Introduction

The Local Control Funding Formula (LCFF) represents a sea change in the way California funds public education. By directing resources to the students in greatest need, freeing districts from the constraints of categorical programs, and inviting stakeholder participation, the new funding system creates the conditions for districts to advance goals of equity and better serve their local communities.

One key component of the LCFF is the Local Control Accountability Plan (LCAP), a state-required document in which each district must describe its goals, the strategies designed to achieve those goals, and the resources allocated to support those strategies. Having completed two rounds of LCAP submissions, district leaders and others around the state have learned much about what the process entails, where it has created the conditions for improved practices and outcomes, and where obstacles remain.

This brief draws on reflections from a November 2015 meeting of the California Collaborative on District Reform to provide an overview of some of those struggles, as well as potential remedies, to inform the implementation and refinement of LCFF. The California Collaborative will continue to develop briefs that explore the issues raised here in greater detail.

LCFF Is an Important Development That Deserves Continued Support

First and foremost, California Collaborative members and meeting guests members across stakeholder groups universally expressed strong support for LCFF; they believe it remains a vitally important and positive development in California’s K–12 education system. Not only does it represent a vast improvement over the previous structure of categorical programs, it allows districts further opportunities to reflect upon their practice, to target offerings to underserved students, and to engage in dialogue with their communities.
The reform discourse regarding LCFF and the LCAP often frames the system, process, and document in the language of continuous improvement. With that in mind, Californians should remember that the LCAP itself is evolving as the state transitions to a new funding system. Two years in, California is still in the early stages of a process that will take time to refine. Providing perspective about the state’s progress to date, one state education leader at the meeting offered this reflection: “This really is a bold approach to things, and after only a couple years, we’re doing pretty darn well. And we really do have to applaud that and keep it going and make sure people understand that it will take time.”

Key Challenges Undercut the LCAP’s Effectiveness

Despite the promise that LCFF offers, districts have encountered several challenges in the process of preparing their second-year LCAPs. Some issues stem from the LCAP template itself, and others arise from differing interpretations of the document and the purposes it must serve. What follows is a discussion of both broad and specific challenges.

Undue Focus on the LCAP Document

LCFF is fundamentally an effort to improve outcomes for students, especially the traditionally underserved. Nevertheless, much of the dialogue about LCFF has revolved solely around the LCAP document, paying insufficient attention to the process of continuous reflection and improvement that should drive and underlie each district’s written plan. What is most important is not the plan, per se, but the degree to which the written plan matches what people in districts say and what people in schools do. Absent that connection, a plan is simply a piece of paper. At its best, LCFF can foster a strong connection between a district’s strategic plan and its execution. One district leader observed, “How much of the resources in the LCAP go to the document versus the process? We put 80 percent into the process and 20 percent into the document. Processes are way more important than the document.”

Numerous Purposes for the LCAP

Adding to the difficulty is the fact that different stakeholders emphasize different—and sometimes conflicting—purposes and priorities for the LCAP planning process and document. Members of the California education community expect the LCAP to be several things at once: a locally determined strategic planning document, a vehicle for community engagement, a means of aligning local spending with state priorities, a check on how resource allocations (especially the supplemental and concentration grants) will benefit targeted student populations, and a source of accountability for both inputs and outcomes. In trying to cover all of this ground, the LCAPs have become lengthy and opaque documents.

Not surprisingly, these multiple purposes are sometimes in tension with one another. For instance, districts have struggled to balance comprehensiveness and accessibility in their efforts to increase transparency. Responding to demands from some stakeholder groups for more specific information about planned activities and resource allocations (for accountability purposes), districts have produced exceedingly detailed plans.
that are actually less accessible and comprehensible (and thus less transparent) to the majority of their parents and community members, and even to many school personnel as well. Too frequently, this level of detail obscures the bigger strategic picture, so the usefulness of the LCAP as a strategic planning document also is diminished. How can districts address the demand for comprehensiveness and detail and still realize their strategic and communication purposes for local educators and community members? How should the state balance the need for oversight with its commitment to local control? How can districts invite and incorporate community input as they also maintain coherence, focus, and alignment with their overall strategic direction? These are some of the tensions underlying many of the challenges experienced through the LCAP’s first two years.

Burdensome Compliance Orientation

A central challenge in the LCAP process is the tension between the goal of local control and the level of uniformity and detail required by the template or demanded by those who must approve the plans. This tension derives in part from a fundamental lack of trust. State leaders and other stakeholders may want to free districts to make decisions most relevant for their communities and students, but they may not yet trust either local intentions or the resulting decisions. As a result, state leaders and other stakeholders often fall back on requiring certain behaviors. Even where the requirements are vague—ostensibly to allow for local discretion and flexibility—the compliance mindset established through decades of categorical regulation encourages counties to demand and districts to produce long lists of activities and other detail to cover their bases, dot all their i’s, and cross all their t’s in anticipation of audits and oversight. The result: LCAP documents average 145 pages in length, are difficult even for district leaders to read all the way through, and rarely are strategic in orientation.

Ambiguous Expectations

Ironically, alongside the demand for detail and contributing to the compliance orientation is substantial ambiguity in what statute actually requires of districts. For example, it is unclear what it means to “address” each of the state’s eight priority areas within the LCAP. Is it sufficient to describe progress toward one of the priorities, or must districts allocate resources to each? As another example, some districts include only the supplemental and concentration grants generated through LCFF, some include all LCFF funds (but nothing more), and others include income from federal programs like Title I and other locally generated revenue. The actual requirements that govern district plans remain unclear in many key areas. The state’s 58 county offices of education (COEs) have the primary responsibility of reviewing and approving district LCAPs, but in the absence of clarity from the state, districts report that they receive substantially different guidance from county to county—and even within the same county.

Obstacles to Coherence and Alignment

The specificity and uniformity of the LCAP requirements not only lead to lengthy documents, they also work against goals of coherence and alignment. For one thing, the information required by the template does not necessarily reflect the underlying rationale driving a district’s goals and activities. In addition, specific requirements make it more difficult for districts to be strategic and consistent with all their planning efforts. One such requirement mandates the LCAP to be a rolling three-year plan; this means districts essentially go through a three-year planning process every year, adding to their burden and making true strategic planning more difficult. Another requires timing for the LCAP document that does not match the availability of budget numbers and student outcome data; districts must show progress toward their goals each year but lack the necessary information to do so. Finally, the

---

LCAP is not well integrated with other planning processes with which districts already are engaged, such as federally mandated reports for programs like Title I or district strategic plans. Because of these issues, districts struggle to reflect an overall vision in their LCAPs or to connect their plans to other districtwide efforts.

**Lack of Transparency for Community Members**

Although one purpose of the LCAP is to provide transparent information to parents and the community about a district’s goals, strategies, and resources, in practice, the LCAPs are inaccessible to many community members. Part of the reason is the length: 145 pages is simply too long to access and digest. Moreover, the documents feature extensive use of acronyms and jargon that are unfamiliar to most individuals outside the central office. Community members also struggle to see the big picture, including the connection between the LCAP and other district plans with which they might have more familiarity. As one district leader explained, “The document is super confusing to families, so others need to be able to say how the logic of the decisions line[s] up with our mission.”

One particular challenge to accessibility is the difficulty of showing not only where the district directs resources, but the broader context in which those decisions take place. For example, much of the attention is on allocating the supplemental and concentration grants; however, these funds generally represent only a small percentage of the overall district budget, providing an incomplete picture of resource allocation in the district and ignoring the importance of the base grants for ensuring success for targeted students. In addition, public messaging concerning LCFF may lead community members to believe that districts have complete flexibility to spend an influx of newly available dollars, when in fact many of those funds already are committed—both to existing programs and to expenses like pension funds. Collective bargaining agreements also can constrain the ways in which districts allocate resources.

District leaders stressed that without technical knowledge, it is difficult for the public to understand how local education agencies allocate money. Confounding transparency even further—even for those with the technical knowledge—the Standardized Account Code Structure (SACS) codes are outdated and do not match new funding streams, especially the supplemental and concentration funds. In addition, the organization, format, and information included in the LCAP do not align easily with the budget, so it is difficult to locate information in the LCAP by going to the budget, or vice versa.

In response to these challenges, the November meeting generated many ideas for improving the LCAP process. We are including in this brief a short description of those solutions that participants felt would have the greatest impact.

**Short-Term Solutions to Improve the LCAP Document and Process**

Many of the issues outlined in the previous discussion could be resolved fairly easily. The suggestions in this section thus assume an LCAP process and template that retain the main elements of the current ones. We follow these with a discussion of two more fundamental, long-term solutions.

**Revisit Timing**

**Move to a Three-Year Cycle**

First, the state could transition the LCAP to an actual three-year cycle. Rather than ask districts to submit a comprehensive three-year plan every year, the state could allow districts to follow through on their plans for three full years and simply provide an update every year. This would bring the state closer to the three-
five-year strategic planning process in which many districts already engage (and is common in other sectors). It also would reduce the burden on districts to develop hundreds of pages for an LCAP document every year.

**Stagger District Plans**

If the state were to move to a true three-year LCAP, it could stagger the plans so that one third of districts would submit the full LCAP in one year, another third in the second, and the final third in the third year. By doing this, the state also could reduce the burden on COEs that could spend more time reviewing and providing support for the LCAPs without being overwhelmed by the full complement of district documents every year. Under this approach, more attention would turn to the annual update in Years 2 and 3.

**Align the Timing of the Annual Update to Data Availability**

The state also could revisit the timing for the annual update to make it due after districts have student outcome data to report. By focusing on year-to-year changes within a longer-term plan and set of goals, and by timing the update to include relevant data so districts can act in response to key outcomes, the state could better position districts to use the update as part of a continuous improvement cycle.

**Make the Budgeting More Transparent and Efficient**

**Link the LCAP to the District Budget**

Not all of the resource allocation information has to appear in the LCAP itself. Although the LCAP should include an overview of how resource allocation decisions will align with goals, districts can map back to the actual budget in their LCAPs, providing links where appropriate. It could increase transparency by directing readers to the primary source of the district’s financial plans, where all spending is accounted for. Linking directly to budgets could help alleviate some of the burden on district staff who currently enter information manually, as well as mechanizing the entry of budget information into the LCAP. Prepopulating much of the budget information—perhaps by the COEs, which already collect and review district budgets—could both reduce the burden and mitigate the potential for error.

**Update SACS Codes**

To better identify funding sources, the state also might need to change SACS codes to facilitate linking the LCAP and the budget, allowing districts and community members to better track dollars.

**Invest in a Budget Transparency Tool**

Even with these changes, district budgeting offices and systems may not be set up to share information in the way the LCAP calls for. As one state policymaker cautioned, “I think the budget process is like building on sand in some ways…I’m very wary of proceeding without getting into the basics of budgeting and accounting.” Such observations suggest that more fundamental changes to the budget process are necessary. In fact, the existing budgeting system doesn’t capture or make information accessible. The state should consider a one-time state investment to develop a budget transparency tool for district use, which can help facilitate a transition to a better means of tracking state and federal money. As one district leader stated, “Look at Charles Schwab: If they can do it for stocks, we can do that for education.”

**Provide Clearer Guidance to Districts and Counties**

The ambiguity in the LCFF statute leads to varying interpretations of LCAP requirements. One way to address this: Have the State Board of Education (SBE) develop answers to frequently asked questions that clarify common issues about what the LCAP requires. In addition, the SBE could share a pared-down 20-page LCAP as an example of what an acceptable shorter plan looks like. District leaders have reported that
they are erring on the side of caution, opting for comprehensive plans to ensure approval by the COE. By providing clear answers to pressing questions and guidance for developing acceptable shorter LCAPs, the SBE could help reduce districts’ burden and free them to develop more effective, comprehensible, and usable documents.

Encourage New Platforms to Communicate the Stories Behind the LCAPs

To help community members better understand the bigger picture of the district’s story, districts could expand their messaging platforms by using videos, Web-based information sharing (i.e., social media), executive summaries, or other strategies for communication. Expanded messaging platforms also might mean community-friendly budget summaries that show the larger budget trends in a district in order to help set the stage for ongoing LCAP development work; some organizations in California are already working to pull these types of materials together for easy use. Moving in this direction, however, could increase the burden on district staff, especially if they do not clearly articulate how these approaches are embedded in a district’s overall strategy. If district staff are to create new materials and tactics above and beyond what they already do for their LCAP, that calls for more time and energy from the central office. Creating a platform for districts to share their communication strategies and learn from one another could help.

Longer-Term Solutions to Address More Fundamental Challenges

The suggestions described previously represent adjustments to the LCAP document and process already in place. The following solutions call for more fundamental changes.

Address Root Causes That Stand in the Way of Continuous Improvement

District capacity is a key enabler for continuous improvement. Although the LCAP template asks districts to describe their goals and strategies, it asks nothing about a district’s level of preparedness to effectively carry out its plans. An LCAP might meet all the requirements for county approval, yet the district could fail to realize improvement because it lacks the capacity to implement its plans effectively, or because the ideas in the template do not match the way leaders actually describe their work or the way leadership and instruction play out in schools and classrooms. The state, perhaps through the California Collaborative for Educational Excellence, therefore might consider employing a process like the one used through the state’s Fiscal Crisis and Management Assistance Team to help identify some of the root problems impeding district improvement. Such a process would assess a district’s beginning capacity, taking into account possible barriers and facilitators to improvement. If LCFF is to facilitate continuous improvement, an approach like this would get at the core issue of whether a district can translate the elements of its plan into actual classroom growth—and if it cannot, to address that capacity issue head on. Capacity considerations might then inform a more tailored approach to developing and improving district plans.

Create an Alternative to the LCAP Template

A key solution, which would represent a major change to the current LCAP requirements, gained the most support in the California Collaborative’s November meeting: Get rid of the state-mandated template. Instead of the current document, the state could establish a key set of outcomes and let districts determine the best way to demonstrate that they are accomplishing those outcomes—or moving in the direction of accomplishing them. This approach could
reduce the burden on districts that comes from the input-oriented details required in the current template. A district-driven approach also would allow for better alignment by allowing districts to create a document that reflects their strategic plans and theories of action. By telling their story on their terms, districts also can advance transparency goals and share information in a way that their communities can understand. By enabling districts to articulate their plan in a way that reflects their overall theories of action, the state could facilitate the cycle of continuous improvement that many stakeholders believe the LCAP should support.

It would be critical not only to design the measures for this new approach carefully and appropriately, and with input from district leaders, but also to consider district capacity at the beginning of the process. District plans would be judged against state criteria using a common rubric. To avoid confusion or frustration that could surface if districts have no concrete guidelines on which to rely, the state could develop advisory templates for districts to use as a model if they do not create a design of their own.

Many stakeholders around the state may resist leaving so much autonomy in the hands of districts in the absence of compelling results. To address this concern, the state might consider a set of tiered requirements for the LCAP based on district capacity and performance. Underperforming districts might need to complete a more scripted LCAP similar to the one currently in place, but those systems that have demonstrated sufficient progress toward key outcomes could submit a plan of their own design.

This approach introduces some important challenges. Such a dramatic change likely would open LCFF to legislative changes that could spark political pushback—or invite scrutiny and modifications to elements of the system that educators do not wish to change. The design choices for a new approach to the LCAP also would shape its prospects for success.

The criteria for deciding (a) what the key targets are for districts and (b) when an alternative approach to the current LCAP is acceptable would be incredibly important to get right.

Conclusion

LCFF has broad support from educators, advocacy groups, and policymakers who want the initiative to succeed. With its focus on both equity and local flexibility, LCFF has the potential to empower district leaders to serve their students and communities more fully. The recommendations in this brief aim to inform the natural and ongoing evolution of the LCAP to best meet the LCFF’s goals. The proffered solutions seek to mitigate challenges of burden, confusion, and misalignment in order to focus on what really matters: improving outcomes for California students. The California Collaborative will continue to develop briefs that explore these issues in greater detail to inform the ongoing dialogue about improving LCFF. In the meantime, districts need to make their voices heard at the state level. As state leaders continue to refine LCFF and the LCAP, they need to draw on the experiences of educators on the ground who best understand the challenges and opportunities for continued improvement.
The California Collaborative on District Reform, an initiative of American Institutes for Research, was formed in 2006 to join researchers, practitioners, policymakers, and funders in ongoing, evidence-based dialogue to improve instruction and student learning for all students in California’s urban school systems.

The development of this brief was supported through generous contributions from the California Education Policy Fund, the Dirk and Charlene Kabcenell Foundation, the S. D. Bechtel Jr. Foundation, the S. H. Cowell Foundation, the Silver Giving Foundation, and the Stuart Foundation. The views, findings, conclusions, and recommendations here are those of the author and do not necessarily represent the viewpoint of these organizations.

For more information about the California Collaborative and its work, visit www.cacollaborative.org.