



April 15, 2020

The Honorable Gavin Newsom  
Governor, State of California  
State Capitol  
Sacramento, CA 95814

**RE: The Urgency of Educating California's Students – Immediate Relief and Long-Term Commitments**

Dear Governor Newsom,

In light of the current COVID-19 crisis gripping the state, the nation, and the world, the time is urgent to support and protect California's efforts to close educational achievement gaps. We call on your support in three areas:

1. Maximize federal and state funding to make one-time investments to cover the difference of the full cost of the response to COVID-19 and to offer targeted summer instruction for vulnerable students.
2. Prioritize funding the Local Control Funding Formula (LCFF) as the most effective way to address the inequities our students face and overcome the challenges ahead.
3. Pursue policy changes to relieve pressures on districts' General Funds that have minimal, if any, cost to the state but can help districts maintain the integrity of educational programs.

As leaders of urban districts, overnight we are creating new learning environments, building new systems for equitable access to education, and adapting our staff and limited resources to respond to this unprecedented challenge. Collectively, we serve nearly one million students in California. The necessary transition from a brick-and-mortar schoolhouse to one that is online consists of phases. First, every child needs a device, every device requires connectivity, and every teacher, child and parent needs support to access a quality education. Simultaneously, we are launching into online education that is operationally sustainable and capable of addressing the needs of every child, especially our most vulnerable. Finally, we anticipate a future day when we transition back into the classroom, bringing with us new tools and capabilities. We aspire that the critical investments made during today's crisis will enhance future public education for years to come with an online learning platform that complements traditional classroom programs and supports.

We are dedicated in rising to the challenge of meeting this moment, but we request your response to the following immediate and long-term commitments to assist us in our local efforts.

**I. Immediate Relief: Maximize State and Federal Funds for California's Students**

We appreciate the State's assurances in ongoing Average Daily Attendance (ADA)-related funding and the \$100 million emergency funding appropriation. However, since staffing accounts for the majority of school budgets, the ADA funding will cover the costs for continuing our regular pay to employees and contractors during the school closures and as we transition to distance learning. The recently enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act provides an estimated \$1.6 billion in short-term emergency

funds for California schools. However, neither the ADA assurances nor this federal funding will be sufficient to cover the additional costs we are incurring to address the digital divide, to distribute meals to both children and adults, and labor costs to provide overtime, stipends and differential pay to maintain a minimum level of staffing.

**1. Governor’s Emergency Education Relief Fund**

We estimate California will receive \$355 million from this Fund. In addition to our vulnerable populations, students whose parents are experiencing job loss, homelessness, or who may be in foster care will need additional supports to ensure their academic success. *We request the state distribute this funding directly to school districts on a discretionary basis to offset unforeseen costs and to provide summer instruction to bridge the academic needs of students.*

**2. Coronavirus Relief Fund**

We are concerned the CARES Act only provides \$13.5 billion total for K-12 schools across the country, whereas emergency aid in the 2009 stimulus bill surpassed \$50 billion. The Coronavirus Relief Fund (CRF) provides \$150 billion for State, Tribal, and local governments. California is estimated to be eligible for \$15.4 billion from the CRF to be shared with the state and local governments. *We request your commitment to allocate additional funding for schools from the CRF and from future federal relief efforts to cover the cost of the response to COVID-19 and summer instruction.*

**II. Long-Term Commitments: Prioritize the Success of the Local Control Funding Formula**

As the state transitions to a “workload budget,” prioritizing LCFF will be an important component to address persistent inequities and ensure that all students are provided equitable access to a quality education.

**1. Protect LCFF to Provide Certainty of Funding**

As you consider impactful investments that will put the state in an optimal position to withstand the long-term effects of COVID-19, certainty of funding for LCFF through at least FY 2021-22 is critical. LCFF is the most effective way to address the inequities our students face and to overcome the challenges ahead. State funding should prioritize this equity promise and not divert funds that would otherwise be dedicated for LCFF. *We request that you declare a budget emergency to use the state’s Budget Stabilization Fund to protect LCFF and to fund a COLA above the statutory level.*

**2. Freeze Employer’s Contributions to the Pension Systems**

Since 2014, the employer contribution rates to both CalSTRS and CalPERS have more than doubled. Those increases took place when funding augmentations to LCFF occurred. Now that school districts are in a COLA-only environment, the projected rate increases account for nearly one-fifth of our General Funds. *We request the state freeze the existing employer contribution rates.*

**3. Fund Special Education Early Intervention Preschool Grant Adopted in 2019 Budget Act**

The adoption of the special education early intervention preschool grant last year was monumental and an opportunity to ensure preschool students receive appropriate interventions and services as needed before they fall behind academically. While the January 2020-21 Budget proposal suggested a three-year phase in to reforming the AB 602 formula, we are concerned that phase one does not address the funding inequities associated with the various disabilities of students. *Instead of re-appropriating special education funds for a new formula that is not sufficiently comprehensive, we request continuing to fund the special education*

*early intervention preschool grant through the same mechanism adopted in the 2019-20 Enacted Budget.*

### III. Consider Additional Fiscal and Policy Changes

In addition to providing the financial supports outlined above, we request your consideration for temporary changes to state law. We welcome the opportunity to meet with your administration to explore additional flexibilities in state law that would complement the state's workload budget. One example includes:

#### 1. Authorize School Districts to Leverage Surplus Property

In 2009, due to fiscal challenges resulting from the Great Recession, school districts were granted temporary flexibilities to help manage budget shortfalls, meet financial obligations, and stay compliant with the minimum required reserve. One of these provisions was Education Code Section 17463.7 to allow some or all proceeds from sale of surplus property to be deposited into a district's General Fund for one-time use. *We request reconstituting the flexibility provided by Section 17463.7 through 2023-24 or beyond.*

We recognize COVID-19 will result in long-term fiscal implications for our school districts and the state budget. However, we believe that we can persevere together with your support and partnership. We look forward to your consideration of these requests and stand ready to discuss further.

Sincerely,



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