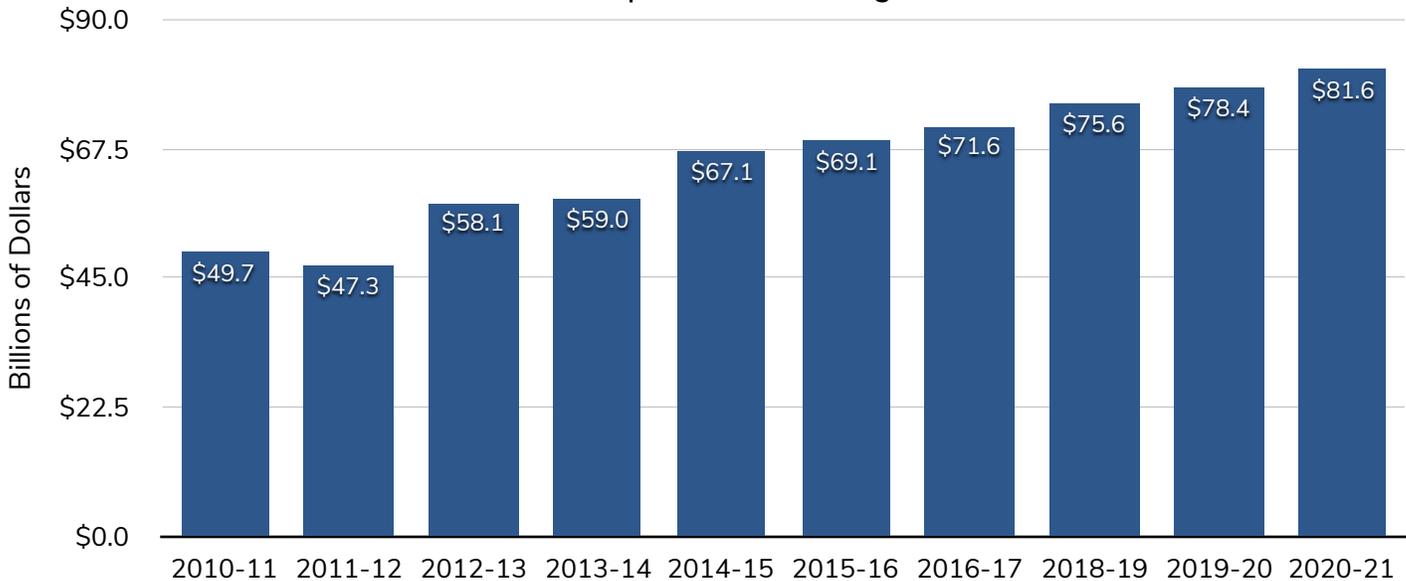




K-12 EDUCATION

The level of state funding for K-12 is based on **Proposition 98**, which was passed in 1988 and establishes an annual minimum funding guarantee for both K-12 and community colleges (referred to collectively as K-14 education). The amount of the guarantee is calculated using a complex formula, but is generally dependent on how much General Fund revenue the state receives each year—the minimum funding level will be higher in years when revenue is higher, and vice versa. Due to the state's low property taxes, California schools rely more heavily on state funding than the national average. Prop 98 enables school funding to keep pace with economic growth and enrollment—the latter of which is expected to be essentially flat or even decline over the next five years. Districts receive funding for K-12 students based on average daily attendance (ADA).

Proposition 98 Funding



Data from the California Department of Finance

Funding for K-12 education is allocated according to the **Local Control Funding Formula (LCFF)**, which gives each school district a base grant that is then augmented based on the number of English-learners, low-income students, and youth in foster care in a given district. The state has allocated over \$24.6 billion in additional ongoing resources through the formula since its enactment in 2013. A [recent study](#) found the increased revenue through the LCFF improved graduation rates—that a \$1,000 increase in district per-pupil revenue from the state in grades 10-12 led to a 5.3% increase in high school graduation rates, on average. Prior to the establishment of the LCFF, K-12 funding was allocated through a complex system in which the legislature decided how money would be spent rather than leaving it to the districts to decide where funding is most needed.

K-12 per-pupil spending from all funding sources is projected to be at the highest level it has ever been in 2020-21—\$17,964—which is up 2.6% from \$17,508 in 2019-20. When looking at just Prop 98 funds, K-12 per-pupil spending in 2020-21 is \$12,600, which is \$5,600 higher than its low point during the recession in 2011-2012. Per-pupil spending from all sources in the rest of the U.S. was \$12,201 in 2017-18 (the last year for which data are available). The largest share of K-12 funding is spent on instruction (60%).



K-12 KEY FACTS

- ✓ **District Size:** The smallest district (Panoche Elementary in San Benito County) serves 3 students and the largest district (Los Angeles Unified School District) serves more than 400,000 students
- ✓ **Charters:** There are currently 1,299 charter schools across the state accounting for 11% of total public school attendance
- ✓ **Student Spending:** When per-pupil spending is adjusted for cost of living, California's per-pupil spending is \$10,821 compared to \$12,756 for the national average
 - ▶ California saw the largest increase in per-pupil spending of any state in the nation (26.6%) between 2014 and 2017
- ✓ **Teacher Employment:** The statewide student-to-teacher ratio has been dropping for several years, to about 21:1, which is comparable to the pre-recession level
 - ▶ School districts had about 295,000 full-time equivalent (FTE) teachers and about 294,000 FTE support staff, an increase of 6.4% and 21%, respectively, from 5 years earlier
- ✓ **Teacher Compensation:** The average salary of a school district teacher was approximately \$82,000, an increase of about \$4,000 (5%) over 5 years earlier
 - ▶ Average compensation ranged from a low of \$69,927 in Plumas County to \$105,705 in Santa Clara County
- ✓ **Special Education:** The share of students identified for special education services statewide has increased from 11 percent to 13 percent over last 10 years, though funding has remained largely stagnant when accounting for inflation

**Data is for 2018-19, the latest year available, unless otherwise specified*

944
public school districts

5.9 million
public school students

NEW IN 2020-21

The state has a well-documented, long-term, statewide teacher shortage—particularly in the areas of special education and STEM—and 75 to 80% of districts recently surveyed reported recruitment struggles. Achievement gaps also continue to persist across the state, and black students are concentrated in 23 high-poverty school districts with fewer veteran teachers.

Given these challenges, the Governor has proposed an additional nearly **\$900 million** of Prop 98 funds in one-time funding for teacher recruitment and training in 2020-21, including:

- ✓ **\$350 million** for a program that supports professional learning opportunities for teachers in priority areas such as special education
- ✓ Nearly **\$200 million** to target teacher workforce shortages in high-need subjects and areas
- ✓ **\$175 million** for one-year teacher residency and preparation programs for aspiring educators dedicated to high-need subjects and areas
- ✓ **\$100 million** for a program that provides \$20,000 stipends for credentialed teachers who complete 4 years of teaching in a high-need subject at a high-need school
- ✓ **\$64 million** for a program to provide grants to K-12 schools to recruit non-certified school employees to become certified classroom teachers

The proposed budget also includes **\$600 million** one-time aimed at closing achievement gaps, including **\$300 million** for grants that would allow school districts to implement community school model programs and **\$300 million** to assist low-performing schools through Opportunity Grants. Finally, **\$70 million** one-time was proposed for school nutrition programs to expand and provide food assistance to California students.

*Data from the Governor's proposed budget, LAO, [Governing](#), [EdWeek](#), [EdSource](#), and [Money and Freedom](#) unless specified otherwise.