



United Way of Greater Los Angeles and CLASS Coalition Release 3rd Annual Local Control Funding Formula Report Card

Report Monitors the Distribution and Effects of State Dollars to the Los Angeles Unified School District; Calls for Greater Equity in Funding Allocations

Los Angeles, Calif., June 14, 2016 – United Way of Greater Los Angeles and the Communities for Los Angeles Student Success (CLASS) Coalition, in partnership with UC Berkeley, released its findings and resulting recommendations following their third annual Local Control Funding Formula (LCFF) Report Card. The report evaluated how the Los Angeles Unified School District (LAUSD) is using nearly \$5 billion dollars of state funds to increase the academic success of low-income English learners, and highlighted the need to develop a clear and comprehensive strategy that leverages current resources to better support families of schools that have been historically underserved. As a coalition representing over 150,000 parents, teachers and students across more than 60 organizations, CLASS made recommendations to emphasize the need for equity, transparency, and accountability, as well as engagement of key stakeholders, in decision-making around education.

“United Way of Greater Los Angeles has long been committed to promoting college-readiness for our students—now is the time for stakeholders to come together to ensure that new investments are closely tied to creating a high-quality educational experience that some communities have long been denied,” said Elise Buik, CEO, United Way of Greater Los Angeles. “Without progressive allocation of funding for the entire LAUSD budget, too many students will remain underserved and unengaged, with achievement gaps persisting generation after generation.”

Key Findings from the Report Card include:

- **Unequitable Distribution of Funds:** There is a huge need to fairly distribute targeted funds generated by high-needs students.
 - While there has been slight progress in this direction for high schools and elementary school distributions in the current year (2015-16), the district must fully fund schools with high-needs students, including those in South Los Angeles, East Los Angeles, Sylmar and Pico-Union that are often severely underfunded and therefore have continued gaps in achievement.
 - Only 20% of the \$1.06 billion that high-needs students generate is currently distributed to schools based on the student population.
 - English learners (EL) represent 25.9% of the population at LAUSD, but only receive 1.5% of LCFF allocations (\$74.6 million).
- **Misalignment of Programs with Demand:** While the Investment Fund is intended to support new programs that raise outcomes for high-needs students, there is presently no way to track the success of these investments.
 - While there is a larger percentage of this fund allocated based on the count of target student populations (TSPs) as per the budget staff’s interpretation of the

Board's *Equity is Justice Resolution*, blanket allocations of Assistant Principals and Library Aides continue at the elementary school level without regard to need.

- We find that some high-needs schools in the same community remain underfunded compared to projected funds allocated through the Governor's LCFF formula. School-by-school budgets are driven largely by the cost of teachers with varying seniority levels, administrators and counseling staff.
- **Lack of Transparency and Accountability:** Further examination of specific line items such as A-G Intervention Supports (which totaled \$15 million in its first year) revealed local districts received a portion of this sum and then allocated it to school sites based on their preferred method.

Based on these findings, the CLASS Coalition recommends the board consider the following when reviewing next year's proposed budget:

1. Increase the amount of money that is allocated to schools based on level of need through a comprehensive strategy.
2. It is important there is guidance, transparency, and accountability in ensuring these dollars are directed toward addressing intended outcomes. A plan must be established within the District for carefully tracking which of these various investments lift high-needs pupils.
 - I. Monitor the effect of investments meant to benefit high-needs students through a permanent district position to ensure there is a centralized means of tracking how programs, resources or school sites are advancing student's academic successes.
3. Build the capacity of principals and local district leaders to leverage their budgets to take ownership over the improved outcomes of the high-needs students. School Site Councils and Parent Centers must also meaningfully engage stakeholders around this pressing matter.
4. Increase the funding to improve the rate of ELs reclassification of this large sub-group.
 - I. Looking at A-G on-track rates alone, redesignated ELs are one of the highest performing sub-groups in the District (74%), and Long Term English Learners (LTELs) and short term ELs have some of the lowest on-track rates (29% and 24%). Investing in reclassification and supports would offer a real lever for overall increases in academic outcomes.

ABOUT UNITED WAY OF GREATER LOS ANGELES

United Way of Greater Los Angeles is a nonprofit organization that creates pathways out of poverty by helping homeless people move into housing, providing students with the support they need to graduate high school prepared for college and the workforce, and helping hard-working families become financially stable. United Way identifies the root causes of poverty and works strategically to solve them by building alliances across all sectors, funding targeted programs and advocating for change. For more information, visit www.unitedwayla.org.