Few goals in education have been as frustrating and urgent as the effort to fix the deep, generational disparity in achievement between the haves and the have-nots in California schools.

It is an article of faith in the K-12 school system that every student — regardless of race, creed, wealth or color — can and should be academically successful. But in measures from standardized tests to dropout rates to college completion, the achievement gap has persisted in cities, rural communities and suburbs, a sign that opportunity is not yet equal for many children in California classrooms.

Since 2008, prompted in part by budget constraints in the aftermath of the recession, California has initiated sweeping reforms in an attempt to channel more resources to high-needs students and to better level the educational playing field. These and other efforts had, to some extent, improved academic outcomes — but Black, Latino and poor students still lag dramatically behind Asian American, white and wealthier students.
But that was before the pandemic. When schools moved to virtual instruction in early 2020, parents with more resources were able to provide a softer landing. Low-income, Black and Latino families, however, were more likely to lack an internet connection and slip through the cracks completely. Some experts expect it’ll take some marginalized student groups a generation to recover.

Nearly two years into the pandemic, there isn’t much data on far students have been set back. California canceled standardized testing in both 2020 and 2021. The closure of schools and the subsequent inequities remains, not only a source of political tension, but also a looming economic problem for California.

**What’s the national picture?**

Disparities associated with race and class have long vexed this country. But as the civil rights laws and school desegregation mandates took hold in the 1960s, ‘70s and ‘80s, the academic performance of poor, Black and Latino students improved significantly.

The National Assessment of Educational Progress, a longstanding standardized test measuring student achievement, showed, for example, that gaps in reading and math scores between black and white high school students nationally were roughly halved between 1971 and 1996, Harvard social policy professor Christopher Jencks and UCLA public policy professor Meredith Phillips noted in their 1998 book, “The Black-White Test Score Gap.”
U.S. test scores among 17 year olds by race, 1971-2012

Source: National Assessment of Educational Progress reading and math score trends. Tests are scored 0-500.

U.S. test scores among 17 year olds by race, 1971-2012

Source: National Assessment of Educational Progress reading and math score trends. Tests are scored 0-500.
But by the late 1990s, as court orders to desegregate were lifted, schools quietly re-segregated, and test scores and metrics began showing diminishing progress. As the 21st century began, education researchers were baffled. When the “No Child Left Behind Act” was signed in 2001 by President George W. Bush, closing the achievement gap was its explicit aim — it was even in the title of the law.

The act focused states on the gap, but neither it nor subsequent bipartisan reform attempts have had much success in moving the needle. President Barack Obama in 2010 tried “Race to the Top” financial incentives, states including California have initiated more rigorous Common Core standards, and Congress combined a number of approaches in 2015 with the “Every Student Succeeds Act,” but progress has been slow.

What’s the California picture?

Massive and diverse, California struggles with formidable income disparities and complex demographics that don’t stop at its public school system. When former Gov. Jerry Brown took office after the last recession, he overhauled school finance policy to make decisions more local, and to steer more state resources to disadvantaged kids.

The state also adopted Common Core learning standards; a tougher standardized exam to measure growth in achievement; and an accountability system that gives schools not a one-dimensional grade, but a color-coded, report card-style dashboard that judges them based on multiple data points.

Since California students began taking the new standardized exam — known as “Smarter Balanced” — statewide reading and math scores have inched up an average of about 1 percentage point each year for the past five years.
In 2019, about 51% of students who took the exam — administered to high-school juniors and students in grades 3-8 — had mastered the state’s reading standards. In math, about 40% of students who took the exam earned a passing score.

**California’s gap demographics**

UCLA researchers recently found that California was the most segregated state for Latinos, “where 58% attend intensely segregated schools,” exacerbating inequities in educational opportunities. More than half of the state’s Black students are concentrated in just 25 of the state’s 1,000 school districts. Of the students enrolled in K-12 public schools in California, less than 30% are white, the researchers found.

Black and Latino students significantly trail white and Asian American students in meeting the state’s reading and math standards. In some instances — say, performance in reading and math between white and black students — the difference in achievement is more than two-fold.
Poverty plus segregation

A recent study by Stanford researchers found student achievement gaps are mainly driven by school poverty — not a school’s racial
composition. “Racial segregation appears to be harmful because it concentrates minority students in high-poverty schools, which are, on average, less effective than lower-poverty schools,” the study found.

Economic disparities by race, ethnicity, 3rd grade reading

Source: California Department of Education
Take, for instance, results in the key areas of third-grade reading and eighth-grade math. Smarter Balanced results from 2019 showed all groups doing better and some gaps narrowing dramatically when poverty wasn’t an issue, though some disparities remained.

**Some metrics are improving …**

Test scores aren’t the only achievement gap measure. Graduation and suspension rates have also reflected disparities, and the improvements there are more positive.

Graduation rates have risen steadily in recent years — overall and for all groups — to 84.5% in 2019. The overall graduation remained stable in 2020 at 84.2%. Calculation of those rates has been
controversial, but a 2018 study credited the uptick to school funding reforms. Suspension rates among students of color have also plummeted to record lows, in part due to recent legislation that tightened suspension and expulsion guidelines in an effort to reduce bias and disproportionate discipline for black and Latino students.

Graduation rates by race, ethnicity 2016-2019

Source: California Department of Education
... College and career readiness, less so

In California, about 44% of graduating seniors were deemed prepared for college or postsecondary careers in 2018-19. The state’s “college and career indicator” factors whether students passed the 11th grade Smarter Balanced reading and math exams or mastered advanced coursework, and whether students met the state’s A-G requirements to attend the University of California or California State University.

While overall college and career readiness is inching toward improvement, there remain yawning gaps in preparedness for the state’s most disadvantaged students. English learners (16.8%
preparedness), foster youth (13.3%) and students with disabilities (10.8%) have the lowest readiness rates in California.

Postsecondary preparedness, 2019

While the California's overall percentage of students deemed prepared for college or postsecondary careers has risen, there are significant gaps in preparedness for the state's most disadvantaged students.

Achievement gaps in earlier grades also play out as students leave the state’s public school system. Researchers with The Education Trust-West in 2017 traced racial, ethnic and income disparities in which students had access and participated in advanced coursework, such as AP classes that let high school students earn college credits early. More black and Latino high schoolers were taking AP courses, Ed Trust-West reported, but fewer than half of them were passing.
Successes are hard to scale, too

Some school districts are bucking the statewide trend, narrowing achievement gaps with higher-than-average outcomes among disadvantaged groups of kids. The Learning Policy Institute recently highlighted these “positive outlier” districts, in which students of color are outperforming their racial, ethnic and socioeconomic peer groups.

In the Chula Vista Elementary School District, for example, reading and math scores have risen by double-digit percentage points for black, Latino and economically disadvantaged students.
Student growth in a 'positive outlier' district

Chula Vista Elementary School District in San Diego County has improved reading and math scores among black students by double digits, narrowing its achievement gaps. About 52 percent of students in the district are economically disadvantaged.

Source: California Department of Education
But California public schools educate more than 6 million students, so it’s difficult to scale successes. The state is home to the nation’s second-largest district (Los Angeles Unified), dozens of other large districts each responsible for educating tens of thousands of kids, and hundreds of small districts spread throughout the state’s urban and rural areas.

**Would different teachers help?**

California, like other states, is experiencing a persistent shortage of qualified teachers. This *disproportionately affects* students who are black, Latino, economically disadvantaged or who have special needs.
An analysis by the Public Policy Institute of California found that changes in California’s school funding law have lowered classroom sizes and added resources, such as extra teachers and support staff, for schools with high concentrations of disadvantaged students. But those extra teachers, the analysis found, were still more likely to be inexperienced.

Gaps in teacher quality, representation by the numbers

As the state’s teacher shortage persists, statistics show California has a way to go to bridge gaps for low-income students of color in quality and representation in the teaching corps.

307,470
Total number of teachers in California’s public schools in 2018-19.

1.2%
Percentage of male black teachers in California, or 3,705 in total.

15%
Percentage of inexperienced teachers in California schools with the highest concentration of poor students in 2015-16.

9.6%
Percentage of inexperienced teachers in California schools with the lowest concentration of poor students in 2015-16.

70%
Approximate enrollment decline in California teacher prep programs between 2001-02 and 2015-16.

Research demonstrates the influence teachers of color have in lifting up academic achievement for students of color, and the effort has been a state focus over the last year. But while America’s teaching corps has become more diverse, recruiting and retaining qualified teachers of color has remained a challenge in California.
What about preschool and transitional kindergarten?

In 2018, Stanford researchers emphasized the importance of expanding low-income families’ access to subsidized childcare and preschool, noting that while the state’s students are learning at rates similar to their peers nationally, they’re starting at a disadvantage. “California’s lag in academic achievement,” the report said, “arises before children even enter the schoolhouse door.”

CA children 3-5 not enrolled in preschool, 2016

California became a pioneer in universal Transitional Kindergarten, the stepping stone between preschool and kindergarten, in 2021. State lawmakers agreed to spend $2.7 billion to establish the new
grade level for all of California’s 4-year-olds by the 2025-26 school year.

**Tweak the funding formula?**

California’s 2013 Local Control Funding Formula was the linchpin of former Gov. Jerry Brown’s school finance overhaul. Under it, all school districts get a flat grant based on their enrollment. Districts with higher concentrations of low-income students, English language learners and foster youth then receive additional funding through “supplemental” and “concentration” grants.

Legislators supported the law and its focus because they recognized that students with higher hurdles need more resources. Local school officials now have more authority to decide how to spend their dollars, and they widely say the formula is an upgrade over the previous school finance method, which doled out funding to schools through dozens of “categorical” programs that specifically dictated how districts could use each category of funds.
More money, mixed results

Many of the state’s poorest districts have boosted scores for low-income students under the new school funding formula, which directs extra state money to needy students. But English learner scores in some districts have stagnated or receded and progress has been slow.
Some schools have seen significant progress under the new system, with low income kids, for example. But it’s been slow going, and with some groups, the extra money doesn’t seem to be making as much difference. In 2021, the state budget increased the size of concentration grants. One study, however, found that funding should be calculated for each school, rather than for each district.

**The transparency debate**

Recommendations by California State Auditor Elaine Howle would make it easier to track money distributed to schools. Photo by Anne Wernikoff for CalMatters
There’s another issue with the school funding formula: Following the money is hard. A 2019 state audit found it was nearly impossible to determine whether school districts are spending their supplemental and concentration dollars on services for the disadvantaged students for whom they’re intended. It reignited calls for transparency.

Supporters of stronger oversight say it’s necessary if the state is to effectively close achievement gaps. The audit also noted a loophole: Funding targeted for students in need loses its designation if it goes unspent in the year for which it’s earmarked, so that special needs money can actually be used for district-wide expenses if it rolls over into the following school year.

Lawmakers unsuccessfully tried to enhance transparency and close these loopholes in 2020. The State Board of Education, however, has made changes intended to make school accountability documents easier to read for parents, and the state Department of Education is studying transparency.

**Rising costs threaten reforms**

Despite years of economic growth in California and record spending toward public education, study after recent study has warned that school districts are heading for long-term financial problems. The Local Control Funding Funding formula has increased spending by about $24 billion since 2013, but student enrollment has declined in California, and fixed costs such as healthcare, special education programs and employee pension obligations have dramatically risen.
CaISTRS contribution rates

Though school spending is up – in part to make up for deep cuts during the recession – districts have also been on the hook for ever higher contributions to the state’s teacher retirement fund.

Source: CaISTRS
Gov. Gavin Newsom included $3 billion in pension relief for districts in 2019 in his inaugural budget. In 2020, the state provided an additional $1.6 billion for relief. However, districts’ contribution rates toward the California State Teachers’ Retirement System (CalSTRS) have increased from 8% of their payroll in 2013 to 16% in 2021. These cost pressures compete with achievement gap initiatives on district balance sheets.

**What price equal opportunity?**

In 2018, researchers with the American Institute for Research looked at California’s spending the prior school year and calculated that, to educate all the state’s K-12 students to California’s learning standards, the state would have had to spend an extra $25.6 billion over the $66.7 billion it spent that year.
That figure — essentially a cost estimate for closing the achievement gap — varied by school district. But overall, it worked out to about $16,800 per pupil, an increase of more than one-third.

In 2021, the budget for public schools and community colleges ballooned to a record-breaking $123.9 billion. But the governor, legislators, advocates, educators and experts agree that the state needs to commit even more to education, pointing to cost-of-living-adjusted rankings that place California 41st in education spending.
Education is already a massive line item, and lawmakers have been loath to make it bigger, given the traumatic cuts that had to be made during the last recession. In 2020 Californians voted down a ballot measure that could have raised billions of dollars for public schools by raising taxes on big corporations.

California school funding by the numbers

California has increased school spending by tens of billions of dollars since the recession. But education leaders say the state still has a way to go to adequately fund schools.

$10,281

Spending per student in California, adjusted for regional cost differences by Education Week.

$12,756

The national average for state per-pupil spending.

$19,697

Spending per student in New York state, a frequent benchmark for California that ranks 2nd nationally.

41st

California's ranking in education spending as adjusted for cost of living, according to a 2017 California Budget and Policy Center analysis.

$24.6 billion

Increase in annual state funding for schools since the implementation of the Local Control Funding Formula in 2013.

$35 billion

Increase in annual state funding some lawmakers seek as a goal to lift California into the top 10 states for school spending.

Sources: Education Week Research Center, 2019; California Budget and Policy Center
Overcoming the pandemic
Taking aim at achievement gaps

Building on the Brown administration, Gov. Gavin Newsom's strategy has been to ramp up per-pupil spending and focus on long-term initiatives such as early childhood education, special education and incentivizing more experienced teachers to teach in high-needs districts.

Expanding early childhood programs

Last year's state budget included $1.8 billion earmarked for expanding subsidized child care and preschool — programs academics say are critical to address gaps for poor students. Under Newsom’s outline, the state would expand California's State Preschool Program by 30,000 slots within three years.

Incentivizing teaching in low-income schools

The governor wants to include in the 2020-21 budget a $100 million grant program that would pay teachers $20,000 stipends to work in low-income schools for at least four years.

Tackling the teacher shortage

Both years Newsom has been in office have included funding for efforts to chip away at the state's shortage of qualified teachers. This year's budget proposes about $900 million for teacher retention and recruitment efforts.

Creating 'community schools'

The governor’s latest budget proposal includes $300 million in one-time money for community school grants. These innovative school models intend to counteract student poverty by providing health, mental health and social services to kids in addition to a traditional education.

Boost to special education funding

Calling it 'a crisis,' the governor is proposing $895 million in services for students with disabilities, with an emphasis on early intervention and screening for preschoolers. Students with disabilities are among the student groups with the lowest math and reading proficiency in California.
After the pandemic first shut down schools in March 2020, most of California’s students didn’t come back for full-time, in-person instruction until the start of the 2021-22 school year. Because the state did not administer standardized tests in both the 2019-20 and 2020-21 school years, it’s hard to know exactly how far students have fallen behind.

But grades have plummeted across the state. More students received Ds and Fs during the pandemic. English learners and students from low-income families saw steeper grade drops.

But as students returned to campuses, educators were tasked with not only fostering recovery in academics but also in terms of mental and emotional health. To help students readjust to the classroom environment, the state allocated $5 billion across 5 years to expand after-school and summer school programs.

And in a historic move to combat food insecurity, an inequity laid bare by the pandemic, the state spent $54 million for schools to give all students two free meals a day. The universal free meals will start in the 2022-23 school year.