

CCSESA FOCUS

An Update to County Superintendents of Schools

Friday, January 8th, 2016

Governor Releases Proposed Budget

Yesterday Governor Brown released his proposed state budget for 2016-17. In terms of K-12 education, the budget proposal reflects a continuing commitment to LCFF implementation. Although this aspect of the budget proposal is not surprising, there are several other issues that will be of particular interest to county superintendents as the budget deliberations continue through the spring.

Local Control Funding Formula (LCFF) - Proposes a \$2.8 billion increase in LCFF funding. The Department of Finance estimates this will eliminate almost 50% of the remaining "gap" in LCFF funding.

One-Time Discretionary Funding - \$1.2 billion in one-time funds for school districts, charter schools, and county offices of education to use at local discretion. The funds provided will offset any applicable mandate reimbursement claims for these entities. This represents a proposed allocation of about \$200 per ADA.

Early Education Block Grant - The budget proposes a \$1.6 billion early education block grant that combines Prop. 98 funding from the State Preschool program, Transitional Kindergarten, and the Preschool Quality Rating and Improvement System Grant. The grant would provide each local educational agency with the discretion to implement pre-kindergarten education programs that align funding with local priorities.

According to the Governor's budget summary: "Based upon the core fiscal tenets of LCFF, block grant funding will be distributed based on factors such as population and will need to ensure that funds are provided equitably to schools with large populations of disadvantaged children; however, no local educational agency will receive less funding under the block grant than it received under the prior funding models....The Administration will engage stakeholders on the development of the block grant throughout the spring budget process to develop additional program details by the May Revision."

This proposal will certainly be a major topic of debate during the state budget deliberations. For example, yesterday the advocacy group "Early Edge" released the following comments on the Governor's proposal:

"Early Edge looks forward to joining with others to strongly inject quality as the Administration engages stakeholders on the block grant proposal to develop additional program details by the May Revision..."

"Here are a few of our initial questions on the proposal:

- *As part of the block grant consolidation, does the Governor propose major changes to the existing TK program (now an entitlement for children with fall birthdays) or to TK expansion opportunities he approved last June?*
- *Would non-LEA preschool providers be eligible to receive funds via this block grant? California has a mixed delivery system with some very high quality non-LEA providers.*

- *How will services to low-income three-year-olds be affected and will there be commensurate funding for CSPP to serve these children through community based providers?*
- *How will we ensure quality in the LEA programs? Will the preschool programs run by LEAs be required to continue to meet CSPP program requirements?*
- *The proposal as described does not appear to allow for an increase in the number of children served, including 3, 4 and 5 year olds. There remain thousands of children without access to high quality Pre-k programs. "*

Multi-Tiered Systems of Support - The 2015-16 state budget included \$10 million for allocation to one or two county offices of education to support Multi-Tiered Systems of Support (MTSS). The 2015-16 budget also included \$30 million for early education programs for special education. The 2016-17 budget would redirect that \$30 million amount, which has not been allocated, to instead "build upon" the \$10 million MTSS program to provide academic and behavioral supports in a coordinated and systematic way.

K-12 School Facilities - The Administration continues to have significant concerns with the current school facilities program, and believes California needs a new program that corrects the deficiencies of the existing program. It should be noted that the proposed \$9 billion school bond that has qualified for the November 2016 ballot makes no changes to the existing program. The budget summary indicates the Administration will continue a dialogue with the Legislature and education stakeholders to shape a future state program focused on districts with the greatest need, while providing substantial new flexibility for districts to raise necessary resources for their facilities needs.

Child Care - According to the Department of Finance, California provides about a third of its child care funding by direct contract to providers and about two thirds by vouchers that families can use to choose providers. Contracts are administered by the state Department of Education and vouchers are administered locally by alternative payment agencies. The Administration has concluded that vouchers are a more efficient way to provide eligible families with access to subsidized care. The Budget proposes trailer bill language that would require the Department of Education to develop a plan to transition contracted funding into vouchers over the next five years.

Prop. 47 - Prop. 47 was approved in 2014 and reduced the penalties for certain non-violent drug offenses. Among other provisions, Prop. 47 requires that a portion of any resulting state savings be invested into K-12 truancy and dropout prevention, victim services, and mental health drug treatment. The proposed budget includes \$7.3 million to support investments aimed at reducing truancy and supporting pupils who are at risk of dropping out of schools or are victims of crime.

County Funding for LCAP Work - The Governor's January budget proposal does not address the issue of ongoing funding for county office of education work to support the LCAP process. As you know, we have been in discussions with the Governor's staff and the Department of Finance about ongoing funding for county superintendents for LCAP work. Those conversations are ongoing and productive and we are working to have a proposal included in the Governor's May Revision.

An important concern in developing a January budget proposal was the lack of clarity about the nature and scope of the evaluation rubrics and the relationship of the work of CCEE and county superintendents. On both these latter issues, we should know a lot more by May. Both the Governor's staff and the Department of Finance have been clear, however, that they recognize the workload for county offices is ongoing and must be addressed with ongoing funding.

[Attached](#) is a copy of the Budget Summary for the K-12 education portion of the proposed budget. BASC will be reviewing the proposed budget at its meeting on January 15th, and the CCSESA Legislative Committee will discuss the various budget issues at its meeting on January 25th.

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