

HOW MONEY COMES TO TORRANCE

Many of Torrance's residents are under the impression that the property taxes they pay directly support Torrance Unified School District (TUSD). If that was so, it would mean that the funds would be under local control. Though the taxes do indirectly support our schools, all of California has a state-controlled school finance system.

Historically, local property taxes have been the major source of funding for public schools. Typically the property tax rate was set by the local school board, other local officials or directly by the citizens. This local control led to dramatic differences in school funding, usually depending on the relative property wealth of the surrounding community (i.e. Beverly Hills or Lawndale). During the 1970's and 1980s, the courts in many states ruled that these wealth-related differences in school support needed to be eradicated. They called on state governments to come up with new ways to fund public schools more equitably.

As a result, school finance systems look dramatically different from state to state. The general trend has been toward a larger portion of state funding and control, but the proportions and funding structures vary.

California's school finance system has evolved through a combination of court decisions, legislative reforms, voter-approved initiatives, and government regulations. The result has been a system in which school revenues are controlled at the state level.

While, each year, the California Legislature and the Governor continue to determine how much state general fund and property tax funding will go to public education, in 2013 they changed the way these funds are distributed. Prior to this time, funds were distributed through revenue limit funds (general purpose) and categorical funds (special purposes).

Beginning in the 2013-2014 school year, the state developed the Local Control Funding Formula. This formula allocates dollars to a base grant (general purpose) and to targeted students (free and reduced meal participants, limited English students and foster youth).

School districts are responsible for managing the money that it receives based on both state and federal guidelines. In turn, policies, employee union agreements, and practices of the local school district determine the amount of financial and operating discretion and individual school has.