



**2016-17 State Budget
and K-12 Education
Issues Webinar
June 30, 2016**

Topics we'll be discussing today

- Political landscape
- 2016-2017 state budget compromise
- Pending legislation
- Federal update
- Accountability
- 2016 ballot initiatives



Political Landscape

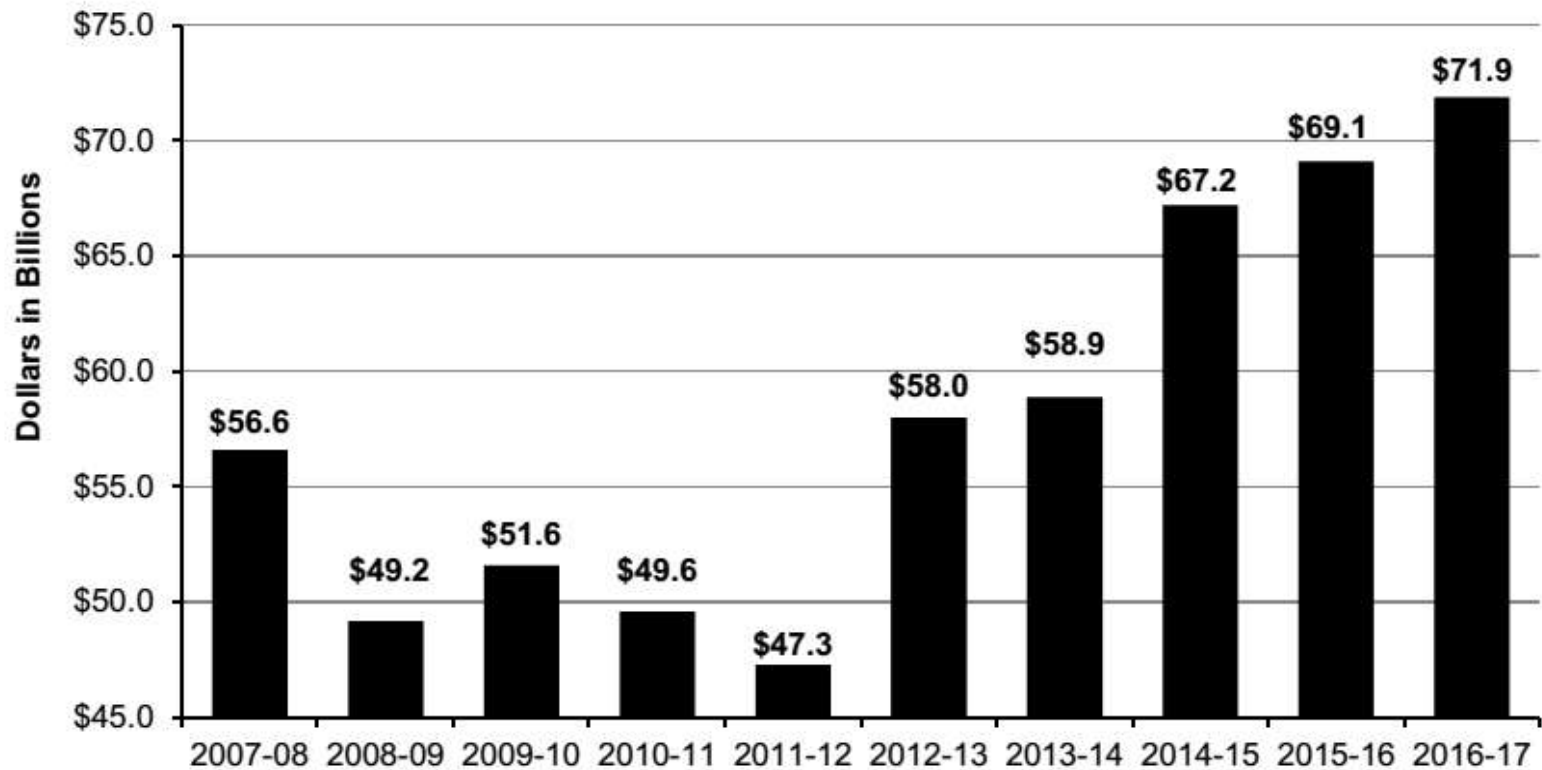
- Election year politics are significant
- 1/3 of current legislature pre-dates LCFF
- Many lawmakers believe schools are doing very well
- Legislature reluctant to have funding adequacy conversation

2016-17 Budget

- \$122.2 billion General Fund
- \$2 billion state reserve increase
- \$445 million for affordable housing and homelessness programs
- \$250 million for local public safety infrastructure
- \$100 million for child care and preschool
- \$50 million in one-time funding to improve CSU graduation rate targets

Investment in education

Figure INT-06
Proposition 98 Funding
2007-08 to 2016-17



Source: 2016-17 Governor's May Revision Summary

Local Control Funding Formula

- \$2.94 billion for LCFF
- Brings total LCFF funding to \$55.8 billion in 2016-17
- Time to start preparing for slower growth



District and Charter School LCFF						
(Dollars in Millions)						
	2014-15	2015-16 ^{1/}	2016-17	2017-18	2018-19	2019-20
LCFF Funding	\$4,722	\$5,994	\$2,942	\$2,210	\$835	\$1,968
Remaining LCFF Gap Closed	30.16%	52.20%	54.18%	72.99%	40.36%	73.98%
COLA	0.85%	1.02%	0.00%	1.11%	2.42%	2.67%

1/ 2015-16 LCFF percentage reflects an estimate as of the 2016 Budget Act.

Source: Department of Finance, June 29, 2016



LCAP template revisions

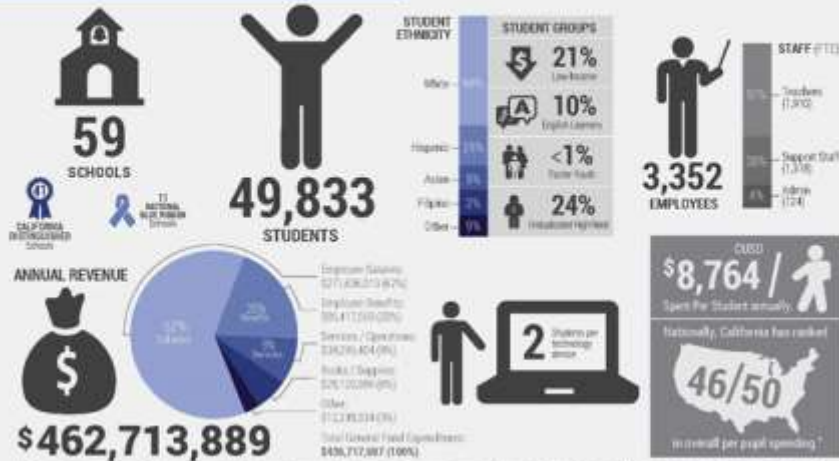
- SBE considering the following changes by September 2016:
 - Adopted LCAPs effective for three years and updated annually
 - Include instructions for executive summary of LCAP and Annual Update
 - Reorder sections to align with typical LCAP planning cycle
 - Clarify instructions for completing each section
 - Relocate guiding questions and/or instructions to appendix or separate document

LCAP Breakdown



Local Control and Accountability Plan

District Overview (2014-15)



Vision: An unwavering commitment to student success. **Mission:** To prepare our students to meet the challenges of a rapidly changing world. Capistrano Unified School District, 31125 Verde Rd., San Juan Capistrano, CA 92675. Phone: (949) 234-9220. Website: www.capstranoe.d.edu. CDS# 066446

2. Goals, Actions & Expenditures

GOAL #1

Post-secondary options for all students

STATE PRIORITIES

STUDENT GROUPS

SCHOOLS

INCREASE STUDENT TEST ACHIEVEMENT SCORES

INCREASE EL RECLASSIFICATION RATE

INCREASE NUMBER OF ELs RECLASSIFIED TO STANDARD

INCREASE ELs MEETING OR EXCEEDING STANDARDS

INCREASE EL RECLASSIFICATION RATE

Expected 2015-16 Actions & Expenditures	Amount	Fund
1.1 - Provide effective learning conditions via highly qualified staff & reduced class sizes	\$1,788,230	General Fund
1.2 - Provide training for teachers & staff on standards, instructional practices, assessment & data analysis	\$1,764,910	General Fund
1.3 - Ensure access to standards aligned curriculum & materials	\$585,415	General Fund
1.4 - Provide professional development, tech support, & progress analysis in digital literacy	\$342,000	General Fund
1.5 - Increase English Learner reclassification rate & decrease Long Term English Learner students	\$295,000	General Fund
1.6 - Ensure teachers & staff serving EL students have access to PD, support, CCSS & ELD aligned instruction	\$103,500	General Fund
1.7 - Continue English Learner program operations	\$504,979	General Fund
1.8 - Increase student learning via data-driven decision making	\$77,600	General Fund
1.9 - Provide professional development for Special Education teachers	\$10,040	General Fund

One-time discretionary funds

- \$1.28 billion in one-time discretionary funding:
 - \$214 per ADA
 - Offsets outstanding mandate claims owed to school districts
 - Intended to support content standards implementation, professional development, induction programs, deferred maintenance, and instructional materials and technology



\$200 million College Readiness Block Grant

- Funding per unduplicated pupils in grades 9-12 during Fiscal Year 2015-16
- Minimum grant of \$75,000 per school district, charter school or County Office of Education
- Spending plan required to receive funding
- Funds available through 2018-19
- Eligible activities include, but not limited to purchasing materials that support college readiness, access to coursework for A-G and subsidies for AP exams

Teacher Workforce Package

- \$5 million for California Center on Teaching Careers
- \$10 million in grants for four-year integrated teacher credential programs at post-secondary institutions
- \$20 million to re-establish the Classified School Employee Teacher Credentialing Program



Early childhood development and child care



- Increases Standard Reimbursement Rates by 10% across-the-board effective January 1, 2017
- Increases Regional Market Rates (RMR) to 75th percentile as of January 1, 2017 with two-year hold-harmless
- \$100 million in funding for 8,877 additional full-day State Preschool Slots - phased in over four years

Budget Elements

- CTE Incentive Grant program
- Academic and Behavioral Support Programs
- Mathematics Readiness Challenge Grant program

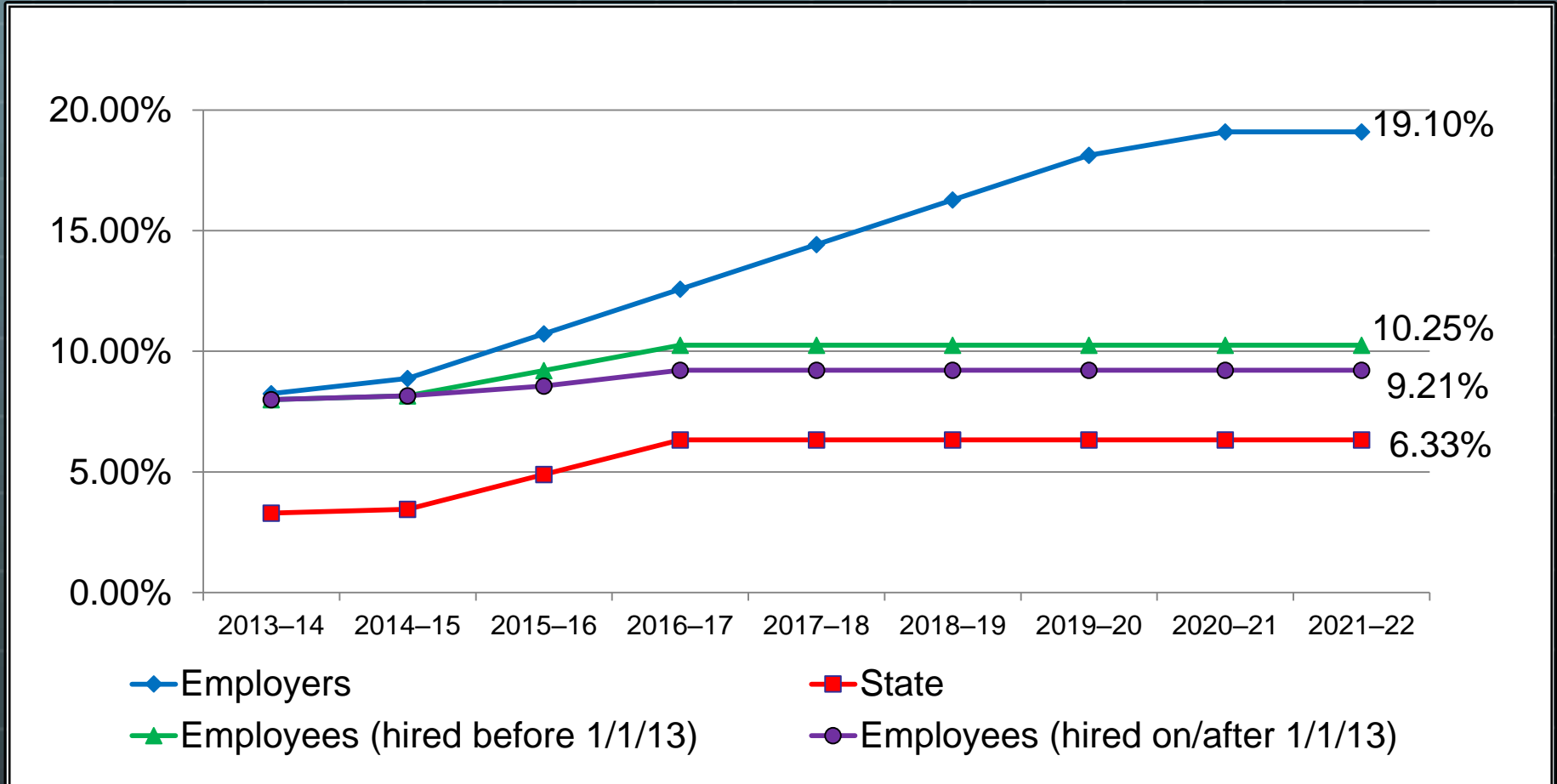


Investments in K-12 education

- \$500 million for Adult Education Block Grant
- \$398.8 million in one-time Proposition 39 Energy Efficiency Grants
- \$2 million to expand School Breakfast Startup Grant program to incentivize breakfast after the bell
- \$2 million for the Student Friendly Services college planning website



CalSTRS contribution rates



Source: Capitol Advisors LLC, May 2016

Pending legislation

- AB 2835 (Cooper) Public employees: orientation and informational programs
- SB 799 (Hill) School finance: school districts: annual budgets: reserve balance
- AB 934 (Bonilla) Certificated school employees
- AB 2393 (Campos) School employees: sick leave: parental leave
- SB 1432 (Huff) School attendance: pupil transfer options: school districts of choice
- SB 884 (Beall) Special education: procedural safeguards and records: mental health services
- AB 1084 (Bonilla) Charter schools: for-profit entities

Federal update

- ESSA Implementation
- Reauthorizations of:
 - Perkins Act
 - Child Nutrition Act
 - FERPA
 - IDEA
 - Higher Education Act (includes teacher preparation program reforms)



Accountability and LCFF Evaluation Rubrics

- Proposed State Indicators:
 - Student test scores on ELA and math for grades 3-8 and 11, results from NGSS assessment, when available
 - Progress of ELs toward English language proficiency
 - High school graduation rate
 - Measures of student engagement, including suspension rates by grade span and chronic absence, when available

LCFF evaluation rubrics

- May incorporate three additional indicators into overall design:
 - College and career readiness measures
 - Local climate surveys, including any items from the California Healthy Kids Survey and related surveys
 - Composite measure of EL proficiency rates including reclassification and long-term EL rates
- SB 871 (Liu): Evaluation Rubrics Trainings

Rubrics: Top-level data display

LEA/SCHOOL INFO HERE (could include basic demographic info)					
Navigation pane using Javascript, with tabs pointing to: detailed reports, model practice, and resource links sub-pages.	Indicators	All Student Performance		Student Subgroup Performance*	Narrative (Optional)
	ELA Assessment	High	Improved Significantly	Students with Disabilities	
	Math Assessment	High	Improved	Low-income, Filipino, American Indian/Native	
	English Learner Proficiency	Intermediate	Maintained	N/A	
	Graduation Rate	Low	Improved	Students with Disabilities	
	Suspension Rate	Low	Maintained	Students with Disabilities, Native Hawaiian/Pacific	
	Chronic Absenteeism	Very Low	Maintained	Low-income, African American, English learners,	

* Display highlights any student subgroup that is in the Red or Orange level of performance on the indicator, with red or orange text showing which level of performance. Users can generate more detailed reports showing performance for all student subgroups.

2016 California ballot initiatives

- The California Children's Education and Health Care Protection Act of 2016
- School Facilities Bond Proposal
- California Education for a Global Economy Initiative
- 18 possible initiatives



Children's Education and Health Care Protection Act of 2016

- Temporarily extends current income tax rates created under Proposition 30 for 12 years on the wealthiest 2% of California
- Does not extend the original Proposition 30 sales tax
- Generates an estimated \$8-11 billion each year
- Campaign recently submitted 1 million signatures to qualify the initiative on the November, 2016 ballot

Public Policy Institute of California polling

- 62% of likely voters favor extending higher income tax rates (\$250,000 or more) for 12 more years
- 63% of likely voters favor the proposed \$9 billion school facilities bond
- 63% of adults would rather use state budget surplus on preschool rather than pay down state debt and build up a reserve



Proposition 30:

Key messages

- Critical to restoring funding for education and vital services
 - \$50 billion lost that will never be paid back
 - Billions in cuts to health care and other critical services
 - Some funding restored, but only to pre-recession levels
- Public schools have made progress, this is no time to turn back
 - Has generated more than \$24 billion
 - Freed up funds to prevent other cuts
 - Smaller class sizes, teachers hired, textbooks bought – but more to be done
 - Public schools stand to lose \$5 billion a year without extension

2016 School Facilities Bond



- \$9 billion state school bond for more projects and provide matching funds for local bonds
- \$3 billion new construction
- \$3 billion modernization
- \$500 million CTE
- \$500 million charter schools
- \$2 billion community colleges
- Makes no program reforms

CA Education for a Global Economy Initiative (SB 1174 - Lara)

- Amends and repeals provisions of Prop. 227
- Deletes sheltered English immersion requirements and waiver provisions
- Requires school districts and COE's provide English learners with structured English immersion program
- Authorizes parents to choose language acquisition program best suiting their child



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