



SUPPORTING EQUITY, OR UNDERMINING IT

**STUDENT CENTERED FUNDING AND
ITS CONSEQUENCES**

RECLAIM OUR SCHOOLS LOS ANGELES & UTLA

September 2021

INTRODUCTION

Student Centered Funding (SCF) is a dramatic reform in school funding that will be voted on by the LAUSD school board on September 14, 2021. SCF is promoted as increasing equity and reducing paperwork, but does it? And how does it impact LAUSD's existing equity initiatives?

SCF would radically alter how school funding is currently distributed in LAUSD. The proposal from the LAUSD administration is that SCF should govern the distribution of 55% of all LAUSD school funding, increasing beyond 55% over time. A centerpiece of this plan is to apply to the federal government for a waiver of all existing educational guarantees under the federal Title I program. One would expect that such a sweeping proposal would be thoroughly vetted with all LAUSD stakeholders through town halls organized by each of the Communities of Schools, especially since LAUSD has been working on this plan for over a year. Yet, despite the fundamental changes being proposed, there has been very limited public engagement. Very few parents, voters, or taxpayers are aware that this plan is even under consideration. And there has been next to no examination of how the waiver of Title I would impact students or schools.

KEY FINDINGS

SCF is promoted as expanding equity, yet a closer look at how it impacts existing equity programs paints a different picture. LAUSD currently promotes equity through a series of initiatives, three of which are the Student Equity Needs Index (SENI), the Black Student Achievement Plan (BSAP), and the Community Schools program. These programs all increase funding to schools to promote equitable educational opportunities and outcomes in LAUSD's neighborhood schools.

SCF would in turn cut funds from many of these very same schools:

- SCF would cut funds from 36% to 38% of schools ranked as highest and high need under SENI
- SCF would cut funds from 28% to 45% of Black Student Achievement Plan schools
- SCF would cut funds from 47% to 50% of Community Schools.

Central to the LAUSD SCF proposal is an application for a Title I waiver from the federal government. The Title I waiver would transform existing Title I funds, that are targeted to academic, social, and emotional supports in schools with high levels of student poverty, into general support funding for LAUSD. Title I was enacted in 1965 as part of the Elementary and Secondary Education Act in response to The Civil Rights Movement and signed into law by President Lyndon B. Johnson. Past efforts to deregulate Title I at the federal level have been rebuffed as Title I is recognized as a central civil rights program that serves the needs of millions of students across the country. According to LAUSD, under SCF, “Title I funds would effectively lose their identity”.¹

The Title I waiver is itself the antithesis of equity as it would:

- **Eliminate federally-guaranteed rights of students, who are in schools with high poverty rates, to additional academic supports;**
- **Eliminate the requirement that Title I funds go to schools with the highest poverty level;**
- **Eliminate the requirement that Title I funds are spent on academic purposes;**
- **Eliminate the requirement that Title I funding is set aside to promote parent, family and caregiver engagement.**

The negative consequences for students resulting from funding cuts to schools implementing existing LAUSD equity initiatives, including SENI, BSAP, Community Schools, and Title I, have gone largely unexamined by the Administration and the School Board. These will have dramatic consequences for students in these currently under-resourced schools and for existing equity initiatives. Only two school districts, LAUSD and Cleveland, are in the process of applying to implement SCF and waive ESSA funding rules even though the authorizing legislation allows up to 50 school districts to do so. Public engagement has been sorely inadequate: very few parents, families, and caregivers are aware that this initiative is even being considered and very few teachers and administrators have been substantially engaged around the process.

¹ Committee of the Whole August 31, 2021, testimony of Erik Johnson, Director of Finance Policy.

STUDENT CENTERED FUNDING

Student Centered Funding (SCF), also known as Student Based Budgeting (SBB), is a fundamental change in how basic education resources are allocated to Los Angeles schools. It is a finance exercise that has been demonstrated to close a massive number of schools in Black and Brown neighborhoods, tills the ground for vouchers, and has no demonstrated academic benefit. SCF does not increase the amount of money in Los Angeles public schools; instead it monetizes all current resources, creates winners and losers, and forces communities and principals to make impossible choices.

Currently, in Los Angeles Unified, schools receive teachers, counselors, nurses, librarians, programs, special education accommodations, and some funds on top of those foundational resources to implement additional programs. The district ensures every school receives the amount of staffing and resources required so that class sizes do not *exceed* their current caps.

Under SCF, the district would tie a specific dollar figure of portable funding to each of the more than 500,000 LAUSD students. This personal pot of funding would follow the student wherever they attend school within LAUSD.² For example, 6th grader Alicia would now carry with her a specific dollar amount, and Jacob, also a 6th grader, would carry around his own calculated dollar amount. Principals would then have to recruit and compete for Alicia and Jacob's funding in order to secure staffing and programmatic funding. Principals would be able to buy only what the dollars they are allocated can purchase and schools that lose students in this competition would have to make dramatic cuts.



Current Model: Schools receive staff, programs and dollars



SCF Model: Schools receive dollars that follow the individual student

For example: James Monroe Senior High School is one of the district's new Community Schools.³ 92 percent of the students at Monroe SH are considered Economically Disadvantaged, and 20 percent of the students are English Learners. Under the district's Student Equity Needs Index (SENI), Monroe ranks within the Highest Needs quintile.

² In [LAUSD's original application to the US Department of Education](#) to be the first to co-mingle federal funds as part of this model, LAUSD stated independent charter schools would also participate in the SCF student marketplace.

³ Community Schools are specifically designed to be the educational, recreational, cultural, health and civic hub of the communities they serve.

Under the current resource allocation system, Monroe SH receives staff and programmatic resources from the central office that the district has calculated translates to \$20,250,499. Under SCF, a pure per-pupil model where money follows individual students, the district would instead hand the school \$18,999,904⁴, as that is what the district has calculated those students are worth. No longer promised a minimum floor of educators and programs, the Monroe SH principal, who would also become its chief financial and chief executive officer, would have to find ways to cut \$1.25 million from the Community School's budget. What will the community have to sacrifice to meet this significant decline in foundational resources?

This approach is favored by voucher proponents, like the [American Legislative Exchange Council \(ALEC\)](#), as it requires school districts to calculate out the exact amount of money allocated for each individual student. As a Chalkbeat article pointed out in 2017, budgeting like SCF “forces districts to do the student-by-student calculations that could enable private-school vouchers — making student-based budgeting a gateway policy for voucher advocates such as U.S. Education Secretary Betsy DeVos.”⁵

New Orleans, Chicago⁶, and Denver⁷ have planned and experienced a massive number of school closures since implementing SBB/SCF. And prior to school closures, principals and communities have been forced to make impossible decisions about whether or not to keep their library open or to keep the school's only counselor. For example: Before SBB/SCF was implemented in Chicago, there were 460 librarians in the district. As of last year, there were only 123.⁸

Majority-Black schools in Chicago have been hit the hardest by SBB/SCF—these schools now have half as many librarians as other schools. SBB/SCF has created a competitive incentive for principals to pass over hiring veteran Black teachers and prioritize hiring less experienced, lower-paid novice teachers instead. Libraries, music and arts programs can all be considered luxuries when you have to make steep operational cuts to keep your neighborhood school open. Many public schools in Black neighborhoods in Chicago have closed or been consolidated as SBB/SCF has been implemented. The same has occurred in Denver, which has implemented a similar funding scheme, and where they have seen the number of public comprehensive high schools drastically reduced.

⁴ Under the Moderately Loaded SCF Model.

⁵ Chalkbeat (2017) Why the Trump Administration Wants School Districts to Change Their Budgets – and how Title I could stand in the way

⁶ [Farmer & Baber \(2019\) Student Based Budgeting Concentrates Low Budget Schools in Chicago's Black Neighborhoods](#)

⁷ [The Denver Post \(2021\) Denver Public Schools Begins Process to Consolidate, Close Small Schools by 2023](#)

⁸CTU (2020) [What's the Matter with Student Based Budgeting](#)

UNINTENDED CONSEQUENCES: UNDERMINING EQUITY

While SCF is being promoted as intending to increase equity in LAUSD, it actually undermines a number of the equity initiatives that LAUSD already has in place. While schools are gaining additional resources because of initiatives like the Student Equity Needs Index (SENI), Black Student Achievement Plan (BSAP), and Community Schools, SCF would cut funds from many of these same schools.

LAUSD has presented two scenarios that are under consideration for SCF: “Fully Loaded” and “Moderately Loaded” with a preference stated for the “Moderately Loaded” scenario. All numbers presented in this report for individual schools’ total resource loss under the fully loaded and moderately loaded scenarios are from a district-produced analysis.⁹

SENI Highest and High Need Schools

Under both scenarios over one-third of schools ranked as Highest and High need under SENI would lose funding. On average these schools would lose over \$250,000 annually.

Table 1: Highest and High Needs SENI Schools Loss Under Student Centered Funding

High & Highest Needs Schools						
Scenario	# Schools	Schools Losing \$	% of Schools Losing \$	Total \$ Loss	Avg \$ Loss	Avg Loss Per Pupil
Fully Loaded	286	104	36%	\$ 26,146,981	\$ 251,413	\$ 743
Mod Loaded	286	110	38%	\$ 28,267,692	\$ 256,979	\$ 747

Which High and Highest Needs SENI Schools Stand to Lose the Most under SCF?

Table 2: Highest and High Needs SENI Schools under LAUSD's Moderately Loaded Scenario

High & Highest Needs SENI Schools Scenario: Moderately Loaded			
Board Member	School Name	Total Resource Loss	PPE Resource Loss
Monica Garcia	Theodore Roosevelt Senior High	\$ (1,504,765.68)	\$ (1,009.91)
Kelly Gonez	James Monroe Senior High	\$ (1,250,595.47)	\$ (607.68)
Dr. George Mckenna	Susan Miller Dorsey Senior High	\$ (779,558.51)	\$ (967.19)
Dr. George Mckenna	Crenshaw Magnets: Science Tech Engineer Math & Medicine	\$ (771,752.92)	\$ (1,082.40)
Kelly Gonez	Panorama Senior High	\$ (737,045.51)	\$ (536.42)
Tanya Ortiz Franklin	Samuel Gompers Middle School	\$ (553,376.61)	\$ (1,441.08)
Monica Garcia	RFK Comm Schls - Los Angeles High School of the Arts	\$ (543,443.63)	\$ (1,263.82)
Jackie Goldberg	Logan Academy of Global Ecology	\$ (529,732.78)	\$ (1,292.03)
Jackie Goldberg	Bushnell Way Elementary	\$ (528,386.28)	\$ (2,919.26)
Monica Garcia	Utah Street Elementary	\$ (521,052.44)	\$ (1,349.88)

⁹ The LAUSD-produced document “Scenario Runs for BOE_with SENI Scenario with quintile_v5.xlsx”

Table 3: Highest and High Needs SENI Schools Under LAUSD's Fully Loaded Scenario

High & Highest Needs SENI Schools Scenario: Fully Loaded			
Board Member	School Name	Total Resource Loss	PPE Resource Loss
Monica Garcia	Theodore Roosevelt Senior High	\$ (1,630,182.95)	\$ (1,094.08)
Kelly Gonez	James Monroe Senior High	\$ (1,287,009.30)	\$ (625.37)
Kelly Gonez	Panorama Senior High	\$ (804,237.68)	\$ (585.33)
Monica Garcia	RFK Comm Schls - Los Angeles High School of the Arts	\$ (562,436.40)	\$ (1,307.99)
Monica Garcia	Utah Street Elementary	\$ (539,456.99)	\$ (1,397.56)
Jackie Goldberg	Bushnell Way Elementary	\$ (538,437.90)	\$ (2,974.80)
Jackie Goldberg	Logan Academy of Global Ecology	\$ (533,386.94)	\$ (1,300.94)
Monica Garcia	Edward R Roybal Learning Center	\$ (503,466.24)	\$ (617.75)
Monica Garcia	West Adams Preparatory Senior High	\$ (497,801.20)	\$ (404.72)
Jackie Goldberg	Fletcher Drive Elementary	\$ (487,096.43)	\$ (2,364.55)

Black Student Achievement Plan

A second important equity initiative is the Black Student Achievement Plan (BSAP) which provides additional funding to 53 (soon to be expanded to 110) schools with large Black student populations. This funding is to provide counselors, social workers, restorative justice coordinators, ethnic studies programs specifically focused on African American history and literature, and school climate coaches. But while the district has prioritized investment in Black student achievement, many of these schools would lose considerable funding as a result of SCF.

BSAP Schools

Table 4: Black Student Achievement Schools Loss Under Student Centered Funding

BSAP Schools						
Scenario	# Schools	Schools Losing \$	% of Schools Losing \$	Total \$ Loss	Avg \$ Loss	Avg Loss Per Pupil
Fully Loaded	53	15	28%	\$ 6,011,386	\$ 400,789	\$ 484
Mod Loaded	53	24	45%	\$ 11,762,327	\$ 490,097	\$ 706

Which BSAP Schools Stand to Lose the Most under SCF?

Table 5: Black Student Achievement Schools Under LAUSD's Moderately Loaded Scenario

BSAP Schools Scenario: Moderately Loaded			
Board Member	School Name	Total Resource Loss	PPE Resource Loss
Dr. George Mckenna	Alexander Hamilton Senior High	\$ (1,420,928.07)	\$ (543.58)
Nick Melvoin	Venice Senior High	\$ (1,262,846.85)	\$ (620.87)
Nick Melvoin	Fairfax Senior High	\$ (1,001,383.71)	\$ (579.50)
Nick Melvoin	Westchester Enriched Sciences Magnets-Health/Sports Med Mag	\$ (996,899.67)	\$ (1,253.96)
Tanya Ortiz Franklin	Nathaniel Narbonne Senior High	\$ (981,268.45)	\$ (475.88)
Dr. George Mckenna	Susan Miller Dorsey Senior High	\$ (779,558.51)	\$ (967.19)
Dr. George Mckenna	Crenshaw Magnets: Science Tech Engineer Math & Medicine	\$ (771,752.92)	\$ (1,082.40)
Tanya Ortiz Franklin	Samuel Gompers Middle School	\$ (553,376.61)	\$ (1,441.08)
Dr. George Mckenna	Bret Harte Preparatory Middle School	\$ (448,308.85)	\$ (1,379.41)
Dr. George Mckenna	Los Angeles Senior High	\$ (438,667.02)	\$ (395.20)

Table 6: Table 5: Black Student Achievement Schools Under LAUSD's Fully Loaded Scenario

BSAP Schools Scenario: Fully Loaded			
Board Member	School Name	Total Resource Loss	PPE Resource Loss
Nick Melvoin	Venice Senior High	\$ (1,115,603.14)	\$ (548.48)
Dr. George Mckenna	Alexander Hamilton Senior High	\$ (877,107.92)	\$ (335.54)
Nick Melvoin	Fairfax Senior High	\$ (874,208.74)	\$ (505.91)
Nick Melvoin	Westchester Enriched Sciences Magnets-Health/Sports Med Mag	\$ (683,549.29)	\$ (859.81)
Tanya Ortiz Franklin	Nathaniel Narbonne Senior High	\$ (457,159.65)	\$ (221.71)
Dr. George Mckenna	Los Angeles Senior High	\$ (370,740.68)	\$ (334.00)
Tanya Ortiz Franklin	Samuel Gompers Middle School	\$ (351,362.66)	\$ (915.01)
Dr. George Mckenna	Bret Harte Preparatory Middle School	\$ (315,183.79)	\$ (969.80)
Dr. George Mckenna	42nd Street Elementary	\$ (256,295.90)	\$ (1,431.82)
Nick Melvoin	Hollywood Senior High	\$ (248,073.72)	\$ (171.68)

Community Schools

Community Schools are proven to be successful, leading to deeper engagement and greater overall academic success. Community Schools have been shown to result in lower rates of student absenteeism; better work habits, grades, test scores, and behavior; higher enrollment in college preparatory classes; and higher graduation rates.¹⁰ Community Schools in LAUSD are founded around four pillars that are shown to lead to successful Community Schools: 1) integrated student supports & restorative practices; 2) expanded & enriched learning time & opportunities, founded upon cultural relevance and ethnic studies; 3) family & community engagement; and 4) collaborative leadership & practices.

LAUSD committed to 30 Community Schools in 2019 as part of the negotiations with UTLA and community partners around the teachers' strike. The first 17 Community Schools began operating in the 2019-20 school year. An additional 13 schools were selected to become Community Schools in the Spring of 2021 and are now implementing this program. As part of the Black Student Achievement Plan adopted in February, 2021, 10 community school slots were added specifically for schools that are part of BSAP. And in June, 2021, the school board voted to add 30 more Community Schools, for a total of 70, with some of these set aside for BSAP schools.

One of the core criteria for schools to become Community Schools is student needs, including poverty, with a priority also given for schools with substantial numbers of Black students. Like SENI and BSAP, Community Schools are a core equity initiative. Yet about half of Community Schools would lose funding as a result of SCF.

¹⁰ THE SIX PILLARS OF COMMUNITY SCHOOLS TOOLKIT NEA Resource Guide for Educators, Families & Communities, p. 4 <https://www.nea.org/sites/default/files/2020-06/Comm%20Schools%20ToolKit-final%20digi-web-72617.pdf>

Community Schools

Table 7: Community Schools Loss Under Student Centered Funding

Community Schools						
Scenario	# Schools	Schools Losing \$	% of Schools Losing \$	Total \$ Loss	Avg \$ Loss	Avg Loss Per Pupil
Fully Loaded	32	16	50%	\$ 8,038,640	\$ 502,415	\$ 491
Mod Loaded	32	15	47%	\$ 8,646,310	\$ 576,421	\$ 641

Which Community Schools Stand to Lose the Most under SCF?

Table 8: Community Schools Under LAUSD's Moderately Loaded Scenario

Community Schools Scenario: Moderately Loaded			
Board Member	School Name	Total Resource Loss	PPE Resource Loss
Kelly Gonez	John H Francis Polytechnic Senior High	\$ (2,622,994.14)	\$ (1,041.70)
Monica Garcia	Woodrow Wilson Senior High	\$ (1,160,748.74)	\$ (825.57)
Monica Garcia	Felicitas And Gonzalo Mendez Senior High	\$ (943,730.09)	\$ (960.05)
Dr. George Mckenna	Susan Miller Dorsey Senior High	\$ (779,558.51)	\$ (967.19)
Kelly Gonez	Panorama Senior High	\$ (737,045.51)	\$ (536.42)
Jackie Goldberg	Logan Academy of Global Ecology	\$ (529,732.78)	\$ (1,292.03)
Monica Garcia	Edward R Roybal Learning Center	\$ (428,294.03)	\$ (525.51)
Monica Garcia	Farmdale Elementary	\$ (366,214.14)	\$ (995.15)
Dr. George Mckenna	Audubon Middle School	\$ (340,318.24)	\$ (816.11)
Dr. George Mckenna	Hillcrest Drive Elementary	\$ (219,066.27)	\$ (407.94)

Table 9: Community Schools Under LAUSD's Fully Loaded Scenario

Community Schools Scenario: Fully Loaded			
Board Member	School Name	Total Resource Loss	PPE Resource Loss
Kelly Gonez	John H Francis Polytechnic Senior High	\$ (2,902,391.18)	\$ (1,152.66)
Monica Garcia	Woodrow Wilson Senior High	\$ (1,270,878.51)	\$ (903.90)
Monica Garcia	Felicitas And Gonzalo Mendez Senior High	\$ (1,043,604.27)	\$ (1,061.65)
Kelly Gonez	Panorama Senior High	\$ (804,237.68)	\$ (585.33)
Jackie Goldberg	Logan Academy of Global Ecology	\$ (533,386.94)	\$ (1,300.94)
Monica Garcia	Edward R Roybal Learning Center	\$ (503,466.24)	\$ (617.75)
Monica Garcia	Farmdale Elementary	\$ (413,471.17)	\$ (1,123.56)
Dr. George Mckenna	Susan Miller Dorsey Senior High	\$ (223,977.39)	\$ (277.89)
Dr. George Mckenna	Augustus F Hawkins SH - Critical Design and Gaming School	\$ (110,285.55)	\$ (233.16)
Dr. George Mckenna	Augustus F Hawkins SH - Community Health Advocates School	\$ (64,886.77)	\$ (166.80)

LAUSD'S PROPOSED TITLE I WAIVER

Education has long been one of the core areas in the struggle for civil rights in the U.S. For much of the history of the U.S., the federal government had no role in education as education was an area left to the states. However, due to tremendous educational inequities resulting from entrenched racism, the Elementary and Secondary Education Act was signed into law by President Lyndon B. Johnson in 1965 in response to the Civil Rights Movement. ESEA offered the

first federal civil rights guarantees regarding students' educational rights and Title I is the largest source of federal funding for K to 12 education. Title I funds are required to be targeted to schools with high student poverty and towards the educational needs of the lowest achieving students within those schools.

Title I is one of the most important educational equity programs in the country and predates almost all other educational equity initiatives. But LAUSD is considering asking for a waiver of all the rules associated with Title I. As a result, as the Director of Finance Policy told the school board, Title I funds would "lose their identity in the system and so they are treated as general funds." When asked twice by the Board what educational programs Title I provided for students, his responses were, "I don't know" and "I am not sure."¹¹ It is hard to fathom how it is that the Office of Finance Policy has spent a year planning to apply for a waiver for Title I programs and to repurpose these funds in ways where they "lose their identity," but has not evaluated the ramifications for students, nor even come to understand what programs and services would be threatened as a result.

Title I requires that school districts invest the Title I funds in the schools with the greatest levels of poverty and it requires that these funds are used to provide proven academic programs for the lowest performing students in those schools.

All of these programs would be at risk of being cut as a result of SCF. This would be particularly true in schools that will lose funding as a result of SCF. But it would be true as well in schools that gain funds. Currently, Title I funds must go to programs that support student academic success and may not be used for other purposes such as purchasing cleaning supplies or covering the non-academic expenses of a school. This would fundamentally change as a result of the Title I waiver and SCF and schools could use these funds for any purpose.

LAUSD PROGRAMS PROVIDED WITH TITLE I FUNDS

- **counselors and social workers**
- **smaller class sizes targeted to improve student outcomes in Math and ELA**
- **parent engagement programs—current Title I set aside for parent engagement would be eliminated**
- **computer lab instructional aides**
- **intervention specialists**
- **tutoring programs**
- **instructional materials and books**
- **college and career coaches**
- **librarians and library aides**

Information obtained from School Board Member Jackie Goldberg's office as a result of an information request to LAUSD Office of Federal and State Programs

¹¹ Committee of the Whole August 31, 2021, testimony of Erik Johnson, Director of Finance Policy.

CONCLUSION

Student Centered Funding is a radical departure from how LAUSD currently funds schools. While there are good intentions in the administration's initiative to expand equity, SCF should not go forward as it will have many unintended consequences that will hurt students, schools, and communities. SCF will undermine many schools that are the focus of LAUSD's current equity initiatives: Student Equity Needs Index, Black Student Achievement Plan, and Community Schools. SCF dismantles the core principles of Title I, which is the longest standing educational equity initiative in the country.

LAUSD has been working on this initiative for over a year. The key vote on September 14th is focused on whether to secure a federal waiver of existing Title I educational guarantees and proceed with SCF. Yet the district's engagement of parents, families, caregivers, students, educators, staff, and administrators has pulled in only a fraction of these stakeholders—and even in that engagement the administration has failed to report back to the school board on many of these concerns that were raised by multiple stakeholders.

Rather than making funding cuts to large percentages of schools that are the focus of LAUSD's existing initiatives, LAUSD should take steps to strengthen these existing initiatives. And rather than dismantling existing educational guarantees under Title I that have served LAUSD students well for 56 years, LAUSD should evaluate existing Title I programs and examine how to support and strengthen schools' Title I initiatives.