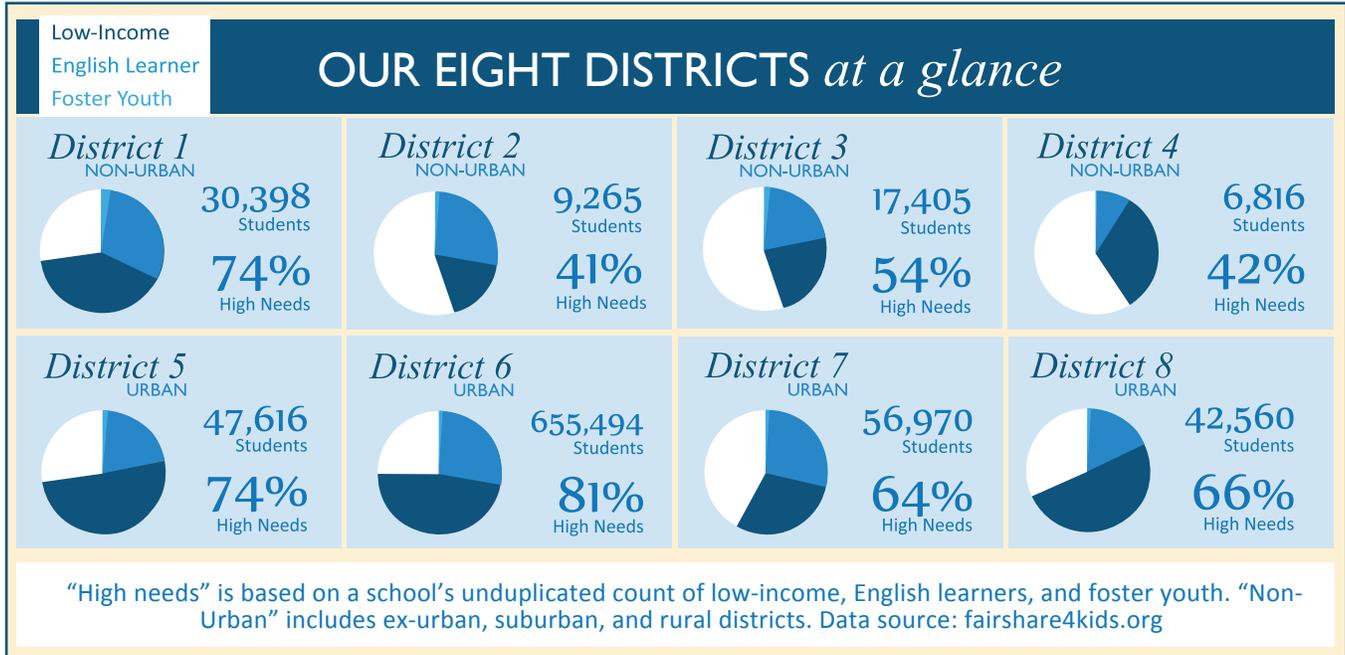
While the hope is that districts will see LCFF and CCSS as complementary and integrated reforms, there is also the possibility that districts will silo CCSS and LCFF implementation – leading to disjointed objectives and incentives. There is some evidence from our conversations with district leaders that, up until this point, the reforms

have been dealt with separately. This may be because of the short timeline of LCFF implementation compared with the (relatively) long-anticipated transition to Common Core. Moving forward, however, as districts review their LCAPs each year, Common Core curriculum development and implementation will continue to be a central priority and become ingrained in the budgeting process.

The move towards decentralized decision-making allows districts and schools to formulate strategies and allocate resources to implement the Common Core based on their individual contexts. Districts are free to experiment in their approaches to teaching the standards, so early studies of LCFF would ideally gather data related to measuring the effectiveness of implementation within different environments. More specifically, researchers and policymakers may want to look at the role of the Common Core in boosting the achievement of targeted students. Formative findings and best practices could provide shared learning across districts.

In the long term, evaluation “systems” for LCFF and CCSS, like the education improvements and policies themselves, should evolve and be refined iteratively. Both initiatives must be given time to work. Research efforts can begin to illuminate promising practices.

TRACKING IMPLEMENTATION OF LCFF IN EIGHT DISTRICTS



To take a first look into the diversity of district conditions, we conducted site visits or phone interviews with senior staff inside eight districts to learn:

1. How LCFF is *couched* in district priorities and earlier strategies for raising achievement,
2. Whether deeper *stakeholder involvement* in the budget and priority-setting process emerged in Year 1,
3. How new *supplemental and concentration dollars* were tied to schools serving “weighted students,”
4. What prevalent program models emerged, and
5. How districts hope to *monitor progress* toward their measureable goals.

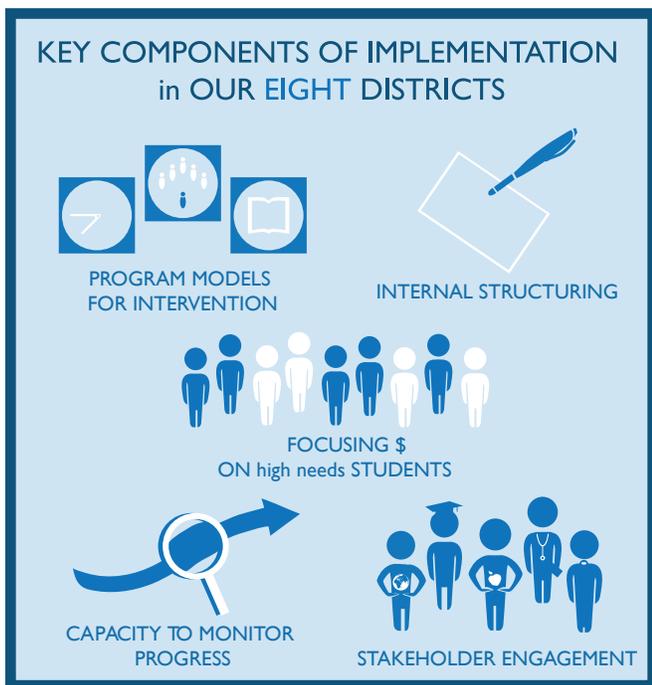
To ensure variation across local districts, we employed a simple stratification scheme. This involved selecting eight districts located in differing geographical regions, varying in enrollment size, and differing in terms of high or comparatively low shares of high needs students. Interviews were conducted between March and June 2014.

We discovered – not surprisingly – that many districts had in place a general strategy or theory- of-action for how to raise student achievement. As state support has rebounded

since the Great Recession, some districts already were shrinking class size, trying new curricular strategies to lift English language learners (ELL students), or diversifying their “portfolio” of schools (e.g. charter, magnet, pilot schools).

A portion of districts had already delegated considerable budget authority to school principals or leadership teams. So, when LCAP planning got underway in the winter and spring of 2014, district leaders framed the meaning of decentralized funding in differing ways – often situating it within pre-existing strategies and notions of how to raise school performance. *Appendix A* offers a summary of commonalities and differences across the districts for each of the topics covered in our interviews.

Let’s turn briefly to what leaders in eight diverse districts told us about how they operationalized the LCAP process in the initial year of implementation. We then return to what must be learned inside each organizational level to understand how decentralized funding and accountability may come to alter school-level practice and student engagement over time.



Situating LCFF in Prior District Strategies

Internal Structuring

Who each superintendent asked to lead LCFF efforts was pivotal in how the new funding policy was framed, interpreted, and executed in Year 1. This varied among districts as to whether the responsibility fell on the shoulders of the finance and budget office, educational services, or a cross-departmental team.

Superintendents in four of the eight districts housed LCAP planning in their education services office; this tended to host a wider conversation about school improvement strategy, including the role of Common Core. These districts stressed needs assessment and stakeholder involvement in debating priorities, before delineating program strategies and pinning dollars to each. All eight districts reported that “thinking outside the box” must still occur within the context of prior strategies, logics employed by school boards, and collective bargaining agreements.

The division of responsibility was blurred in larger urban districts in terms of who and how the LCAP process was led in Year 1. Government relations and a communications chief were awarded considerable responsibility in three cases. Each led a cross-office team within the district. In these larger districts, it seemed a significant amount of time was spent on cross-departmental coordination and deliberations.

Theories of Action

We asked district officials to articulate the overlap between their goals and the state’s eight priorities. The majority of district leaders referred back to their pre-existing strategic plans or goals. So, the LCAP planning process did not arrive in a vacuum: it was framed and situated within prior thinking about how to lift school performance. This, as state funding was rebounding from the recession-era cuts.

Districts proceeded to accommodate the LCAP process in differing ways. Some superintendents simply mirrored prior goals or strategies in their LCAPs. Others saw the new budget process as a way to rethink or elaborate prior aims and programmatic strategies. District LCAP coordinators did not see the new budget process as constraining their local priorities, and the majority reported welcoming a more public and engaging process with stakeholders. Several district leaders talked about improving high schools. Teacher professional development tied to Common Core implementation, along with talk of “college and career readiness,” offered additional frameworks for setting measurable goals and budget allocations. One district leader reported that one benefit from engaging stakeholders was discovering where their priorities differed from discussions occurring inside the district bureaucracy.

Stakeholder Engagement

The state’s own theory-of-action postulates that local control should encourage wider involvement by parent groups, community organizations, employers and civic leaders in the budget-making process. This spurs healthier public engagement and presumably more effective program strategies over time. The thickening of civic engagement also results in stiffer pressures for local accountability, according to Sacramento’s theory. Yet district leaders tended to tap into institutionalized channels, such as EL advisory groups (DELAC), large parent advisory councils, and school site councils that historically have overseen categorical aid.

A majority of districts mounted surveys of families, including at least one that succeeded in getting a strong response rate from low-income parents. Some districts consulted with a variety of civic groups, from special interests pitching more support for preschool, arts education, or foster care children, to community activists that aimed to ensure that supplemental and concentration grants went to schools serving high needs students. A few districts convened community forums, some led by student leaders. Importantly, teacher unions were notably absent from

sustained dialogue in the majority of the eight participating districts. Most officials mentioned discussions with union leaders, but not directly tied to LCFF.

Focusing Dollars on High Needs Students?

Districts differed on how they associated new LCFF dollars with weighted students. Each district leader well understood the state’s “proportionality requirement,” urging that an increase in services be in proportion to revenues tied to these pupils. In some districts, a certain percentage of supplemental funding was allocated to each school site depending on the school’s count of weighted students. School principals and leadership teams will then have flexibility to use new supplemental and concentration dollars aimed at buoying the appropriate students. That said, district leaders recognize that school-wide reform efforts, including CCSS implementation, will ideally aid all students in a “high-needs school.”

Principals submitted their own school-level plans and budget proposals to district leaders in two cases. Two additional districts already delegate considerable authority over budgets and personnel decisions to a significant share of their schools (*so-called school-based budgeting*). One district has created a competitive process, whereby schools with stronger plans will receive more funding. One district agreed with civic organizations to create an index of disparity or “need” across schools with significant counts of weighted pupils.

No district examined the value-added effectiveness of schools: need is mainly defined by the socioeconomic status of families and communities. Yet one district has in place a multi-variable method for assessing each school’s relative need, resources, and trends in student performance – all factored into annual budget allocations.

Additional institutional structures play a large role in how some districts distribute discretionary staff positions and dollars to their schools. These arrangements include the prior existence of school-based budgeting, campuses receiving larger chunks of categorical aid, or racial or economic features of students and families. Overall, the distribution of supplemental and concentration grants among schools is, in part, based on these localized histories.

Prevalent Program Models and Budget Categories

How new dollars from base, supplemental, and concentration grants are allocated in Year 1 stems from

preferences embedded in local contexts as well. Most district leaders talked of building back the system, that is, reestablishing posts lost in the wake of recession. Three districts will spend significant dollars reducing class size, at times focused on certain grade levels or tested subject areas (math or English language arts).

First-year LCAPs also tend to focus new dollars on teacher professional development efforts tied to Common Core implementation (one state priority), early literacy or English language development efforts, additional classroom aides or counselors, or specialists for at-risk youths, and recouping earlier losses in adult education offerings. Initiatives to expand the use of instructional technology, and integrating digital tools into regular classroom activities, were other commonly funded efforts within LCAPs. One district is hiring more police officers, another investing in custodians. One district will reinstate their high school sports program. College readiness programs are being initiated or expanded by five of the eight districts.

One key step in monitoring LCFF is to determine prevalent program models shared across districts, or common budget strategies for lifting achievement. This would narrow the evaluation task: common program models nested in sampled schools could be tracked over time to learn how each is implemented within schools and communities. This may include, for example, class-size reduction, new posts or curricular programs for ELL students, work with teachers to implement Common Core, and counselors for high school youths.

District Capacity to Monitor Progress

There is one missing link in the state’s own theory-of-action. Districts must define measureable objectives and peg new dollars to program models that are to move pupils toward these aims, but many districts lack the staff or research expertise to track student progress, or to learn how discrete program models actually unfold inside their schools. So, while districts will be held accountable by the state and stakeholders as to whether they make progress in the coming years, it’s unclear how districts are to learn what’s working and why, or why not.

We asked about this challenge. District leaders overall were just beginning to think about how they would monitor progress toward goals articulated in their LCAPs. (Remember that our interviews occurred in the months leading up to approval of their first-year LCAPs.) Districts do have in place accounting systems that have historically tracked categorical aid, staff positions, and how dollars are spent on personnel or materials. But such traditional accounting structures will not yield data about how program models take root in schools and whether they lead to gains in teacher and student engagement.

One district has designated staff members who have become solely responsible for tracking LCFF implementation. A second is discussing how to enlarge administrative data that are routinely collected in order to report on progress

regarding school climate, reclassification of EL students, and parent involvement. A few districts reported that they have initiated conversations with principals about school-level metrics, which will aid in monitoring implementation.

The objectivity of these in-house activities must be considered within a monitoring and evaluation plan – especially whether districts will collect unbiased data on the effects of school-level programs and new staff. School principals and district superintendents remain under heavy pressure to show results. Ideally the LCFF reform will prompt gains in analytic capacity within districts. Yet a dispassionate evaluation plan should include some kind of sampling of districts and schools – with data collected by dispassionate analysts.

Let's next turn to key evaluation questions and data needs pertinent to each organizational level: state agencies, county offices of education (COEs), districts, and schools. The kinds of data and answers sought can be viewed as shared across these levels. All of us want to learn whether the grand LCFF experiment narrows achievement gaps over time; we hope to learn about the relative effectiveness of differing program strategies. At the same time, actors at each level will seek information that informs their options and adjustments to be made over time.

MONITORING IMPLEMENTATION FOR ALL LEVELS



MONITORING IMPLEMENTATION FOR STATE POLICY MAKERS

Key questions

The Legislative Analyst's Office describes LCFF in this way: "Legislation enacted in 2013–14 made major changes both to the way the state allocates funding to school districts and the way the state supports and intervenes in underperforming districts. The legislation was the culmination of more than a decade of research and policy work on California's K–12 funding system."⁵

As discussed throughout, LCFF aimed to simplify how schools are financed, decentralize control over education dollars, and target greater resources for students from low-income or non-English speaking homes, as well as children in foster care and those living in areas of concentrated poverty. "Those who have the biggest challenge, they need the most money, the most teachers, the most counselors," as Governor Jerry Brown told one national gathering of teachers.⁶

The original policy logic argued that progressively targeted dollars blended with decentralized fiscal control would lead to wiser, more effective reform strategies. As the state Board of Education devised the LCAP template, hoping to guide local budget processes, a third element of the policy logic emerged. This stressed the utility of delineating clear and measurable goals tied to the overarching aim of reducing achievement gaps. A more precise process for linking goals, program models or staff positions, and spending plans – all with greater civic engagement – would more likely result in potent strategies for lifting low-performing pupils.

Given this theory-of-action, state policy makers will want to know whether in the aggregate LCFF leads to a narrowing of achievement gaps and raise learning overall. Preceding this huge and long-to-emerge summative question are issues regarding the alleged drivers of discernible effects of the reform.

Our interviews across the eight districts did reveal precision in setting targets for student gains. LAUSD offers one case in point: committing to raising language reclassification rates, moving a higher share of English learners to proficiency, as well as incrementally lifting the graduation rate of youths in foster care. The prevalence of these kinds of targets and the prevalence of differing gauges would be useful to tally statewide.

STATE QUESTIONS - 1

- *Did the LCAP template move districts to define measurable aims tied to the overarching goal of reducing achievement gaps?*
- *What specific aims and metrics are most prevalent across district plans?*
- *Does the template encourage districts to articulate their underlying strategies for lifting achievement?*

Three kinds of resources arose in our initial conversations with districts: staff positions, pedagogical models or

instructional materials, and building school-level capacity. Several districts aimed to reduce class size in certain grade levels or schools. Common Core implementation requires teacher training and new materials. A slice of districts are moving toward site-based management, requiring capacity building for principals, or efforts to engage stakeholders in neighborhoods. Tabulating these differing kinds of program models will be instructive. Then, the pivotal question comes into focus: how do these strategies truly move school or classroom practices to engage and motivate students?

STATE QUESTIONS - 2

- *What staffing strategies and program models most commonly surface within district plans?*
- *Is evidence offered for how staffing strategies will affect school-level change?*
- *Are staffing strategies likely to lift the achievement of targeted students?*

The various program models stem from assumptions (or experience) regarding the barriers or facets of school institutions that dampen student engagement and learning. This is a more locally focused question. But ideally state policy makers will learn about the array of program models that are being attempted and what school-level impediments they aim to unlock. If the two dimensions are not connected, the policy discourse will remain limited.

STATE QUESTIONS - 3

- *What are the school-level problems that districts intend to address?*
- *How do they define the impediments to stronger learning among low-achieving students?*
- *How do targeted resources add up to improve overall school climate and student engagement?*

A major part of LCFF's theory-of-action is that local budgeting and accountability sparks thicker involvement of civic groups in debating priorities. Centrally legislated and regulated programs create little space for local engagement. The LCAPs require district leaders to report how they reached out to stakeholders – parent groups, teacher associations, employers and civic groups.

STATE QUESTIONS - 4

- *Do local superintendents and school boards meaningfully engage a range of stakeholders as they shape priorities and devise budget allocations?*
- *What stakeholders are involved and what are their core educational interests?*
- *Do districts view civic engagement as being in their interest?*
- *How do districts constrain or encourage greater involvement?*

DATA, CASES, AND METRICS

Much of this information for Year 1 implementation can be compiled from LCAPs. County offices of education are charged with reviewing these plans and corresponding budgets; yet these reviews will emphasize compliance with the state's planning template and eight statewide goals.⁷

A state agency or trusted association could draw a stratified sample of districts for a deeper analysis of LCAPs and budgets. How this analysis could complement district-level case studies – undertaken by independent analysts – remains an open question. Selected case studies will not necessarily yield sufficient data for making statewide

inferences about the core elements of LCAPs and the prevalence of discrete program models undertaken by a wide range of districts.

A longer-term challenge is how to track shifts in district goals and progress along the metrics that districts define. For example, if we find that one-third of all districts proposed stronger language reclassification rates, ideally stemming from more effective bilingual pedagogy, who and how will progress be tracked statewide? Here too, a longitudinal sample of districts could be objectively tracked in terms of measured progress in meeting their locally defined goals.

ORGANIZATIONAL CAPACITY

What agency could carefully track changes in district plans and budgets over time? The LAO is conducting an initial study of LCAPs and district budgets for a sample of districts. But legislative offices also display limited capacity to monitor district progress over time or follow budget allocations into schools, informing what's empirically working to lift achievement.

The statewide COE association offers another possible host for this research. They likely require outside funding and would work in collaboration with a research shop. The new California Collaborative for Educational Excellence (CCEE) may be able to conduct, or contract for, this kind of ongoing research. Yet an objective entity may be preferable, yielding findings that would inform the Collaborative in a dispassionate manner.



Key questions.

District superintendents and local school boards will face all four questions articulated on page 6. County offices,

charged with reviewing LCAPs and budgets, may be pressed on these questions as well.

The studies of LCAPs getting underway will begin to categorize the aims, program models, and metrics that lend form to district strategies. The COE reviews of LCAPs – if they can be wrapped up to the statewide level – will yield summary information as well.

too, long-term tracking of local civic groups would inform how this participatory feature of LCFF is actually playing out locally over time.

DISTRICT AND COUNTY QUESTIONS - 1

- *Results-based budgeting: What measurable objectives do districts emphasize?*
- *How do these aims speak to narrowing disparities in student achievement?*
- *What program models prevail as districts try to alter school organizations, presumably to better engage students?*
- *What are the school-level obstacles these program models intended to overcome?*

The intent of LCFF is to decentralize the priority-setting conversation and spur civic involvement by a variety of local groups. Detailing these new players and engagement with district authorities is one important first step. If samples of district staff and stakeholders can be drawn and tracked over time, we would discover the evolving deliberations and civic debate that LCFF helps to facilitate. Whether COE reviews will help to document the budget-building process remains an open question.

Our interviews with district leaders revealed two renditions of stakeholder participation. One slice of superintendents argues that school-based budgeting or site-based management of schools is a crucial first step in devolving budget conversations out to schools and their communities. Yet this differs from a second strategy – directly nurturing civic engagement. At the district level LCFF may encourage district leaders to consult more widely, yet it’s unclear whether the capacity of parent and civic groups will improve over time. If not, then local mechanisms of accountability may remain uneven across districts. Here

DISTRICT AND COUNTY QUESTIONS - 2

- *Participatory budgeting and priority setting: Have district superintendents and local school boards begun to build their budgets differently?*
- *How did processes differ inside district offices and when reaching out to various stakeholders?⁸*
- *Did a more participatory budget-building process lead to differing district priorities, distribution of dollars among schools, and/or a mix of program models at the school level?*

This is where the proverbial rubber meets the road. If we fail to study school-level mechanisms over time, we will never know why (or in which districts) certain program models took hold or where program strategies failed to engage and lift students. Some argue that we should go deep into schools in future years, after learning about district-level budget processes and resulting LCAPs. But we should establish baseline conditions and conduct preliminary work to observe early implementation of new school-level efforts initiated by district leaders.

DISTRICT AND COUNTY QUESTIONS - 3

- *Mechanisms of school-level improvement: How do program models and school-level processes engage students?*
- *LCAPs put forward a variety of program models - lower class sizes, new support positions, and stronger services for low-achieving students. But how do these program models unfold inside schools?*
- *What effects do these programs have on student engagement and learning?*

The LCAP process is ongoing and long-term in character, designed to be an iterative process of trying out program strategies, learning from results, and making adjustments year to year. Ideally these evolutionary adjustments are based on a rich flow of information about what program models are (or are not) working, and through what mechanisms.

We discussed above how even large urban districts with research and data analysts rely heavily on surface-level administrative data. How are they learning about what's changing at the school level: Is the cohesion of teachers growing tighter? Are adults engaging students at deeper, more motivating levels? How are teachers operationalizing the Common Core curriculum and materials? A host of questions must be posed and informed by data if district leaders are to understand the comparative effectiveness of differing program strategies.

DATA, CASES, AND METRICS

A few researchers have begun to study district cases, in part focusing on the topics that we covered in our initial interviews with leaders in eight districts. Ideally, a common set of questions could be explored, perhaps abiding by a similar protocol. The resulting set of case studies could be distributed across differing regions of the state, for agreed upon categories of local districts. Here too, a coordinating group could help to ensure more generalizable findings over time when it comes to case studies. This could mesh with the statewide reviews of LCAPs and district budgets.

The deeper tracking of how stakeholders contribute to budgeting, along with the processes followed by district

ORGANIZATIONAL CAPACITY

We have already explored the problem of highly variable district capacity to measure progress – especially tracking intermediate outcomes at the school level (necessary mechanisms for realizing gains in student achievement). These include shifts in school climate, implementation of Common Core pedagogies, and gains in pupil engagement.

Tracking a sample of schools, nested in diverse districts, would be one way to detect significant improvements inside campuses and classrooms. This careful approach to evaluation could yield valid and generalizable findings

DISTRICT AND COUNTY QUESTIONS - 4

- *Capacity to learn and adjust: How are districts tracking implementation and associating new school resources to organizational change and achievement gains?*
- *Do traditional administrative data help to inform progress?*
- *How do districts rethink how to use research and testing staff to analyze progress against LCAP metrics?*

leaders, may require surveys of diverse samples of district actors. Even with an accumulating set of local case studies, we will know little about the statewide prevalence of whether budget-making is becoming more participatory and, if so, with what effects on district goals and program models. Some kind of longitudinal tracking is also required if we want to learn about district capacity to track progress, how this may or may not improve, and what forms of data districts will be collecting over time, pegged to LCAP objectives and proposed metrics.

for differing kinds of districts and statewide. It would not necessarily build the long-term capacity of districts, although involving district leaders in the evaluation process would likely be instructive.

The capacity of COEs is another worrisome issue. Many will presumably just check-off whether district LCAPs match the state-designed template and requirements for stakeholder participation. Over time county offices could play a more substantive role in identifying gaps in district budgeting processes or how program models are identified.



Key questions.

School principals, site leadership teams, and community activists may become focused on two particular questions.

We have discussed how district leaders want to learn how these differing program models work for which students. School leaders and teachers, of course, also hope to discover what kinds of innovations or new staff positions prove effective and through what means.

The districts we interviewed were unclear on how to increase school level capacity to reflect on what's working and how. This may be more feasible in schools with a tradition of site-based management, since their leadership teams may experience greater authority, a sense of efficacy and self-determination. Still, how to carefully take stock of several moving parts – as LCFF-funded programs, staff, and materials arrive simultaneously – requires time, care, and analytic thinking.

In addition, these local actors, closest to where the real work gets done, will want to learn from participation of a wider array of community-level stakeholders. This is a second key research question at the school level.

SCHOOL AND COMMUNITY QUESTIONS - 1

- *Mechanisms of school-level improvement: How do program models and school-level processes engage students?*
- *LCAPs put forward a variety of program models, smaller class size, and instructional support staff for low-achieving students. But how do these program models unfold inside schools?*
- *What effects do these programs have on student engagement and learning?*
- *How do principals think about and combine LCFF-funded resources to lift student learning?*

We have much to learn about who contributes to the allocation of new LCFF dollars within high-needs schools. Principals, teacher leaders, site councils, and union representatives all likely play varying roles across different schools. School-level staff will cast the roles and daily work of new staff positions. Will parent and community groups be meaningfully involved and, if so, how? Skepticism exists over the contribution of school site councils, often rubber-stamps for how school administrators seek to divvy-up categorical aid.

SCHOOL AND COMMUNITY QUESTIONS - 2

- *Who does the site principal or leadership team engage as they design or implement school-level programs and deploy new staff positions?*
- *Do principals think about LCFF-funded positions or programs differently than earlier categorical aid?*
- *How are LCFF funds used to advance engaging pedagogies and Common Core implementation?*

DATA, CASES, AND METRICS

The training of principals to conform to metrics devised inside district offices is already underway in some districts. That is, principals will continue to be agents of the district to collect common data across schools. This helps to yield useful administrative data. But it may discourage site leaders from considering how they will define and track meaningful teacher and student outcomes, from levels of teacher collaboration to signs of stronger pupil engagement.

School-level staff may express fresh ideas for how to observe and measure intermediate mechanisms that link new resources to stronger student outcomes. Here too, if a statewide sample of schools and teachers could be tracked over time, we may discover how frontline staff gauge the effects of fresh program models and the arrival of new staff members.

ORGANIZATIONAL CAPACITY

As anyone spending time inside schools already knows, principals face a countless array of challenges each day. Leadership teams made-up of site administrators and teachers help to distribute part of this burden; they may help lead innovative programs aiming to engage and lift students. But the time available and capacity of principals and teachers to assess the relative effectiveness of new staff positions and program models will remain limited.

A portion of the eight districts that we examined already invests in site-based management and building “professional learning communities” (PLCs) at some campuses. PLCs offer organized supports and expectations for innovation and gaining feedback about what’s working for which students. A carefully designed sample of local schools could involve and offer feedback to these school-level leaders.

MOVING ON MONITORING - FOCUS, RIGOR, AND DIVISION OF LABOR

The policy shift that grants local districts greater budget authority is wonderfully simple. But Sacramento has set in place the budget-and-priorities template that requires districts to articulate measureable goals tied to reducing disparities in learning. State policy makers have put forward eight broad priorities of their own. Local determination of budget and policy priorities also requires locally rooted accountability for results. And state policy-makers, of course, will want to learn whether their grand experiment is improving schools and lifting student achievement.

So, the tandem processes of building district capacity to learn *and* objectively evaluating whether LCFF's moving parts yields district- or school-level change become a bit complex. This brief has emphasized the importance of five key steps in designing and carrying out a sound long-term assessment of progress:

1. *Policy makers, education leaders, and researchers should **focus on four core questions** (See page 6).*
2. *Data to inform these questions should be gathered across **diverse school districts** and the **differing levels** of the education system.*
3. *A monitoring plan should aid districts' need for **formative feedback** and yield **objective summative evidence** that paints a generalizable picture of which budget priorities and program models have advanced school-level change.*
4. *District-level case studies and statewide reviews of LCAPs must be supplemented by **longitudinal tracking** of a sample of districts, schools, and teachers if we are to gather valid and reliable data on district- and school-level change.*
5. *A clear **division of analytic labor**, along with a coordinating group, would ensure that generalizable evidence from diverse districts is gathered in a rigorous manner over time. Otherwise, state policy makers will never learn from dispassionate evidence about how this huge experiment is unfolding and touching teachers and students.*

Division of Labor and Timing

Two short-term tasks face state-level agencies and stakeholders. Taking stock of LCAPs will advance understanding of what budget priorities, measureable

goals, and program models districts have commonly specified for Year 1. The LAO is conducting a review and the interest group Education Trust West is building a library of district LCAPs for analysis.

Second, the state Board of Education must devise a rubric by fall 2015 that will guide how COEs go about assessing future LCAPs. The rubric will likely signal state-level expectations and priorities for preferred components of LCAPs and how districts must report achieving progress on their locally determined goals. The rubric may nudge districts to build certain kinds of evidence that will inform local accountability. Design of the rubric could enhance or distract from a sound long-term evaluation of LCFF implementation.

At the same time, these short-term reviews should not delay carrying out district case studies, research inside schools, and design of a long-term evaluation program. We have emphasized the utility of tracking a sample of districts, schools, teachers, and perhaps parent and community stakeholders – to yield objective data on how budget practices are evolving, how civic engagement may deepen, and the extent to which school-level changes unfold in ways that enrich pedagogy and engage students. This would implicate Common Core as a collateral force that intends to contribute to school and classroom change.

A Collaborative Spirit, Coordinating Analytic Projects

Cooperation among analysts – especially avoiding redundant research efforts – seems key, given Sacramento's historical disinterest in supporting serious evaluation work and limited private funding. At the same time, funders may express differing research priorities. Think tanks and university-based researchers, of course, hope to shape their favorite research questions and practice their favored methods.

A flexible coordinating group could help to (1) maintain consensus on core questions among key stakeholders and researchers, (2) ensure that a variety of districts are involved (to advance generalizability while capturing variation among districts), and (3) yield a balance between formative and summative evidence. The tandem aim is to accumulate objective evidence on LCFF implementation and inform districts' own efforts to build analytic capacity.



ENDNOTES

¹ State and federal policy makers will continue to define centralized programs and regulation, including in the areas of preschool, special education, testing and accountability. Yet the count of state-led categorical aid programs has shrunk from over 65 to less than 20 (see Fuller, Marsh, Stecher, & Timar, 2013 for historical review).

² The State Board of Education's collateral focus on implementing Common Core State Standards has prompted hopes that district-level budgeting would better integrate curriculum and instruction staff. A variety of policy leaders have also expressed the intent of widening civic involvement of various local groups in the discussion over educational and fiscal priorities.

³ Legislation has established a new agency, the California Collaborative for Educational Excellence (CCEE), to advise and assist school districts in improving performance. The CCEE is intended to help districts meet the goals outlined in their LCAPs. Although the governance structure of the CCEE has been clarified by statute, the specifics of 1) how this entity will interact with other state and local agencies and 2) the scope of their work within districts, has yet to be determined. See LAO (2013) for a further discussion of the proposed role of the CCEE. LAO (2013). An overview of the Local Control Funding Formula (December update). Sacramento: California Legislature. <http://www.lao.ca.gov/reports/2013/edu/lcff/lcff-072913.aspx>.

⁴ Education interest groups, such as Ed-Trust West, will be compiling data from LCAPs and attempting to identify state-wide patterns (<http://lcapwatch.org/>)

⁵ Executive summary appears in LAO (2013).

⁶ American Federation of Teachers (2014). Gov. Brown highlights state's approach to education. Washington, DC. aft.org/newspubs/news/2014/071114brown.cfm.

⁷ These goals, approved by the state Board of Education in 2013, include: basic necessities, CCSS implementation, wider course access, school climate and student engagement, parental involvement, and raising achievement and collateral student outcomes.

Eight Diverse Districts	Prior Strategies and Structures	Stakeholder Engagement	How money is targeted to weighted pupils	Major District Programs/ Initiatives	Capacity to monitor outcomes
<p><i>District 1</i> NON-URBAN</p>  <p>30,398 Students 74% High Needs</p>	Recently completed strategic planning process; linked state priorities to existing plan	Recently gathered extensive stakeholder input to inform the Strategic Plan; they built on this information and conducted additional meetings specifically around LCFF/LCAP priorities.	Certain schools receiving money depending on percentages of high-needs students; targeted district programs for schools with over 70% high needs students	College-readiness programs and services (counseling, linked learning); increased teacher PD; socio-emotional student support (psychologists, school safety officers)	Putting personnel (funded through LCFF) specifically toward monitoring; using data to see what's working and what's not
<p><i>District 2</i> NON-URBAN</p>  <p>9,265 Students 41% High Needs</p>	Comprehensive strategic plan last year; work reflected in LCAP, but not directly aligned	Developed teacher leadership teams; conducted electronic surveys; met with various advisory councils	LCAP worksheet for each site, but feeds into district budget; doesn't start with money - principals make a plan and then funding is allocated	Targeted math intervention; early literacy PD; technology integration; assessment and data management system; increasing equity for schools who didn't have Title I or strong PTA dollars	Waiting for the state rubric to provide guidance; balancing LCAP along with Common Core implementation and new assessments is heavy lift
<p><i>District 3</i> NON-URBAN</p>  <p>17,405 Students 54% High Needs</p>	Used annual district goals as baseline for LCAP; matched stakeholder feedback with 7 goals and then narrowed down to 3 main areas of focus	Engaging DELAC, teacher groups, teacher leaders, community members, school sites; also engaged group of mental health experts; electronic survey	Each school received funds based on their unduplicated count of weighted pupils; new challenge is tracking how schools are spending money to support each category of weighted pupils	AVID program, counseling and tutoring through outside agencies; Math TOSAs to help implement Common Core; Class size reduction	Working directly with Finance Department on coding system; will be able to track dollars at district level and school site level
<p><i>District 4</i> NON-URBAN</p>  <p>6,816 Students 42% High Needs</p>	LCAP Plan came first, money came second; Budget office created formula to determine amounts going directly to schools	Parent groups very involved, but had difficulty engaging the teachers' union	50% of supplemental funding going directly to school sites	Teacher professional development, tech integration; ELA interventions	Purchased new program that will help them analyze data; intending on making continuous adjustments based on findings
<p><i>District 5</i> URBAN</p>  <p>47,616 Students 74% High Needs</p>	Use resources to grow achievement for subgroups, but also fund basic needs; Sites were allocated funds for staffing prior to final LCFF legislation, so less flexibility in programing	Advisory committee meetings and school-site meetings; trained volunteers to go out into the community and have conversations with peers about LCAP; electronic survey	Allocation of funds to sites based on proportionality	Custodians critical; high school college and career counseling; library services; CCSS PD and materials; instructional and resource support staff	Setting groundwork for monitoring - aligning site plans with LCAP process
<p><i>District 6</i> URBAN</p>  <p>655,494 Students 81% High Needs</p>	Goals driven by strategic plan; difficult to shift community understanding to outcome-based system; fiscal realities (collective bargaining) still play a part	Town Hall meetings hosted by district and community groups; DELAC and Parent Advisory Committee meetings; online survey	Centralized approach; ranking schools to see where investments should go; targeted funds to Foster Youth	Counselors and instructional support staff; class sizes - prioritizing middle and high schools; increased support personnel in schools with highest needs	Goal will be to put responsibility on school sites and have local superintendents keep track of metrics; will incorporate LCAP into monthly data discussion meetings
<p><i>District 7</i> URBAN</p>  <p>56,970 Students 64% High Needs</p>	Interdisciplinary work teams; started from strategic framework and LEA Plan	Process has allowed them to gather more feedback from community; good to know where there are NOT overlaps	District schools ranked into four tiers; provide differentiated resources/ funds and supports depending on school's tier; direct allocation to sites is not new to this district	Social workers/ elementary advisors; professional development around differentiation; Instructional/Literacy Coaches; Academic RTI supports; Family Liaisons	District tool calls on sites to be very specific about how strategies are being used to support ELs and LIs; mixed results as to how tightly results are linked to resources
<p><i>District 8</i> URBAN</p>  <p>42,560 Students 66% High Needs</p>	Focus on Low Income achievement gap; went out of their way not to talk about money in the LCAP process	Extensive community outreach; 9 community forums (5 of 9 hosted by student leaders); focus groups; thousands of comments synthesized	District-wide programs; programs targeted to schools with higher concentrations of disadvantaged students; some funds distributed directly to schools based on unduplicated counts	Class-size reductio; strategic ELA and Math interventions (1st-12th); reinstating Middle and High School Extracurricular activities (sports, clubs, etc.)	Partnership effort with principals; "basic" level of capacity

<p>STUDENT ACHIEVEMENT</p>	<ul style="list-style-type: none"> • All Foster Youth will have a comprehensive academic assessment and each middle or high school student will have an annual Individual Culmination or Graduation Plan, and be offered the services and supports to implement the plan.* • Increase the number of English Learners making annual progress in learning English and who reclassify as Fluent English Proficient • Decrease the number of Long Term English Learners (LTEL)
<p>STUDENT ENGAGEMENT</p>	<ul style="list-style-type: none"> • Increase the percent of students attending 173-180 days each school year (96% attendance rate) • Decrease students missing 16 days or more each school year • Leverage existing student governance and engagement programs and new technology, to develop student leadership, voice, and engagement, increasing district accountability for student outcomes.*
<p>COURSE ACCESS</p>	<ul style="list-style-type: none"> • Increase graduation rate for all students* • Increase secondary students completing an annual Individual Graduation Plan (IGP)* • Increase 12th grade students with a completed Federal Application for Free Student Aid (FAFSA)*
<p>COMMON CORE</p>	<ul style="list-style-type: none"> • Increase students scoring Proficient and above on the CCSS/SBAC benchmark English and Mathematics scores established in 2014-2015*
<p>SCHOOL CLIMATE</p>	<ul style="list-style-type: none"> • Decrease the number of suspensions for all students • Ensure effective and fair handling of student behavior by promoting positive solutions through the reform of student discipline policies and practices
<p>PARENTAL INVOLVEMENT</p>	<ul style="list-style-type: none"> • Increase the number of parents completing the School Experience Survey annually • Increase percentage of parents trained on academic initiatives by providing a minimum of four workshops at each school annually
<p>BASIC SERVICES</p>	<ul style="list-style-type: none"> • Maintain the appropriate assignment of teachers, and fully credentialed in the subject areas and for the pupils they are teaching • Maintain an effective employee workforce • Provide pupils access to standards aligned instructional materials • Maintain school facilities in good repair

*These goals were identified as addressing more than one state priority.
 Los Angeles Unified School District Local Control and Accountability Plan. Retrieved from: <http://achieve.lausd.net/cms/lib08/CA01000043/Centricity/Domain/123/Adopted%20LAUSD%20LCAP%20FY%2014-15.pdf>.



For more information please visit the following --

[For general information on LCFF:](#)

[LAO LCFF Overview](#)

[WestEd LCFF](#)

[EdTrust West School Finance](#)

[CCSESA LCAP Manual](#)

[CSBA LCFF Toolkit](#)

[To find a school's LCAP:](#)

[LCAP Watch](#)