



June 4, 2013

The Honorable Mark Leno  
Chair, Conference Committee on the Budget  
State Capitol, Room 5100  
Sacramento, CA 95814

The Honorable Robert Blumenfield  
Vice Chair, Conference Committee on Budget  
State Capitol, Room 6026  
Sacramento, CA 95814

*Re: Education Conference Issues, Item 6110.*

Dear Senator Leno and Assembly Member Blumenfield:

The California School Boards Association (CSBA), representing close to 1000 school district and county boards of education, is pleased to provide the following recommendations on key open issues related to K-12 funding as you complete action on the state budget. We have included the Conference Agenda page numbers for each topic. At the conclusion of the letter we provide recommendations on the framework for accountability related to the Local Control Funding Formula (LCFF).

**1. Local Control Funding Formula. Page 38 Conference Agenda**

As Chair Leno and other Conferees noted in at the May 31, 2013 hearing, one of the major budget issues for the Conference Committee is the Local Control Funding Formula (LCFF). CSBA continues to support the objectives of the LCFF and supports the Legislature's approval of additional funds for this major improvement of the state's method to allocate funds in support of K-12 education.

Restoration is critical. Our concern is to ensure that districts are restored for the severe budget reductions that all have undergone since 2007-08. We support the Assembly's LCFF funding recommendation to set an aspirational target of the national average and ensure that as that goal is reached, districts are restored for revenue deficits, foregone COLAs and categorical program reductions.

We support the LCFF supplemental and concentration grants to ensure additional resources for students with greater challenges. As we've noted in earlier comments on LCFF, we would propose reaching the higher overall LCFF targets by raising the Base grant levels while maintaining the Governor's proposed Supplemental and Concentration grants at their currently proposed per-pupil dollar amounts.

Growth and Cost of Living Adjustment (COLA) should have first call on funds as LCFF is implemented. We support the May Revision language on funding growth. We urge the Legislature to adopt language to also provide that COLA on the Base grant each year should be provided before other investments.

We oppose the Assembly action to require K-3 class size at 20:1 and support the 24:1 class size as proposed by the Governor.

Districts are ready to transition from existing Tier III categorical flexibility to LCFF and we urge the Legislature to approve implementation of LCFF in 2013-14.

CSBA supports the Governor's proposal for transportation funding as an add-on to the LCFF grants to those districts that currently receive it and to continue the flexibility of those funds. We also support providing additional funds to address inequity in the funding formula.

We support the Assembly action to provide the CTE supplement as part of LCFF and hold ROC/Ps that are operated by Joint Powers Authorities harmless for two years. This will allow a long term solution to be developed.

**2. Deferrals Buy Down. Page 36 Conference Agenda**

CSBA supports the May Revision proposal related to paying down deferrals. Deferred payments by the state have resulted in increased borrowing costs to local education agencies and CSBA has had longstanding support for paying off deferrals. We appreciate the increased buy-down on that the Legislature has approved but the contingent nature of at least a portion of those payments creates additional uncertainty and budget challenges for local education agencies. We believe that if additional revenues become available there are other one-time expenditures the Legislature can approve, e.g., additional funds for Common Core Implementation, payment of mandate reimbursements.

**3. Common Core Implementation. Page 39 Conference Agenda**

CSBA supports at least the \$1 billion for Common Core implementation proposed by the Governor and approved by the Senate. However, if a higher level of revenues does become available, we would support an increased amount for Common Core. WestEd has noted in earlier estimates statewide costs of teacher professional learning, instructional materials and education technology at approximately \$1.5 billion per subject area. Support for schools to implement these dramatic changes is a critically important use of additional one-time revenues.

**4. Adult Education. Page 42 and 44 Conference Agenda.**

CSBA supports the Senate action to approve the May Revision proposal of \$30 million for planning grants to community colleges and K-12 adult education programs to collaborate on programs for adult education. We support continued flexibility for K-12 districts receiving adult education funds and greater accountability for program outcomes.

**5. Proposition 39. Page 46 Conference Agenda.**

CSBA supports the \$413 million for K-12 energy efficiency projects and the May Revision allocation methodology for funds to go out on an ADA basis with minimum grant amounts. Schools throughout the state have shovel-ready projects that will increase energy efficiency and lead to savings in energy costs. This will allow more general funds to go to directly supporting education programs in our schools. These projects will employ people in urban, suburban and rural communities across California.

**6. Preschool and Childcare. Pages 1 and 7 Conference Agenda.**

We recommend that the Conferees either (1) reject the Assembly's proposal to move Child Care back into Proposition 98 and to provide a \$250 million augmentation; or (2) undo the \$1.1 billion rebenching of the Proposition 98 minimum guarantee that was made when the Legislature took Child Care out of Proposition 98 two years ago.

7. **Mandate Block Grant Augmentation and Language. Page 32 Conference Agenda.**  
CSBA supports the Governor’s proposal to augment the Mandate Block Grant by \$100 million, which the Senate has approved. However, we oppose the Senate language and support the Assembly action to reduce the number of state mandates related to the Behavior Intervention Plan and to preserve the prohibitions on the types of interventions that can be used with disruptive students with disabilities. The Senate language contains intent language rejected last year (AB 1476). It is intent language that could be understood at the local level to impose requirements, which will increase due process and legal costs. We also oppose the Senate language requiring the California Department of Education to develop “non-mandatory guidance” because it could lead to underground regulations.
  
8. **Special Education. Pages 29 – 30 Conference Agenda.**
  - a) **Backfill Federal Sequestration Cuts**  
CSBA supports the Governor’s proposal to provide \$60 million to backfill the federal cuts to special education due to sequestration. The Senate has approved a partial backfill of \$36 million. Districts continue to have the obligation to provide free and appropriate public education despite the reduction in federal funding.
  
  - b) **Equalization Funding**  
We support the Senate action to provide \$30 million to begin the equalization of special education funding rates.
  
  - c) **Retain Regionalized Services/Programs as a Separate Budget Item**  
We support the Assembly Action to maintain \$91 million for special education regionalized services and program specialists as a separate funding source within special education budget item. These funds are vital to providing regional services to ensure disputes are investigated and resolved in a fair manner and to provide oversight of school agencies within the special education local plan area to ensure compliance with federal law and regulations. Given the significant legal and program commitments required for special education services we believe it is appropriate to maintain this as a separate budget item.
  
9. **Early Mental Health Initiative. Page 35 Conference Agenda.**  
CSBA supports the Assembly action to provide \$15 million to restore this program to provide matching grants for school- based early mental health intervention and prevention services to students in Kindergarten through grade 3.
  
10. **Additional One-Time Funds. Page 37 Conference Agenda.**  
CSBA supports the Senate action to use one-time funds for a new competitive grant program to capitalize a California Career Pathways State Revolving Fund. This program will build on efforts such as Linked Learning to make school more relevant and engaging to students and will improve linkages between education segments and business and industry.
  
11. **Accountability Provisions for Local Control Funding Formula (LCFF)**
  - We support a system that builds district capacity to improve student achievement and holds districts accountable for outcomes. Districts must be partners in improvement efforts and have choice in the provider of support and technical assistance.

- Technical assistance must be based on recognition that change and improvement comes from both top down and bottom up. Districts should have opportunities to initiate requests for technical assistance. In the AB 1200 process, the district or county invite FCMAT to come in and provide technical assistance. That principle should apply in the academic accountability context as well.
- Technical assistance and any intervention should be provided in gradations: more intensive assistance if the challenges in the district are pronounced and persistent. Districts should have the opportunity to appeal decisions of intervention.
- The criteria for technical assistance and intervention must be meaningful and identify districts that truly need the assistance:
  - Based on multiple measures
  - Lack of progress or failure to meet goals for sustained period, e.g., 4 consecutive years.
  - Development of the criteria should be done with stakeholder input.
- Fiscal accountability should not be so restrictive that it prevents district-wide and school-wide initiatives. We understand the need to demonstrate supplemental and concentration grants are spent for the primary benefit of students in the subgroups and in proportion to the numbers of students in those subgroups at schools. Districts and schools are not set up for site-based accounting.
- We oppose "supplement not supplant" language.
- Charter schools must also be held to meaningful fiscal and academic achievement accountability.

Thank you for the opportunity to provide these budget recommendations for California's over six million public school students. Should you have questions or want additional information please do not hesitate to contact me at (916) 371-4691 or [aball@csba.org](mailto:aball@csba.org).

Sincerely,



Andrea Ball  
Legislative Advocate

cc: Members of the Budget Conference Committee  
 Members, Senate Budget Subcommittee #1 on Education  
 Members, Assembly Budget Subcommittee #2 on Education Finance  
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