

Settlement will send \$151 million to 50 L.A. schools over the next three years

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The [Los Angeles Unified School District](#) will pour \$151 million into a group of 50 schools to [settle a lawsuit](#) over how the school system spends money intended for some of its neediest students.

The funds, to be distributed over three years, will go to schools in low-income neighborhoods, mostly in South and East Los Angeles, and will pay for such efforts as increased tutoring, mental health support, counseling, parent participation and restorative justice. The extra help is supposed to benefit three groups of students: those from low-income families, English learners and those in the foster-care system.

Districts receive extra funding from the state to benefit those students. In L.A. Unified, where most students fall into at least one of those categories, the targeted money adds up to more than \$1 billion annually.

Nearly all of the students at the 50 campuses named in the settlement are in these targeted groups.

[Read the settlement and see the full list of schools receiving funds](#)

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The settlement “will immediately improve the lives of students,” said Alberto Retana, chief executive of Community Coalition, a local nonprofit focused on education and neighborhood issues.

A long time in the making

This settlement marks the end of a [lawsuit filed in 2015](#) by Community Coalition and a local parent. It [accused the district of misspending](#) up to \$450 million per year, using that money for general operations rather than to benefit the targeted students.

Advocates also filed a complaint with the state, asking it to force L.A. Unified to comply with state rules for using the funding. If L.A. Unified were allowed to spend the money improperly, other districts would do likewise, they warned.

Attorneys subsequently filed suit against Long Beach Unified School District, alleging it also was misspending the state funds.

Both school districts denied any wrongdoing.

The California Department of Education [sought a middle ground](#) with L.A. Unified in a decision last year. It sided with advocates but did not require the

district to undo any past actions. Instead, it directed the district to provide evidence that its past spending led to improved services for the intended students, and it made clear that the school system would have to work with advocates to develop a process for spending the money going forward.

Earlier this year, L.A. Unified filed a cross-complaint as part of the lawsuit, challenging the state's interpretation of the funding formula law. As part of this lawsuit settlement, the state Education Department agreed that the district has complied with its 2016 ruling.

Still, discussions about how to spend the money differently occurred in the lawsuit's settlement negotiations, to which district officials said they were fully committed.

“We're really embracing the idea that the way we do our work is changing,” said Pedro Salcido, the district's director of finance policy. “We are being more purposeful. This settlement came as a result of reevaluating what are we doing today so that we can do better tomorrow.”

The Los Angeles Board of Education approved the outlines of a settlement [during a closed session in July](#), but the details needed to be worked out.

“We're sending a powerful message to school boards across the state that they will be held accountable,” said John Affeldt, managing attorney at the San Francisco-based public interest law firm Public Advocates, which worked on the lawsuit along with the American Civil Liberties Union of California and the L.A. office of Covington & Burling.

The parties nearly reached an agreement in June. They were held up in part by the advocates' push for the district to pay legal fees for both sides. L.A. Unified refused.

One concern from advocates was that schools may not be able to get the funding until months into the school year. Under the settlement, principals must submit two-year plans by the end of October, and the superintendent has until Nov. 28 to approve them or ask for changes.

“We certainly would have hoped that the settlement was finalized before the beginning of the school year,” said Sylvia Torres-Guillén, the director of education equity for ACLU of California.

L.A. Unified general counsel David Holmquist said principals have known that their schools would be receiving the funding since the summer and have had time to prepare their plans.

The latest of many attempts to help underserved students

The state’s funding strategy and the lawsuit to enforce it are among many efforts made over decades to put more resources into schools that serve students who face the greatest challenges.

These include Title I, the federal anti-poverty program that dates back to 1965.

L.A. Unified also has received hundreds of millions of state dollars annually to combat the harms of segregation. This funding led to the [district’s magnet strategy](#), designed to increase diversity on campuses. Magnets have proved popular but only have made modest progress toward integration.

In the 1980s, the district created the Ten Schools Program, flooding 10 elementary schools in high-poverty neighborhoods with an extra million dollars per year in funding.

The effort recorded some gains, but the focus, funding and effect ebbed over the decade that followed.

Subsequent lawsuits resulted in verdicts or settlements that also led to funding boosts at targeted campuses over periods of time.

Still, black and Latino students in high-poverty areas have been unable to catch up to their more prosperous white and Asian peers.

While the settlement “is a promising victory, it also serves as an important reminder that low-income communities of color remain overlooked in Los Angeles,” Aurea Montes-Rodriguez, executive vice president of Community Coalition, said in a statement. “We must continue the fight for our kids.”

The money for the settlement will be taken out of district reserves. For the future, L.A. schools Supt. Michelle King has committed to developing a more refined system for determining which schools most need extra services. Advocates hope some of the measures in the settlement, such as taking into account math scores and suspension rates, will be used more broadly in the district.

“The dollar amount of the settlement is disappointing, compared to the much larger sum improperly diverted from the intended students,” said UC Berkeley professor Bruce Fuller, who has done research both for L.A. Unified and for advocacy groups involved in the dispute.

He added, however, that he understands a willingness to compromise “in light of the district’s painful fiscal squeeze.”

Reyna Frias, the East L.A. parent named in the lawsuit, said the settlement means current students will get more resources they need. She said she hopes the extra funds will lead to higher attendance, better reclassification rates for English learners and higher graduation rates.

But Frias also said she wished there was more funding promised. Her two

sons still are L.A. Unified students, and neither of their schools will receive any money from the settlement.

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