Dear Leaders,

California’s school finance system – which fuels the learning and developmental opportunities that our state’s 6.2 million public school students receive – is driven largely by the important decisions made by elected local and state leaders. The California Association of School Business Officials (CASBO) has developed this guide to provide essential information about school finance and business to inform this decision-making. The guide is divided into four sections that describe:

- **How (and how well)** California public schools are funded
- **The new era of LCFF:** California’s student-centered funding formula
- **Critical issues** in school finance and business, and
- **Basics** of local school district budgets

As you consider the current school finance landscape, some important realities to keep in mind include:

- While overall funding for schools provided by the state has bounced back from the depths of the Great Recession, the state’s overall investment continues to lag behind both the national per-student average and levels that researchers indicate are necessary to ensure all students can meet the state’s high academic standards.
- Despite recent increases in state education funding, local school districts throughout California face significant fiscal pressures that threaten to destabilize their budgets and force reductions in services to students. This is due to rising costs, including pension obligations mandated by the state, that absorb a significant amount of available funding.
- The Local Control Funding Formula (LCFF), signed into law in 2013, has made important changes. It allocates funding based on students’ needs and promotes greater transparency, local flexibility and stakeholder engagement in planning and decision-making. While the LCFF determines how state funds are allocated to local districts and county offices of education, the state’s Proposition 98 formula still largely determines how much overall state funding goes out to schools.

- **California continues to serve the most diverse student population in the country**, including approximately one-fourth of all students who live in poverty, one-fifth who are English learners, and one-tenth who have disabilities that affect their ability to learn. At the same time, the state faces a severe shortage of qualified teachers for many subjects and classrooms, as well as a shortage of school leaders.

We encourage you to gain a deeper understanding of these and many other issues that shape school funding and business in California. While sometimes less visible, they are crucial to supporting the success of our students every day in all of our classrooms.

CASBO is happy to serve as a resource for you. Founded in 1928, CASBO supports public schools by providing professional development and creating opportunities for collaboration in every facet of school business management and operations to school districts, county offices of education and more than 23,000 individual school business officials statewide. Our work is based on the fundamental principle that public education is the foundation of a healthy democracy and thriving economy.

California’s 6.2 million public school students are CASBO’s essential priority; therefore, we work to ensure that California public schools can educate our students in safe and healthy environments with appropriate educational resources so that they may become productive members of society.

Please do not hesitate to contact our office at 916-447-3783, or visit our website at casbo.org.

Sincerely,

Christina Aguilar
PRESIDENT

Molly McGee-Hewitt
CEO & EXECUTIVE DIRECTOR
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What are the main sources of funding for local schools?

Local, state and federal dollars support the 6.2 million students in California’s K–12 public schools. Since 1978, by far the largest source of general operating funding for schools comes from the state budget General Fund. That’s a significant change from the years before that, when most school funding came from local property tax revenues.

Funding from the state typically flows to what are called Local Education Agencies (LEAs), which are school districts, county offices of education and most charter schools. These LEAs also then allocate funds for individual schools and services.

How is the state’s total allocation to schools determined? And how stable is the state’s funding?

Proposition 98, passed by voters in 1998, continues to drive how much overall funding the state sends to our K–12 schools and community colleges each year.

Proposition 98 uses a complex formula to set a minimum level for funding (about 40 percent of state revenues) that ideally grows with the economy. However, when the state’s overall tax revenue growth is low, education funding can be reduced – with the understanding that it will be restored when revenues rebound. (With a two-thirds vote, the Legislature also may take the extreme action of suspending the Proposition 98 funding requirement.)

Instead of serving as a minimum, Proposition 98 has most often been treated as a maximum by the legislature, which has rarely allocated more than the required minimum amount to schools.

Additionally, the state budget’s heavy reliance on income tax, as opposed to property tax revenues to support schools increases potential volatility. Property values (and therefore property tax receipts) tend to vary moderately with economic cycles, as opposed to income tax receipts, which are fully exposed to the booms and busts of the stock market.

What determines how much funding each individual school district, county office of education or charter school receives?

The amount is set mainly through a calculation called the Local Control Funding Formula (LCFF) – a groundbreaking state law approved in 2013.

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1 The “local and miscellaneous” slice is generated and controlled by local school districts and includes such items as interest income, leases on unused properties, parcel tax proceeds and donations.

2 Ed100.org
The LCFF takes into consideration the additional costs to educate students based on their needs, such as foster and homeless youth, English learners, and students from low-income families.

The LCFF provides districts with greater flexibility for spending their funding, and also requires districts to engage their communities in developing Local Control and Accountability Plans (LCAPs). We’ll explain more about these aspects in the LCFF section of this guide.

**How much state funding do schools receive in total?**

In 2017-18, Proposition 98 funding totaled $75.2 billion. Of that, K–12 education received $65.3 billion, community colleges received $8.6 billion, and preschool received $1.1 billion.

Keep in mind that California serves by far the largest student population of any state – more than 6 million students, including about six out of every 10 who are from low-income families, one in five who is an English learner, and one in 10 who has a disability affecting his/her education. ³

**How much on average does California spend per student? How does this compare to other states?**

The most current state-to-state education spending comparisons are from 2015-16. In that fiscal year, California ranked 41st among all states in spending per K–12 student after adjusting for differences in the cost of living in each state.⁴ California spent $10,291 per K–12 student – about $1,900 less than the $12,252 per student average spent by the nation as a whole.⁶ California’s spending per student in 2015-16 was about $2,000 higher than it had been in 2012-13, at which point California ranked 50th in the nation. Even with increases in recent state budgets, California’s per-student spending is still below the national average from several years earlier, and far below the top-spending states, which allocate in excess of $20,000 per student.

A new study conducted by the American Institute for Research as part of the “Getting Down to Facts II” project in 2018 estimated that California would have needed to spend an additional $25.6 billion (over a third more than 2016-17 levels) to ensure all students have an opportunity to meet the state’s educational goals.⁷

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⁴ California’s Support for K–12 Education is Improving, but Still Lagging, California Budget and Policy Center Fact Sheet, January 2017; [www.calbudgetcenter.org/resources/californias-support-K–12-education-improving-still-lags-nation](www.calbudgetcenter.org/resources/californias-support-K–12-education-improving-still-lags-nation). Also, EdSource has noted that states’ rankings of per-student spending can vary by studies. In addition to the California Budget and Policy Center rankings, other frequently cited rankings are calculated by EdWeek and the National Education Association. See [EdSource](https://www.edsource.org/2017/how-does-california-rank-in-per-pupil-spending-it-all-depends/577405), (Based on 2016-17 funding levels that were analyzed in the study.)

⁵ California Budget and Policy Center, ranking based on 2012-13 fiscal year, the most recent year that data was available.

⁶ California Budget and Policy Center

What percentage of Californians’ taxable income is spent on education?

Another insightful way to measure a state’s overall commitment to education funding is by a concept economists call “effort” – that is, comparing how much a state spends on schools as a percentage of the personal income earned by state residents. By this measure, California ranked 37th among all states. California’s K–12 school spending in 2015-16 was 3.29% of state personal income, compared to 3.78% in the nation as a whole.

California’s K–12 spending in 2015-16 was 3.29% of total state personal income, compared to 3.78% for the nation as a whole...

How much funding does California receive from the federal government?

California received $7.6 billion for K–12 education in 2016-17 from the federal budget (about 9 percent of the state’s total revenues for schools). The largest portion of these funds flows to schools with high concentrations of low-income students, known as Title I schools. States that accept federal dollars must comply with federal requirements, most significantly as stipulated in the Every Student Succeeds Act (ESSA). Additionally, federal funds go toward supporting districts in serving students with disabilities, English learners, schools impacted by military bases and other facilities, and for improving teacher quality. Federal funds also support related services for early learning and afterschool programs.

For extremely useful infographics, see “States in Motion: Visualizing how education funding has changed over time,” produced by EdSource – edsourc.org/2015/states-in-motion-school-finance-naep-child-poverty/83303

GOING DEEPER

For additional research about several school finance related topics, be sure to consult the new Getting Down to Facts II project conducted by Stanford University and Policy Analysis for California Education (PACE). This provides in-depth analysis of California’s education system as of 2018. Research briefs and technical reports can be viewed at www.gettingdowntofacts.com/research-briefs.

FUNDING MATTERS

A recently conducted review of research by the Learning Policy Institute on the role of money in determining school quality found that: “Improvements in the adequacy and equity of per-pupil spending are positively associated with improved student outcomes. While there are other factors that moderate the influence of funding on student outcomes, such as how that money is spent, the association of higher spending with better student outcomes holds true, on average, in numerous large-scale studies across multiple contexts. The size of this effect is larger in some studies than in others; and in some cases, additional funding appears to matter more for some students than for others – in particular, students from low-income families who have access to fewer resources outside of school. Clearly, money must be spent wisely to yield benefits. But on balance, in direct tests of the relationship between financial resources and student outcomes, money matters.”


8 EdSource
9 California Budget and Policy Center, calbudgetcenter.org/resources/californias-support-K-12-education-improving-still-lags-nation/
What about the California State Lottery – how much funding do schools actually receive from it?

For most of the past decade, the state lottery has provided slightly more than 1 percent of total school funding, with 2 percent the high mark. In 2015-16, schools received a total of about $1.1 billion in K–12 funding, or about $140 per student in funds to be used for any purpose, plus $40 per student specifically for textbook purchases. (The cost for a typical textbook may exceed $150.)

How are the costs for building new school facilities or modernizing existing ones paid for?

Both the state and local school districts issue bonds to pay for school facilities.

The state’s School Facility Program provides grants to school districts that cover half the cost of new construction projects and a larger share for modernization. In November 2016, California voters passed Proposition 51, the first statewide school bond measure since 2006. It authorized $7 billion in new general obligation bonds for public school facilities (and $2 billion for community college facilities). The state makes debt service payments using non-Proposition 98 General Fund monies to repay these bonds.

Local communities also contribute to building and modernizing school facilities. In 2016, Californians across the state voted on 205 local school bond measures, of which 94 percent passed. In total, more than $18.8 billion in local bonds for K–12 facilities was approved. From 2004 to 2016, local school districts proposed 1,018 bond initiatives and voters passed 83 percent of them, for a total of $91.1 billion in local funding. These bonds are repaid through local property tax surcharges.

While public support for local school bonds has remained consistently high, it is important to note that districts which are not able to pass bonds have significant unmet facilities needs. Moreover, even districts that have passed bonds may struggle to accomplish their facilities goals and provide equal opportunities for students because bonding capacity is tied to the value of properties in the district.

What is the state’s overall estimated school facilities need?

According to the Public Policy Institute of California, California’s public schools serve more than 6 million students at 10,000-plus schools in more than 300,000 classrooms – 70 percent of which are more than 25 years old. By 2022, schools statewide are projected to need about $117 billion for facilities. About 69 percent of that amount is needed for school maintenance and modernization – updating science labs and adding computers, for example – while only 10 percent is needed to keep pace with enrollment or address overcrowding.

Community Funded Local School Districts

Some school districts – about 10 percent of the 1,000 districts in California – are funded primarily through local property taxes, rather than state funds. These are called Community Funded or Locally Funded School Districts (sometimes also known as “Basic Aid” districts.) Here’s how they work: Once the state calculates the annual allocation for school districts using the Local Control Funding Formula, local property taxes first are counted toward meeting that allocation, then the state makes up the rest from the State General Fund. However, some districts’ local property tax revenues are sufficient to meet their total LCFF amount. These districts keep all of their local property tax revenues for education purposes. From the state they receive only the minimum Basic Aid funding required by the State Constitution – $120 per student – or as guaranteed through the Minimum State Aid provision of the LCFF. Community funded districts are found throughout the state and have student populations that vary. There are historically more community funded districts when education funding is being cut by the state and fewer when the state sets higher funding levels for education.

Source: School Services of California, Inc.

Source: www.ppic.org/publication/bonds-for-K–12-school-facilities-in-california/
What is the Local Control Funding Formula (LCFF), and what does it mean for local education agencies?

LCFF is a student-centered formula in state law that determines how the majority of state funds will be sent to local school districts, county offices of education and charter schools. LCFF advances the principle of equity by recognizing the different needs of students. Early research shows promising signs that California’s approach of targeting funds based on students with higher needs through the LCFF can reduce racial and economic disparities in graduation rates and math achievement.11

Do all school districts receive the same amount of funding through the LCFF?

Districts receive the same amount of funding per student as part of the Base Grant, but they receive different levels of funding depending on how many English learners, children in poverty, and foster and homeless youth they serve.

The LCFF’s differentiated funding reflects the state’s fundamental commitment to equity by allocating funding for students based on their differing needs. Total funding amounts also may differ between neighboring districts due to local revenue sources particular to those districts.

How much flexibility do school districts actually have to spend the funds they receive from the state?

A central philosophy behind the LCFF is that local educators, leaders and their communities know best how to address the needs of their students.

HOW LCFF WORKS

All districts receive a BASE GRANT for each student. The base grant is larger for grades 9-12 than for other grade levels.

Districts receive a 20% additional SUPPLEMENTAL GRANT per student for students with higher needs – identified as children living in poverty, English learners, and foster and homeless youth. It’s important to note that districts are eligible to receive extra funding only once per student, regardless of whether a student may fall into multiple high-needs categories. This is referred to as the “unduplicated” student count. Also, no additional LCFF grant funding is provided for students with other needs, such as those with disabilities that impact their ability to learn.

If more than 55% of children in the district are higher needs, the district receives an extra 50% of the base grant for each student beyond the 55% threshold. This is called a CONCENTRATION GRANT. These grants recognize that it costs school districts more to effectively address the challenges of high-needs students concentrated in high-poverty communities.

As opposed to the prior funding system in which funds were allocated to districts with restrictions set by the state for how they could be used and intensive compliance reporting requirements documenting their use (often referred to as the old system of “categorical programs”), districts have greater flexibility through the LCFF to decide how to spend their funds.

That being said, the amount of actual, discretionary money available from year to year can still be very limited. The Base Grant must primarily support core expenses for teacher and staff salaries, and health benefits, which account for the largest percentage of school expenses. Fixed costs for items such as utilities and maintenance must also be factored in. Additionally, the state has steadily increased the obligation of districts to fund retirement and pension costs. Fiscal pressure against the Base Grant is extreme and is increasing faster than the growth in school districts’ annual revenues.

What is a Local Control and Accountability Plan?

As part of LCFF, school districts and charter schools must adopt a Local Control and Accountability Plan (LCAP). In creating this plan, districts must consult with teachers, principals, administrators, other school staff and local bargaining units. They are also required to engage with parents and students when developing their LCAPs, including seeking advice from a parent advisory committee and an English learner parent advisory committee. There must also be at least two public meetings where the LCAP is shared, along with the formal budget. Many districts throughout the state have already pushed far beyond these minimum requirements to facilitate more dialogue and collaboration among all of their stakeholders.

LCAPs are required to be updated annually and approved by the county superintendent of schools in coordination with the approval of the district budget. Based on a template developed by the State Board of Education, each LCAP must identify goals and strategies to achieve those goals in each of the state-identified priority areas, as well as locally determined priorities. LCAPs also must describe how districts plan to utilize additional funding targeted for students with higher needs to increase or improve services for those students and close achievement and opportunity gaps.
As part of this year’s state budget, it was reported that the Local Control Funding Formula (LCFF) is now “fully funded.” What does this really mean?

This means that, with the 2018-19 state budget, funding levels have now met an initial target that was set by the legislature when the LCFF was enacted in 2013 – a target aimed essentially at restoring school funding to pre-Recession levels. This target was not tied to the amount of resources schools actually need to provide services to all students.

Meeting this implementation target for the LCFF is a significant development, as it reflects nearly $20 billion of increased funding to K–12 schools over the past six years. However, as the California Budget and Policy Center notes, “Achieving this LCFF funding goal was never intended to mean that an adequate level of financial support needed to deliver a quality education for California’s K–12 students had been provided.” California’s schools should not be regarded as “fully funded.” A chasm remains between current funding levels and what is actually needed to ensure success for all students – or even to bring the state to average per-student levels of spending among all states.

A term that some people are starting to use to describe current levels of school funding and the predicament school districts face is a “silent recession.” What does this mean?

A “silent recession” refers to the building and severe financial pressure that face many local school districts. As the research organization WestEd has noted: “Despite projected increases in state and local education funding between 2017-18 and 2021-22, California school districts face fiscal pressures that threaten to destabilize school district budgets and force reductions in services to students. Examples of these fiscal pressures include reduced funding due to declining enrollment; the costs of upkeep and renovations for aging school facilities; increasing special education program costs; increasing employee health care costs; and the costs associated with recruiting, retaining and training teachers, including ensuring competitive wages. And for many California school districts, the most daunting fiscal pressure is the rising cost of employee pensions, totaling a $1-billion increase over the previous year in costs to districts statewide during the 2017-18 school year alone.”

Just how significant is the impact of rising state pension costs on school district budgets?

In a word: Very. For California, as for many other states, the rising cost of pension obligations presents a serious challenge, particularly for school districts.

Despite overall increases in state funding to schools since the Great Recession, many districts report that they are or soon will be in the difficult position of making budget cuts due in part to the need to fulfill the rising pension obligations set by the state. School districts’ pension contribution rates for CalSTRS, which covers certificated educators, and CalPERS, which covers other school employees, are set by the Legislature.
Thus, districts have little ability locally to control these pension costs, which have risen dramatically.

What about the impact of rising expenses for serving Students With Disabilities?

The federal Individuals with Disabilities Education Act (IDEA) requires local educational agencies to provide “specially defined instruction, and related services, at no cost to parents, to meet the unique needs of a child with a disability.” These services are in addition to what a nondisabled student receives. Roughly one in 10 California students receives some type of special education services. Services are administered through approximately 130 Special Education Local Planning Agencies (SELPAs), which can be consortiums of local districts or single large school districts.

A combination of targeted federal funding (about $1.2 billion) and state funding ($3.8 billion) helps subsidize services for students with disabilities, with local districts covering the majority of the cost through their general budgets ($8.8 billion). This includes expenses for teachers and other salaried employees who work with students with disabilities, services and resources for those students, transportation, and other expenditures to ensure districts are serving students with disabilities in accordance with federal and state laws. (These can range from due process costs or even tuition for schooling alternatives when a public school can’t meet a student’s needs. Annual costs for schooling alternatives may often exceed $100,000 per student with disabilities.)

Federal and state funds are not intended to support the full costs of educating a Student With Disabilities, just the excess costs resulting from the need to address his or her disabilities. However, because federal and state funds typically have not come close to covering the costs of required services, local education agencies spend from their local LCFF general funds to make up the difference. The share of overall costs funded through these local contributions has been growing over time, while the shares covered by state and ongoing federal funds have declined. This is due to the combination of increasing overall costs and relatively flat state and federal funding.14

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14 Public Policy Institute of California and EdSource
Federal funds typically cover less than 20 percent of overall special education expenditures. This is notably lower than the amount the federal government originally committed to provide in support of such services. Based on Congressional and Presidential actions from 1975, the Individuals with Disabilities Education Act expresses intent to appropriate funding for each Student With Disabilities up to 40 percent of the national average expenditure level per K–12 pupil, which would equate to roughly 40 percent of California’s overall special education expenditures. To date, the federal budget, however, has never come close to providing states with this amount.15

Many regard the current funding system for students with disabilities as “insufficient, inefficient and inequitable.”16 For one thing, funding is tied to total enrollment rather than to the number of students with disabilities. This can greatly exacerbate underfunding in districts where overall enrollment is steady or declining, but the number of students identified with disabilities is rising.17 Another problem is that funding is based on an antiquated formula that varies drastically between SELPAs and has no relationship to the students being served. The state legislature has begun considering options for improving the special education funding system18; education advocates also continue to push the U.S. Congress to meet its share of the obligation for funding.

Federal funds typically cover less than 20 percent of overall special education expenditures.

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15 Legislative Analyst’s Office
16 EdSource
17 For example, Jayne Christakos, chief business officer for San Bernardino City Unified, testified at a legislative hearing that at the same time district enrollment dropped by 398 students – a loss of $4 million in general funding and $210,000 in special education funding – the number of students identified with disabilities increased by 189.
18 See EdSource’s “Special Education Funding is a Morass: Straightening it out may not be cheap or easy” – edsource.org/2018/special-education-funding-is-a-morass-straightening-it-out-may-not-be-cheap-or-easy/394336
What exactly is a school district budget, and on what is it based?

The budget is the guiding financial plan for meeting the local school district governing board’s goals and objectives for the year. It represents how much a local district estimates it will receive in income/revenue, and the maximum expenditures authorized by the board, and the balance (negative or positive) when the year is done.

Because education funding levels are essentially up for debate every year as part of the annual state budget process, school districts rely on projections but actually do not know for certain the amount of funding to be received until the state budget is approved by the end of June. Therefore, it is understood that:

- Local district budgets change and need to be revised.
- The budget should represent the policy and conceptual priorities of the organization and must inform resource allocation related to the implementation of the Local Control and Accountability Plan (LCAP).
- The budget should be balanced, and if there is deficit spending, it must be explained, and a plan developed to return the budget to a balanced state.

Budgeting in school districts is based on multi-year projections. Given that …

- A district must have the ability to accurately reflect its net ending balance and maintain a reserve for economic uncertainties throughout the budget monitoring process.
- The long-term impact of current decisions must be assessed and must be multi-year planned (current plus two years).
- The district should have tools and procedures that ensure an early warning of any discrepancies between the budgeted and actual revenues and expenses.19

What are the main expenditures in school district budgets?

Teacher and staff salaries, which go toward providing instruction and instructional support to students, plus health and welfare benefits, make up about 80 percent of expenses in most districts.

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19 Source: Fiscal Crisis Management and Assistance Team (FCMAT)
What factors impact a local budget? What are the main challenges for school districts in balancing budgets and maximizing the amounts available for student support and services?

While every school district is unique, various state and local factors can be major challenges to local district budgeting, such as:

- Enrollment uncertainties
- The number of students living in poverty, English learners, and foster and homeless youth
- The state’s volatile tax structure
- Collective bargaining costs
- Increased share of state pension costs that districts/employers are required to pay
- Rising costs to serve Students With Disabilities
- Health and welfare benefits for employees
- Rising minimum wage costs
- Utilities costs
- Staffing formulas (including what is called “Step and Column,” which defines compensation based on years of service/continuing education credits as negotiated by districts and their labor unions
- Program augmentation/reductions
- Overall levels of state funding
- Federal funding uncertainties from year to year
- Other unavoidable costs

Who oversees local school district budgets?

Elected local governing boards approve school district budgets. State law (often referred to by its original authorizing legislation, as “AB 1200”) sets additional financial standards for school districts and includes mechanisms to ensure adequate oversight. County offices of education are required to review and approve the annual budgets of each local school district. Districts must certify if they are able to meet their financial obligations for the current plus two additional years. County offices of education validate those self-certifications.

AB 1200 was enacted to help school districts avoid insolvency; it is a progressive law and empowers county offices of education with fiscal oversight to follow a progression of interventions when necessary, ranging from information and collaborative assistance to lowering a self-certification from “positive” to either “qualified” or “negative” to taking more stringent actions such as appointing a fiscal advisor.20

What are the three major “certifications” of a district budget?

- **Positive** – District will complete the year with a positive fund and cash balance; the district is solvent and can meet its obligations.

- **Qualified** – District may not complete the year with a positive fund or cash balance; financial indicators require scrutiny/modest intervention.

- **Negative** – District will not complete the year with a positive fund or cash balance; aggressive corrective action is required.

Can local districts raise additional revenues?

California law severely limits local school districts’ revenue-raising authority compared with most other states, and also compared with what was possible in the state prior to the 1970s. Under current state law, districts can augment the local funding of their schools in just a few ways, most notably private donations (such as through local community foundations), parcel taxes (which require a two-thirds vote to assess a flat fee on each parcel of property, no matter what its size or value), and the seldom-used sales tax for schools (which also requires a two-thirds vote and can be done only at the county level.) Taken together, these revenue sources currently generate a very small portion of total K–12 funding in the state, though in some communities they provide substantial amounts per pupil.21 About one in 10 school districts, primarily districts in the Bay Area, have approved additional taxes.22

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20 Sources: Ed100.org and Fiscal Crisis Management and Assistance Team
21 EdSource, Local Revenues for Schools: Limits and Option in California, 2009
22 EdSource, edsource.org/2017/expand-their-taxing-power-would-be-one-way-to-provide-school-districts-more-money/583351
By contrast, cities and counties in California have the power to raise general taxes, primarily the sales tax, with a simple majority approval, as opposed to the two-thirds requirement for school districts. The one exception is local construction bonds, which school districts can pass with a 55-percent majority vote of the community. These bond proceeds must only be utilized for construction and modernization projects outlined in ballot language and cannot be utilized to offset rising General Fund expenditures.

It would take a constitutional amendment that either the Legislature or voters, through an initiative, places on the ballot to provide local districts with more local revenue-raising capacity.

**About CASBO**

CASBO supports public schools and school leaders in California by providing professional training and creating opportunities for collaboration in every facet of school business management and operations. CASBO represents 23,000 school business officials in all K–14 business disciplines, from chief business officers to technology, human resources and facilities directors.

CASBO supports a robust school finance system that empowers local educational agencies to invest in high-quality instructional services and programs that meet the needs of our students, as well as policies that foster local innovation to improve student achievement and create safe and optimal learning environments for our students, educators and local communities.

CASBO recommends that local and state officials should focus on the following areas:

**Funding Stability**
Stabilizing the state’s fiscal structure and local revenue authority to ensure public education has the appropriate funding support that aligns with providing equitable and high-quality education to all of our students.

**Investing in Our Students**
We aspire toward a future that commits to putting our students’ academic success first and helps schools sustain innovative programs that ensure they are college and career ready.

**Supporting Special Education**
Our students with exceptional needs deserve equitable resources to support high-quality services and early childhood intervention. Unfortunately, the federal government has not maintained its commitment to fund the Individuals with Disabilities Education Act (IDEA).

**Supporting Safe School Environments**
CASBO supports the historic partnership between the state and local school districts and county offices of education to finance school facility construction and modernization projects. With regard to use of voter approved Proposition 51 Public School Facility Bond Initiative funds, we support:

- Establishing a schedule of when general obligation bond funding will be available;
- Increasing the bond sales from Governor Brown’s proposed $640 million to $3 billion;
- School districts’ ability to provide “safe, secure and peaceful” schools, as stated in our state’s Constitution.

ACKNOWLEDGMENTS
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