



California's Contributions: Equity in Education

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I. EXECUTIVE SUMMARY

Inequity in the American education system harms underserved students, both in low-income and affluent communities. This brief will examine California's Local Control Funding Formula (LCFF) as a policy designed to delegate the responsibility of serving these students to local districts and its merits as a potential national model.

II. OVERVIEW

Educational inequity is an issue that perpetuates and defies stereotypes. On the one hand, it often comes up in discussion of large, high-volume districts with visible needs. On the other hand, it is also equally relevant to magnets with disproportionate opportunities for academic and extracurricular success. Despite attempts to close the gap between these two types of public schools, many English learners, low-income students, and foster youth are persistently behind in academic success. Centered on these three groups, California introduced the LCFF in 2013¹, a district-based system for allocating state grants to K-12 schools on a per-pupil basis. As the largest state, California serves as a significant 'laboratory of democracy' in the public sphere. Hence, this paper evaluates the LCFF's successes and shortcomings in allocating state funds to districts as they see fit.

A. Relevance

The term 'laboratory for democracy' was a phrase coined in 1932² by Louis Brandeis to describe the American system of federal autonomy where state and local governments can experiment with public policy on their own accord. Being the country's wealthiest and most populated state, California has a pronounced effect on national legislation. This 'California effect' has generally referred to California's cultural capital and influence on tightening regulations on corporations³, but this paper evaluates how such influence should also extend to national education.

While this paper will focus on California's contributions to improving equity in education, it is important to note that 35 other states implement a similar student-based funding model. Having reached the same conclusion as many other states, whether or not California's considerable resources have effectively supported its high-need students remains a significant concern.

III. HISTORY

A. Current Stances

Equality is the provision of identical opportunities to all, while equity is the provision of opportunities tailored to specific needs – fairness. The United States has long struggled with

systemic inequities that shape its institutions which must be harnessed to achieve equality. These inequities have historically relegated underserved students, not just the unduplicated English learners, foster youth, and low-income students that the LCFF focuses on, to limited educational success. While access to public education in America is nearly universal, access does not guarantee justice.

By the time 13 million American children in poverty are 9 years old, they are already an average of 3 grade levels behind their affluent classmates.⁴ Further, according to the OECD's 2022 PISA results, the United States ranks below many developed nations in mathematics and reading⁵. Despite being the world's largest country by nominal GDP⁶, the United States lags behind its peers in educational outcomes.

In response to these challenges and day-to-day administration, two funding models for school districts have emerged: 'top-down' and 'bottom-up'. 'Top-down' funding models allocate funds from the state deemed to be sufficient to pay for minimum resources, as currently seen in 9 states like Alabama⁷. 'Bottom-up' funding models allocate districts with additional money added per student with unique needs, as currently seen in 35 states like California's LCFF in 2012.

To date, the LCFF has increased test scores, graduation rates, and college readiness for the Californian student body⁸. Despite this improvement, California still reports as the 38th overall state in pre-K-12 education⁹. Despite being well-known for having highly competitive academic environments, California still needs to figure out how it can achieve equity and equality while maintaining a high quality of education.

IV. POLICY PROBLEM

A. Stakeholders

It is understood that the primary stakeholders are English learners, low-income students, and foster youth – as they are acknowledged by the LCFF as having "greater needs that require more resources to address"¹⁰. Each educational district receives funding through three main types of grants under the LCFF.

First, the Target Base Grant sets a consistent per-student funding amount, with slightly higher rates for older grade levels. For example, 9-12 students receive more than K-5 students.

Secondly, districts receive a Supplemental Grant that adds 20% to the base funding for each student that falls into the stakeholder groups.

Finally, the Concentration Grant provides districts a larger increase of 50% of the base grant when more than 55% of students fall into these stakeholder groups.

Together, these grants are intended to make school funding more equitable by provisioning resources to communities that need them most.

B. Risks of Indifference

Indifference toward the LCFF and Local Control and Accountability Plan (LCAP) is indifference towards educational inequities and stagnating student outcomes. If stakeholders – such as district leaders, teachers, and policymakers – fail to understand educational inequity as a regional issue, the needs of English learners, low-income students, and foster youth will remain unmet. Such long-term misinterpretation would worsen achievement gaps, destabilizing attempts to offer both equality and equity. Inaction would

undermine, leading to members of underserved communities becoming disillusioned with the state's promises to offer effective schooling to every student. The LCFF is therefore crucial to establishing a more equal and inclusive education system in California.

C. Nonpartisan Reasoning

Because educational inequity in public schools is an undeniable issue regardless of party affiliation, nonpartisan support for improvements and maintenance of the LCFF is essential to ensure that all students have fair access to quality education. The benefits of the current LCFF include:

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1. Improved educational performances:

Since COVID-19, college readiness, test scores, and graduation rates have been boosted because of the LCFF¹¹. Student achievement and graduation rates are boosted significantly in California due to this, leading to increased chances of economic stability and upward mobility for Californian students.

2. Greater transparency and accountability:

The LCAP requires school districts to establish goals and measurable outcomes annually. Parents/community members are able to track progress via online reports, enabling them to hold district leadership accountable for how they achieve (and potentially fall behind) of state standards. This transparency fosters trust in communities and ensures money is being spent reasonably by those with a local connection to their communities.

3. Stronger equity and social cohesion:

When all students from all walks of life have

access to a great education, the entire nation prospers. The ideal of educational equity reduces long-term inequality and helps every student reach their full potential. Through the directive to create a LCAP tailored to unique needs, districts are compelled to hold themselves accountable to the people.

Further, LCAPs can provide flexibility to districts to fund other programs, such as a dedicated A-G Counselor to assist students "who are at risk of not meeting the A-G course requirements needed for admission to California's public universities" in the City of Pleasanton¹² for example.

V. TRIED POLICY

The subject of this brief, a notable and ongoing policy aimed at promoting educational equity in California is the Local Control Funding Formula (LCFF) implemented in 2013. The LCFF was designed to simplify school funding and direct more resources to students with greater needs - specifically English learners, low-income students, and foster youth.

It replaced the previous system with a system that distributes base, supplemental, and concentration grants to delegate funding to districts.

However, while the LCFF has succeeded in advancing equity, it has also faced challenges in meeting all its goals. Some districts have struggled with publicizing the decision-making in how funds are spent, leading to concerns that supplemental and concentration grants are not always reaching the students they are meant to support¹³. Additionally, differences in taxpayer revenue and civic engagement between districts lead to differences in implementation. As a result, though the LCFF is a major step toward equitable school funding, its success is still hindered by uneven levels of public awareness of accountability and stakeholder engagement.

Though the LCFF provides districts with flexibility in funding according to local priorities, an inability to publicize its aims of transparency has remained a persistent challenge.

VI. POLICY OPTIONS

Mandate Annual Independent Audits of LCFF Spending

Although the LCFF provides districts with flexibility to allocate funds based on local needs, inconsistent transparency has been a persistent challenge. To ensure that concentration and supplemental grants reach their intended recipients (English language learners, low-income students, and foster youth) districts need to be required to submit annual independent audits. The audits should include a detailed breakdown of expenditures by school site, program type, and student subgroup. The state Department of Education can provide standardized reporting templates to ensure consistency between districts. This holds districts accountable and applies resources to enhance educational opportunities for high-need students directly.

Regional Education Equity Roundtables

Although the LCFF has made local districts responsive, there is no mechanism to collaborate to share best practices and work to address educational inequity as a regional issue. The California Department of Education (CDE), together with county offices of education (COEs), can establish regional roundtables – bi-monthly gatherings with district superintendents, COE administrators, and youth commissioners in adjacent regions.

To put this into effect, the state can introduce legislation, for example, amending the California Education Code (Sections 52060–52077), requiring COEs to organize regional equity meetings as part of the LCFF governance charge. The CDE can provide administrative oversight

over implementation, the Governor's Office of Planning and Research and Department of Finance might offer discretionary grant funding through the state budget to meet new expenditures.

At these roundtables, relevant parties would meet every two months to review their differing LCAP outcomes, analyze data on student achievement, and identify strategies of best practice. Through mandating these roundtables, the CDE would be able to better oversee implementation, publish annual reports of best practices, and increase collaboration between educators across California.

Municipal Collaboration for Policy Engagement

While the LCFF planning process requires non-educator representatives like parents and students, this does not represent the total potential for representation of nonpartisan interests serving civic engagement. School districts should be mandated to provide reports to these stakeholders in education (i.e. accredited municipal youth commissions, school site councils, student committees) of every LCAC meeting. By doing so, they can better align budget actions with community priorities and hold representative organizations accountable to understand local educational policy changes.

This initiative could be supported by a statewide Assembly Bill requiring all districts to send out these summaries as part of their LCAP stakeholder engagement. The California State Board of Education could update LCAP template regulations (Title 5, CCR Section 15494) to include instructions for accrediting nonpartisan community-serving organizations and require evidence of information-sharing with these entities.

CONCLUSIONS

California has long been called a “laboratory for democracy,” where the state government can test innovative policies that influence the rest of the country. In education, the Local Control Funding Formula (LCFF) and Local Control and Accountability Plans (LCAP) exemplify this spirit, allowing districts to experiment with targeted funding to address the issue of educational equity. While the LCFF itself cannot be replicable in each state, the “California effect” should inspire other states to head in the direction of having such policies that allow districts to take responsibility for closing achievement gaps nationwide.

Even though parents and students participate in the LCFF planning process, this representation is only one aspect of the possibility of more civic participation in California schools. Greater, more inclusive, nonpartisan involvement would be promoted by introducing city and youth voices more explicitly into policy in education.

Independent audits, regional roundtables, and sustained collaboration with accredited organizations offer practical ways to make that participation deeper and more effective. I believe these changes can be achieved if districts and the state government implement them pragmatically. They must recognize that educational inequity is an issue that perpetuates and defies stereotypes – an issue which California is currently seeking to address. It is an issue which California is undeniably using its status as a ‘laboratory of democracy’ to overcome.

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