Getting Down to FACTS

Re-Envisioning California's County Offices of Education

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Executive Summary

California's 58 County Offices of Education (COEs) play a pivotal role in the state's education system. Positioned between the state and nearly 1,000 school districts, COEs are tasked with ensuring compliance, providing services, and driving improvement. Their work spans fiscal oversight, instructional accountability, professional development, business services, and alternative education. As the state's education system has evolved—particularly following the implementation of the Local Control Funding Formula (LCFF) —COEs have been tasked to carry more responsibilities, often without commensurate clarity, coherence, or capacity. This report identifies four key insights that illuminate both the strengths and ongoing challenges of California's COEs.

Insight 1: Dual Roles of Accountability and Support

COEs uniquely combine the functions of state accountability agents and local service providers—roles that in other states are institutionally separate between support services and state oversight. This integration has allowed California to link oversight with improvement, but it has also generated various tensions. COEs must enforce fiscal and instructional standards while maintaining relationships of trust and service with districts. The resulting "partner-regulator" dynamic varies widely across counties and influences how effectively COEs can align local practice with state goals.

Insight 2: Uneven Capacity and District Experience

COEs differ significantly in scale, staffing, expertise, and fiscal resources. Larger and wealthier counties often provide various instructional and technical support, while smaller or rural counties focus primarily on shared services, compliance, and fiscal oversight. These differences, compounded by districts' variable openness to COE support, can lead to uneven access to high-quality professional learning and improvement services.

Insight 3: Reactive Instructional Accountability

California's instructional accountability system remains primarily reactive. Mechanisms such as Differentiated Assistance (DA) identify struggling districts but lack preventive incentives or clear follow-through mechanisms. Unlike fiscal oversight—which carries concrete consequences—DA depends largely on relationships, persuasion, and a district's willingness to engage. As a result, improvement efforts are uneven, limiting systemic learning and capacity-building across the state.

Insight 4: Complex and Unequal Funding Structures

The funding structure for COEs draws from multiple sources, including LCFF allocations financed by local property taxes and Prop 98 funds; state and federal grants; additional LCFF funding for LCAP oversight, continuous improvement, & differentiated assistance; fee-for-service contracts; and special education revenues. Yet this mix has produced an increasingly complex and uneven fiscal landscape, marked by several key challenges: (1) disparities in local property tax bases; (2) the trial court offset that redirects excess revenues from property-rich counties; (3) stagnant hold-harmless provisions that lock in outdated funding levels; and (4) unequal access to competitive grants and fee-based revenue streams.

Overall Implications

Together, these findings point to a system that is both adaptive and fragmented—capable of coherent innovation but constrained by structural complexity owing to various role additions in its more than a century of history. California's COEs serve as vital intermediaries linking local needs and state priorities, yet their effectiveness depends on a policy design that aligns accountability, capacity-building, and funding. Strengthening this alignment—while preserving the collaborative ethos between COEs and districts as well as among COEs—will be central to ensuring equitable and sustainable school improvement across the state.

Introduction

This report explores the role, governance, funding, and challenges of California's County Offices of Education (COEs), an important part of the education system in the state. The 58 COEs occupy a distinctive position because (1) they are considered an ***education agency*** directly serving students in juvenile court and county community schools that serve students in juvenile facilities, are on probation, or mandatorily expelled from their school districts; (2) they are ***service providers*** to school districts for professional development, business services, human resource services, etc.; and (3) they are ***state accountability agents*** that provide oversight over districts' fiscal and instructional performance. Situated between the state and local school districts, COEs serve as both intermediaries and implementers—responsible for ensuring compliance with state and federal mandates while providing services that support instructional quality and school improvement. With California's 58 COEs collectively overseeing nearly 1,000 school districts and charter schools, they play a pivotal role in translating policy into practice and mediating between state priorities and local needs.

Over the past decade, California's education system has undergone profound reforms that have expanded the responsibilities of COEs and the County Superintendent, a position established in the 1879 California Constitution and governed by each individual county charter. Each county also has a county board with more limited responsibilities. The introduction of the Local Control Funding Formula (LCFF) in 2013, along with the Local Control and Accountability Plan (LCAP) process, positioned COEs as key actors in both fiscal oversight and district improvement. They now review district plans, monitor performance, and provide differentiated assistance to struggling districts—all while sustaining their traditional roles in providing special education, alternative education, and professional development. This dual role as service provider and state accountability agent creates tensions and opportunities that vary across counties.

Despite their growing importance and many more additional responsibilities, COEs remain understudied in the literature on educational governance and school improvement, especially since the structure is almost unique to the state. New York's Board of Cooperative Education Services and Texas' Education Service Centers mirror the shared services aspect of COEs, but not their accountability

function. Most research on educational intermediaries focuses on state departments, regional consortia, or nonprofit networks, leaving little empirical understanding of how COEs interpret, balance, and enact their multifaceted responsibilities. Additionally, the few focused studies on COEs have been done by the state's Legislative Analyst's Office and some policy reports.[1] Furthermore, the funding structures that sustain COEs—ranging from LCFF allocations and federal grants to fee-for-service contracts and entrepreneurial ventures—create complex incentive environments that influence their strategies and capacities for improvement. Furthermore, the elected nature of the role of COE superintendents can complicate incentives and initiatives. This present report examines how California COEs operate within these evolving institutional and fiscal contexts. Specifically, it seeks to understand:

(1) How do County Offices of Education (COEs) navigate their dual role as service providers and state accountability agents?
(2) How do COEs influence instructional quality, equity, and improvement across school districts?
(3) How do funding mechanisms and incentives shape the behavior, strategy, and capacity of California COEs?

Data and Methods

To answer the questions above, our team used a mixed-methods design that combined *qualitative interviews, quantitative budget analysis, geospatial mapping,* and *document review*. This approach allowed us to capture the institutional variation across California's COEs and the mechanisms that shape their strategies, behaviors, and influence on district improvement.

First, the Getting Down to Facts and our team have done **interviews** with 94 district leaders, 11 COE officers, and 8 California education policy experts to get diverse perspectives on COEs' roles, supports, challenges, opportunities, and expertise. The interviews with district leaders focused on the

[1] Paul Warren. (2016). *Strengthening Local K-12 Accountability: The Role of County Offices of Education*. Public Policy Institute of California. Mac Taylor. (2017). *Re-envisioning County Offices of Education: A study of their mission and funding*. California Legislative Analyst's Office. https://lao.ca.gov/Publications/Report/3547; Mac Taylor. (2024). *Increasing transparency of County Office of Education spending*. California Legislative Analyst's Office. https://lao.ca.gov/Publications/Report/4883

role of COEs in supporting improvements in instruction and student outcomes, districts' relationship with COEs, description of supports, and how helpful the supports received have been. The interviews with COE officers and superintendents focused on COE priorities, success measurement, accountability, and funding. The interviews with policy experts focused on an integrative understanding of the role of COEs vis-a-vis other parts of California's education governance structure. They also provided historical perspectives on the COEs as well as their views on COE challenges and potential recommendations.

Second, we analyzed quantitative indicators of **COE activities, outcomes, and funding**. With the help of seven research assistants, we created a unique dataset with data on each COE's number of students, districts, juvenile court and community schools, districts on differentiated assistance, and adult schools. The dataset also includes data on each COE's property tax revenues, number of nonprofits, student percentages based on race-ethnicity, average math and reading test score outcomes, and LCFF entitlement. Finally, we were able to include data on the various sources of revenues and categories for expenditures by each COE. Data for these came from various sources like the Stanford Educational Opportunity dataset, the California Department of Education, and the Education Data Partnership. We conducted a focused analysis of budget data from five counties, selected to reflect variation in size, fiscal capacity, and regional context. The analysis traced revenue sources (LCFF allocations, grants, contracts, and fee-for-service income) and expenditure patterns to understand how funding mechanisms and incentives shape COE strategies, priorities, and organizational capacity.

Third, we performed **geospatial mapping** to visualize the geographic distribution of COE services, student performance, and fiscal variation across California counties. Using publicly available data from the California Department of Education and county budget records, we mapped patterns of differentiated assistance, district demographics, nonprofit capacity, and COE finance data. This analysis allowed us to identify regional disparities in service provision and outcomes, highlight clusters of high and low capacity, and examine how geography interacts with funding mechanisms and organizational strategy.

Fourth, we reviewed various **government documents** like reports from the Legislative Analysts' Office, resources from the California County Superintendents Association, and various chapters of the California Education Code focused on "County Education Agencies." This review provided essential context for understanding the legal mandates, fiscal frameworks, and evolving policy expectations that shape COE operations. It also helped trace how state policies define COEs' de jure accountability responsibilities, funding mechanisms, and roles in supporting districts.

Findings

Using various sources of data, our findings show that California COEs[2] occupy a distinctive and increasingly complex position within the state's education system. Over time, COEs have taken on *dual functions* as both service providers and state accountability agents, a hybrid role that reflects the layering of responsibilities through successive policy reforms. Yet, the capacity of COEs to fulfill these dual roles varies considerably across the state. Differences in local need, staffing, and expertise have produced *uneven access* to instructional support and professional learning opportunities, leaving some districts far better served than others. These disparities are compounded by a fragmented and reactive *instructional accountability system*, in which mechanisms like Differentiated Assistance and Direct Technical Assistance identify struggling districts but offer limited preventive guidance or sustained capacity-building. Underlying these challenges is a volatile and uneven *funding structure*. This section highlights four insights focused on the dual role of COEs, the variability experienced by districts, the challenges to instructional accountability, and the dynamics of funding these agencies.

[2] Counties in California serve as administrative agents of the state, delivering state-mandated health, social, and justice services, while also providing municipal services (police, planning, roads) to residents in unincorporated areas.

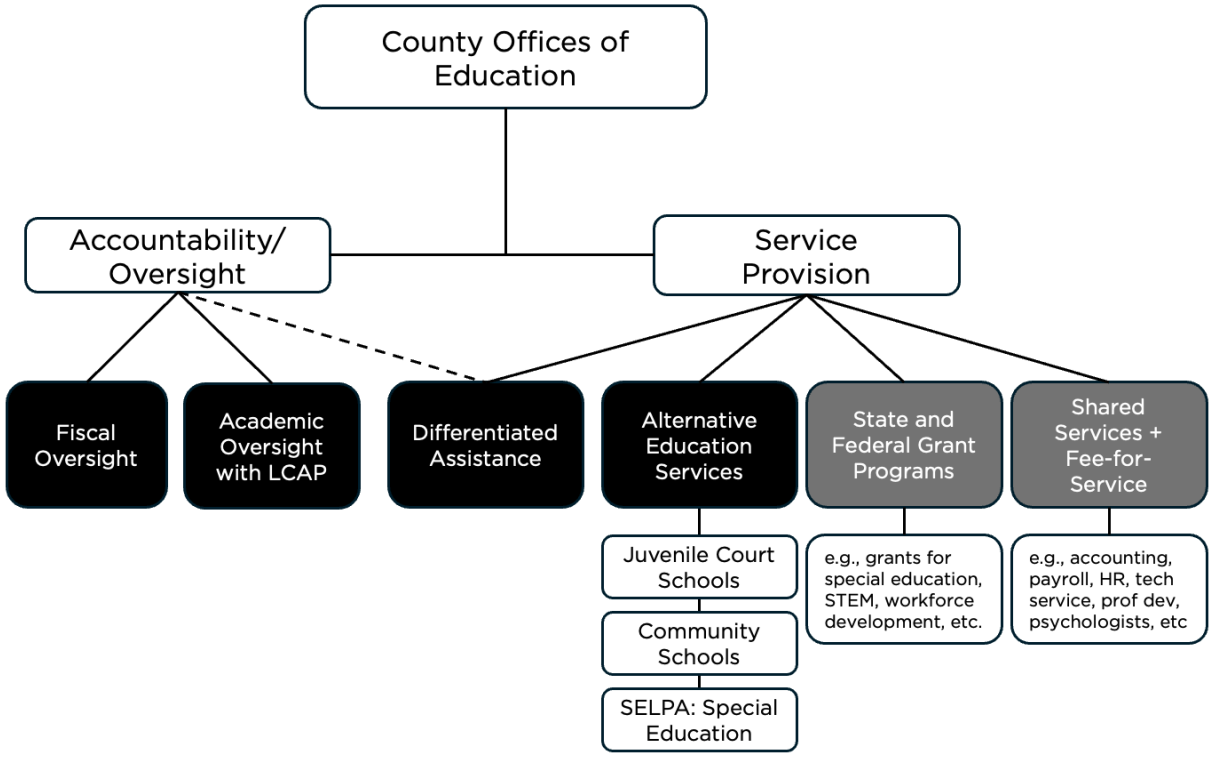


Figure 1. Roles of California County Offices of Education

Black boxes refer to core mandated roles while gray boxes refer to additional services. The dotted line shows how differentiated assistance combines oversight and service functions.

Insight 1: California County Offices of Education act as both state accountability agents and service providers—functions that have been added through time and make it differ from other middle-level agencies like New York's Board of Cooperative Educational Services and Texas' Education Service Centers.

The county superintendents act as both evaluators and supporters, bridging oversight and improvement. The County Superintendent of Schools holds a critical role in maintaining the fiscal solvency and accountability of local educational agencies (LEAs), also known as school districts. This includes ensuring the integrity of the budget development and review process while providing strategic oversight and technical assistance to local district superintendents and governing boards within their jurisdiction.[3] A core statutory responsibility is the review and approval of district Local Control and

[3] Interview with a former County Superintendent

Accountability Plans (LCAPs), ensuring alignment with state priorities, legal compliance, and a demonstrated focus on improving student outcomes. The LCAP function is linked to *fiscal oversight*, given its integration with budget allocations under the Local Control Funding Formula (LCFF). Beyond these primary functions, the County Superintendent is also charged with fulfilling over a hundred state-mandated duties.[4] These include, but are not limited to: convening the county committee on school district organization, initiating special elections in the event of board vacancies, and executing various administrative, governance, and compliance responsibilities as prescribed in the California Education Code. Figure 1 provides an illustration of the tasks of COEs.

Four core responsibilities of COEs include: (a) fiscal oversight, (b) academic oversight through LCAP review and approval, (c) differentiated assistance, and (d) alternative education service. COEs, acting under the authority of the County Superintendent, are tasked with a range of responsibilities designed to support and strengthen local school districts.

(a) *Fiscal Oversight*: Under AB 1200, COEs conduct ongoing fiscal monitoring of all districts. Before each fiscal year, districts must submit proposed budgets for COE review, and the COE may approve, disapprove, or conditionally approve them; districts with disapproved budgets must revise and resubmit. During the year, districts submit two interim financial reports, and COEs assign a positive, qualified, or negative certification based on whether the district is likely to meet its financial obligations in the current and subsequent two years.[5] Districts with qualified or negative certifications receive escalating intervention, including additional reporting requirements, review of collective bargaining agreements, approval of certain debt issuances, assignment of fiscal experts or advisors, required recovery plans, and, for negative districts, possible COE authority to revise budgets or overturn board actions. COEs also work with FCMAT, which provides in-depth fiscal analyses and corrective recommendations. Even after a district

[4] West. (2024). Code section. California Code, EDC 1240. https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=EDC&sectionNum=1240

[5] Mac Taylor. (2018). *Analyzing Recent Changes to State Support for Fiscally Distressed Districts.* Legislative Analyst's Office.

receives an emergency state loan and comes under outside administration, it remains subject to COE review of its budgets and interim reports.[6]

(b) *Academic Oversight Through LCAP Review*: Under California's Local Control Funding Formula (LCFF), school districts are required to submit Local Control and Accountability Plans (LCAPs) outlining how they intend to meet state priorities and improve student outcomes.[7] For context, LCAPs are three-year plans updated annually by districts and COEs outlining goals, action, and expenditures to improve student outcomes—especially for English learners, low-income students, and foster youth—in alignment with the LCFF. COEs are responsible for reviewing and approving district LCAPs, ensuring that they meet statutory requirements, document required engagement with educational partners, and align resources to improve outcomes for unduplicated student groups, including English learners, foster youth, and low-income students.

(c) *Differentiated Assistance* (DA): DA is a state-mandated support system in California for LEAs, like school districts and charter schools, that are identified by the California School Dashboard as having student performance issues (i.e., student groups failing to meet performance standards in two or more LCFF priority areas like graduation rate, test scores, suspension rates, etc.). COEs are the primary agencies responsible for providing DA to school districts in their counties. They typically partner with LEA leadership teams to analyze data, engage stakeholders, and design improvement strategies.

(d) *Alternative Education Services*: COEs provide direct instructional services to students in juvenile court schools, county community schools, and in some cases, to students who special education needs. Juvenile court schools provide public education for juvenile students who are incarcerated in facilities run by county probation departments.[8] County community schools serve students who are expelled from school or who are referred because of attendance or behavior problems. These schools also serve students who are homeless, on probation or parole, and who are not attending any school.[9] Some COEs function as the administrative unit

[6] Fiscal Crisis and Management Assistance Team. (2019, November 8). Fiscal oversight guide (p. 20) https://www.fcmat.org/PublicationsReports/Fiscal_Oversight_Guide_final_11-8-2019.pdf

[7] Cal Ed Code

[8] Juvenile Court schools. Juvenile Court Schools - Educational Options (CA Dept of Education). (n.d.). https://www.cde.ca.gov/sp/eo/jc/

[9] County community schools. County Community Schools - Educational Options (CA Dept of Education). (n.d.). https://www.cde.ca.gov/sp/eo/cc/

for their county's Special Education Local Plan Area, which is a consortium of districts, COEs, and charter schools to provide all special education service needs of children residing within a region's boundaries.[10]

COEs also take on additional roles such as administering state and federal grants, supporting shared district services (e.g., payroll, human resources, and accounting), and offering a wide range of fee-for-service programs that districts may opt into. These optional services often include professional development and leadership training; data and assessment support; standards implementation; internet and technology assistance; and information on new state policies. Many COEs also provide direct instructional services, including programs for adult learners, child care and preschool, career technical education, afterschool programs, and services for foster youth. In addition, COEs frequently implement initiatives and pilot programs developed by the State Board of Education, the California Department of Education, or the legislature—acting as intermediaries between the state and local districts to translate new policy priorities into practice.

The scale and delivery of these responsibilities vary significantly based on county demographics, geographic size, and district capacity. In smaller or rural counties, COEs often provide direct instruction and hands-on services. For example, the Modoc County Office of Education directly operates key programs including special education/SELPA,[11] early intervention services for young children,[12] and expanded learning programs like Student Enrichment Actively Leading to Success (SEALS).[13] On the other hand, in larger, urban counties, COEs typically serve as regional support systems, focusing on professional development, curriculum leadership, and systems-level technical assistance. The Los Angeles County Office of Education (LACOE) supports LEAs across the county with initiatives like the

[10] California Special Education Local Plan Areas. California Special Education Local Plan Areas - Administration & Support (CA Dept of Education). (n.d.). https://www.cde.ca.gov/sp/se/as/caselpas.asp
[11] Modoc County Office of Education. Modoc County Office of Education - Special Education/SELPA. (n.d.). https://www.modoccoe.k12.ca.us/Teams/Special-EducationSELPA/index.html
[12] Modoc County Office of Education. Modoc County Office of Education - Early Intervention. (n.d.). https://www.modoccoe.k12.ca.us/Teams/Special-EducationSELPA/Early-Intervention/
[13] Modoc County Office of Education. Modoc County Office of Education - Expanded Learning. (n.d.). https://www.modoccoe.k12.ca.us/Teams/Expanded-Learning/index.html

STEM-Science leadership and instructional strategies,[14] mathematics coaching and technical assistance,[15] arts and STEAM integration,[16] community schools and mental health services,[17] and broader professional development and student support systems.[18]

Small and rural LEAs or school districts benefit from a broad array of COE services vital to their operations. These services include legal counsel, business and fiscal support, human resources administration, professional development, student data and accountability support, leadership training, and specialized technical assistance.[19] For small districts that may lack the staffing or infrastructure to sustain in-house departments for finance, curriculum, or compliance, the COE can act as a key support. This centralized support structure can help local districts to focus more directly on instructional quality while meeting state and federal mandates with greater confidence and capacity.

A compelling case of this can be seen in the Amador County Office of Education (ACOE), which supports one of the smallest unified school districts in California. Due to its size and limited resources, Amador County Unified School District relies heavily on the ACOE for fiscal oversight, human resources support, and coordination of special education services.[20] ACOE also provides professional development for teachers across the district and convenes regional leaders to address pressing educational challenges, such as chronic absenteeism and staff retention in rural schools.[21] This model illustrates how COEs can help equalize educational capacity across geographies by ensuring that even the smallest and most resource-constrained districts can access expert services and fulfill their legal

[14] Home. Los Angeles County Office of Education. (n.d.). https://www.lacoe.edu/services/curriculum-instruction/stem-science
[15] Home. Los Angeles County Office of Education. (n.d.-a). https://www.lacoe.edu/services/curriculum-instruction/stem-math
[16] Home. Los Angeles County Office of Education. (n.d.-a). https://www.lacoe.edu/services/curriculum-instruction/arts-steam
[17] Home. Los Angeles County Office of Education. (n.d.-a). https://www.lacoe.edu/services/student-support/community-schools-initiative
[18] Home. Los Angeles County Office of Education. (n.d.-a). https://www.lacoe.edu/services/staff-support/professional-development
[19] California School Boards Association**
[20] Kern County Office of Education. (2023). Kern County Office of Education annual report [PDF]. Google Drive. https://drive.google.com/file/d/1K8neRaj-Js_SpxpCBDzkqpbUrSujQPWF/view
[21] Amador County Office of Education. (2022, February 9). *Board meeting packet* [PDF]. Published by Amador County Office of Education. https://s3.amazonaws.com/scschoolfiles/4612/amador_county_office_of_education_-_02-09-2022_meeting_packet.pdf

responsibilities. Ultimately, COEs function as both administrative hubs and strategic partners, especially in counties where economies of scale are not otherwise possible.

COEs participate in SELPAs (Special Education Local Plan Areas, or state-mandated consortia designed to regionalize services for students with disabilities), and in some cases serve as their administrative unit. SELPAs fulfill essential planning, fiscal compliance, and low-incidence services that can be difficult for single districts, especially small rural ones, to sustain independently.[22] For example, MCOE-SELPA centrally administers support for low-incidence disabilities (i.e., disabilities that usually don't apply to the general population, such as vision or hearing impairments, speech and language disorders, behavioral needs, or occupational therapy) by deploying specialized staff either at regional sites or through itinerant services across districts.[23] Because SELPA staffing is limited, administrative functions like payroll, insurance, and HR operations are contracted through the COE.

County Boards of Education (CBEs) serve as key governance bodies within California's public education system, responsible for a range of oversight and adjudicative functions that shape local educational landscapes. Their primary responsibilities include reviewing and ruling on interdistrict transfer appeals, conducting expulsion hearings, authorizing and renewing charter schools (after a district denial), and approving the budgets of County Offices of Education.[24] In five counties, the CBE appoints the County Superintendent, with the authority to remove the superintendent, unlike in COEs with an elected superintendent. For example, the Kern County Board of Education exemplifies this governance role through its statutory compliance with the California Education Code. It reviews and approves the annual budget and interim financial reports submitted by the Kern County Superintendent of Schools in accordance with Education Code §§ 1040 and 1240(l), ensuring transparency and fiscal responsibility.[25] The superintendent, who independently manages daily operations, also oversees personnel matters, including hiring, evaluations, and salary determinations,

[22] California Education Code §§ 56195 et seq.; § 56205.
[23] Mendocino County SELPA. (January, 2020). Local Plan Section B: Governance and Administration. https://pointarenaschools.org/wp-content/uploads/2023/02/selpa-sectionB.pdf
[24] Cal Ed Code
[25] California County Superintendents Educational Services Association. (2010, July). Statutory functions of county superintendents and boards of education (Final July 2010 Version). https://cacountysupts.org/wp-content/uploads/2013/12/ccsesa-org_resources_statutory_functions_July2010final1.pdf

with board input required when salary adjustments exceed thresholds.[26] Additionally, the Kern County Board conducts expulsion appeal hearings, offering an impartial process for students contesting district-level disciplinary actions. These hearings are conducted under the authority of Education Code § 48919, which empowers county boards to affirm, reverse, or modify local expulsion decisions.[27]

New York State's Boards of Cooperative Educational Services (BOCES) and Texas' Education Service Centers (ESCs) similarly serve as intermediary education agencies, but function differently as COEs. New York's 37 BOCES, established in 1948, were designed to help small and rural districts pool resources to offer specialized or costly programs—particularly career and technical education, special education, and shared administrative services. They are service cooperatives funded largely through fees-for-service, and governed by boards elected by component districts.[28] Texas's 20 ESCs, created in 1967, perform a similar role: they provide professional development, data and technology support, and help implement legislative initiatives, but participation is voluntary, and ESCs have no regulatory or accountability authority.[29] Oversight in Texas remains firmly centralized in the Texas Education Agency (TEA), which monitors academic and fiscal performance through statewide A–F accountability ratings and direct interventions in struggling districts.[30]

Like BOCES and ESCs, COEs offer shared services—professional development, data support, internet connectivity, and fiscal management—and operate some instructional programs like those for students with disabilities. But unlike their counterparts, COEs also perform regulatory and oversight functions. Under the LCFF and System of Support, COEs review and approve districts' LCAPs, monitor fiscal health, and lead Differentiated Assistance for districts identified for performance improvement. In effect, COEs are expected to both build local capacity and enforce state standards, acting as intermediaries that blend assistance with compliance.

[26] California Education Code §§ 1240, 1293–1295, 1302.
[27] California Education Code § 48919.
[28] ABOUT BOCES. BOCES of New York State. (2025, October 27). https://www.boces.org/about-boces/
[29] Texas Education Agency. (2025, October 15). Education Service Centers. https://tea.texas.gov/about-tea/other-services/education-service-centers
[30] Texas Education Agency. (2024, August 30). Accountability. https://tea.texas.gov/texas-schools/accountability

The COEs' coupling of accountability and service provision in the same institution risks creating role conflict and uneven implementation. Districts may hesitate to be candid with COE staff about their weaknesses when those same office reviews their budgets or performance data. Moreover, COEs vary widely in capacity and local context, leading to inconsistent quality of support across counties. In theory, COEs' dual role should foster alignment between local needs and state priorities; in practice, it can blur boundaries between partner and regulator, making it difficult to sustain trust and shared learning.

Insight 2: Districts and County Offices of Education highlight COEs' variability in (1) capacity & expertise, (2) services and needs of their districts, and (3) the reception of districts to their supports—leading to uneven access to instructional support and professional opportunities.

COEs vary widely in terms of scope, population, and geography. COEs range from single-district counties providing services to the schools in that district to large counties like Los Angeles serving more than 70 school districts and more than a million students. Some counties like Alpine and Sierra have less than 500 students in the whole county; some like San Luis Obispo and Sonoma have between 10,000 to 100,000 students; while some like Sacramento, Santa Clara, Fresno, and Orange County have more than 200,000 students. Some counties serve a predominantly rural community with unique needs and challenges, while others serve suburban and urban districts that pose their own unique challenges. Because of these differences in scale and needs, the 58 COEs also operate differently with each other and have variable sources of funding (which we discuss later on). Interviews with 94 district leaders and 11 COE officers highlight other aspects where COEs vary.

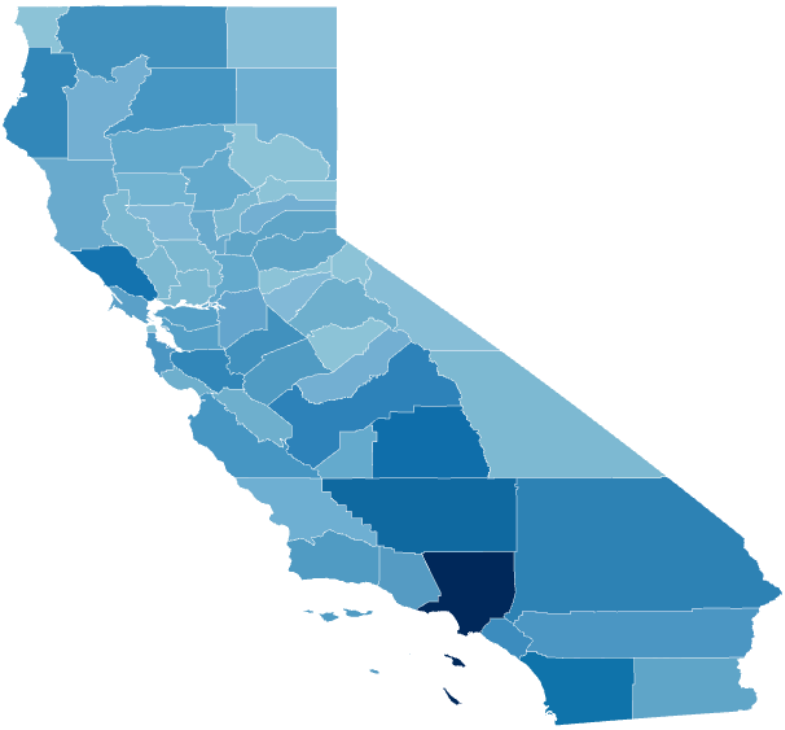


Figure 2. California county map with the number of districts per county

Darker shades note more districts while lighter shares note less districts. Our interactive map is available at https://peachcreamsoda.github.io/edorgs_SU25_quant/demographic_data.html

District officers noted differences in COEs' capacities and expertise, with some districts noting how COEs provided them excellent professional development while other districts noting the mixed-quality of these opportunities. In a focused question about the helpfulness of COE resources in improving mathematics instruction (among 64 respondents who said they received resources from their COE), 45.3% noted their experience with COEs was very helpful, 20.3% noted it was moderately helpful, 20.3% noted it was slightly helpful, and 14.1% noted it was not at all helpful. It must be noted that more than 60 percent among these randomly selected district officers shared their positive experience with COEs, but this also highlights that not all experiences are equally positive.

Lack of time and enough funding were common themes among counties that had mixed experiences with professional development. For some counties, difficulty recovering from COVID was

another factor. One district superintendent talked about not being "overly satisfied with the materials that we have," and having "middle school materials [that] are a little bit hit-and-miss." However, their county has been less focused on curricula and more focused on "taking care of people and normalizing school again." Another district superintendent echoed this sentiment, stating that their COE's professional development is not very curriculum-aligned; instead, they've been focused on "helping teachers understand the shifts in the mathematical practices and standards." In terms of resources, they expressed a need for materials that are "empirically evidence-based," noting that while teachers are "quick to go find supplemental this, [and that]...and say, oh, this is really good," it's hard to verify that. This lack of resources is actually in stark contrast to the generous "unit maps" that one of the larger districts provides their teachers with—"maps that have all those links to all of the things that we recommend that we have actually vetted," which saves teachers the time and legwork of "having to go out and supplement on their own."

Some counties had particularly positive experiences with professional development. They talked about how they were overall "excellent" and had "better resources than many of the [other] school districts." One of those district superintendents elaborated on the professional development opportunities they offer in content areas like math—where there are check-ins every 6 weeks to see how aligned the curriculum is with state standards—and supporting multilingual students. Another district superintendent talked about how "English Language Arts was definitely a priority" and how "mathematics [has] continued to be front and center," and the ways they've "continued to focus professional development opportunities around the implementation of that curriculum." For yet another county, during the school year, there are "three full-day professional development days" and "two hours of site-based professional development" weekly, where half of those hours are directed by teachers and the other half is managed by administrators. Interestingly, having a better experience with professional development seems to be positively correlated with the district's closeness with their COE. Whether it's "having staff who understand our local context, the students we're serving, [and] the culture" to ensure that teachers are providing professional learning that is aligned with the district's needs, or acknowledging that "every year, culture and climate is a top priority" as it "lays a foundation

for student learning," community support seems vital to districts' positive experience with professional development with their COE.

COEs differ in the needs of their constituent districts and in the services they are able to offer. Large and urban counties—such as Los Angeles, San Diego, or Santa Clara—often have the personnel, technical expertise, and fiscal flexibility to offer extensive professional development, specialized instructional support, and robust data and accountability services. Smaller or more rural counties, by contrast, may have only a few staff members responsible for serving multiple districts across vast geographic areas. These COEs often struggle to provide specialized content expertise or consistent technical assistance, and may instead focus their limited resources on essential compliance and fiscal oversight functions. As a result, districts experience the System of Support unevenly, depending on the capacity and orientation of their COE.

However, there are differences in service between districts. One district superintendent stated that "unlike the big districts…[where] you can ship kids around, or ship people or resources," smaller districts don't have that same amount of personnel. Without recognition from the state "that rurals and smalls need a little bit more," it's difficult for these districts to receive a greater degree of support. A district superintendent recounted that they "typically interact with the CDE" when it comes to "compliance…policy and reporting," but that "it's never like someone coming out here to meet with us." Another felt like there had "been no supports" and that it was "more compliance and more work" overall. There was a tendency for districts to "drown in needs assessments and reporting and plans and…different funding streams" but that "just takes them away from being in classrooms…being on school sites and doing the work they want to do." One county superintendent acknowledged the criticism that county offices receive for being too compliance-driven, and proposed an alternative to help COEs better support their districts' needs: by potentially having the CDE take care of accountability and fiscal oversight (like Texas and New York), and allow COEs to just focus on instructional support. However, increasing that instructional capacity would have its own limitations.

For smaller COEs, though, there might not be a sufficient number of instructional coaches. One talked about how COEs "don't have the expertise in a number of areas…some of the folks that work in our ed services have strong science backgrounds, but not necessarily English Language Arts [for example]." Nonetheless, collaboration and resource pooling offer promising ways forward. Some counties already participate in regional consortia or shared service agreements, combining staff expertise, sharing data systems, or jointly contracting with external providers to meet district needs.

The variability is not just among COEs, but also among districts. Variability in the receptiveness and openness of districts adds another layer of complexity to the work of COEs. Under LCFF, districts have substantial autonomy to determine how they pursue improvement and allocate resources, which means that COEs can offer support but cannot mandate its use. As one COE leader explained, county staff "put our best foot forward every day to offer and nudge and provide tiered support when we are able and invited in to do so," yet ultimately, "districts really have the autonomy to choose the ways in which they support young humans." This dynamic creates a delicate balance: COEs are tasked with both encouraging evidence-based practices and respecting districts' local decision-making authority.

In practice, this can lead to uneven engagement with COE initiatives, even when goals are widely shared. For example, one COE described an early literacy effort in which every district agreed that literacy was a countywide priority. The COE offered to cover the full cost of a universal literacy assessment—millions of dollars that would have allowed for consistent data collection and comparison across districts. Yet most districts declined, not for lack of funding, but because they felt they already had sufficient assessments and were unwilling to impose "one more thing" on teachers. Even the promise of financial support could not overcome the autonomy districts have to resist additional layers of accountability or standardization. Such examples reveal that the success of county-led initiatives depends not only on COEs' capacity or expertise, but also on the willingness of districts to collaborate and adopt shared approaches—a challenge that reflects the broader tension between local control and systemic coherence in California's education governance.

There are a few examples that further illustrate this tension. Sometimes, the county has to train teachers during the summer, because there isn't a lot of time to do so during the school year. However, teachers "get caught up in their work" and as a result, they may feel that the new curriculum was just "toss[ed] to them," and they are expected to "make the best of it." In an effort to create more systemic coherence, some counties may be complicating matters for districts and again, imposing on their autonomy. Additionally, one county has been struggling with getting enough "takers" for a math grant, acknowledging that "nobody's going to do this…nobody's taking on that longer day for more training." Despite the state providing several opportunities, they can't realistically expect districts to have the time or the bandwidth to take all of them on. There's an overarching problem of how "everybody wants to sell districts something, but they sell their thing, and then they leave," failing to generate "a consistent, sustainable statewide policy or model" that can actually be fully implemented.

There are also occasions when a district's needs don't align with the support their county can provide. That may necessitate the need for the district to look beyond their own county to another for help, and enlist the help of that contracting entity, in a process that one county leader described as "matchmaking." However, a county may be so big that "to go out of county to get stuff can be really challenging for districts." Again, this is a prime example of something that's good in theory not working out in practice.

Given the variability among COEs' capacities and districts' reception of support, there may be opportunities for greater collaboration, resource pooling, and flexibility in support that may be offered to districts. One intermediary that can make this possible is the implementation specialist. Some county leaders have talked about how these specialists can "support facilitation in their local context," and counties' "readiness and ability to join at different levels," indicating flexibility and adaptability. There are currently implementation specialists in every county participating in the rural math collaborative, and "they really are that main point of contact between the COE, the districts and the grant," allowing leaders to "build that connection between county offices and districts." Implementation strategists may also become a key part of building a sustainable model where rural counties especially can create the infrastructure that they need to support better math outcomes.

Interestingly, this reduces the time spent working directly with teachers; that time is redirected instead towards "building infrastructure work with people that work with teachers." By "purposefully [being] a little bit removed," these counties are hoping that even when they are absent, those "structures will live on anyway." As a result, they've actually observed lower rates of specialist turnover. Even when there was turnover, other counties' implementation specialists "have reached out and said, hey, I can help you," fostering "communication across county lines [which] hasn't always happened" before. Thus, the implementation strategist may become a valuable figure who can balance the variability among COEs' capacities and districts' willingness to receive support.

Insight 3: California's system of instructional accountability can be seen as reactive instead of proactive. The use of Differentiated Assistance (DA) broadly identifies struggling districts but offers few preventive incentives or clear consequences.

COEs are tasked with both fiscal and instructional oversight of districts. While the fiscal aspect is clearly defined and carries tangible consequences, the instructional accountability is often reactive and consequence-free. On the fiscal side, COEs review and approve district budgets and interim reports to ensure financial solvency. COEs review different aspects of the budget including enrollment, LCFF revenue, salaries and benefits, facilities maintenance, fund and cash balances, and reserves. They check that districts can meet their financial obligations for the current year and the next two years. When a district shows signs of fiscal distress, COEs provide early assistance—such as financial management support or technical assistance—and, if necessary, implement corrective actions. They may impose spending restrictions, assign fiscal advisors, or refer the district to the Fiscal Crisis and Management Assistance Team (FCMAT) for deeper review. In extreme cases—like if a district cannot meet its financial obligations—COEs coordinate with the CDE and the State Superintendent of Public Instruction to implement state intervention.

On the instructional side, COEs review and approve LCAPs as well as provide differentiated assistance (DA) to districts that have been identified to be struggling to meet performance targets for

specific groups. COEs examine whether district LCAPs align with budget priorities and address the state priorities, particularly those related to student achievement, engagement, and school climate. However, unlike fiscal oversight, the instructional accountability role is far less clear or enforceable. While COEs can question the coherence or quality of a district's plan, they cannot reject it on substantive grounds as long as procedural requirements are met. Similarly, DA relies heavily on relationships, persuasion, and the willingness of districts to engage. As a result, COEs' instructional oversight tends to be *reactive*, triggered only when districts fall below certain thresholds, and *consequence-free*, lacking the authority to mandate change.

Although DA identifies where persistent, group-specific inequities exist and signals the need for state-supported improvement efforts through COEs, it does not provide clear mechanisms for enforcing change or ensuring follow-through. Districts become eligible for DA support when a student group performs below expectations in two or more LCFF state priority areas (see Figure 3). Eligibility for the 2025 cycle is based on several combinations: poor student group performance across multiple state priorities, failure to meet local indicator standards in two areas, a mix of state and local underperformance, or failure to submit CALPADS data on time. The state evaluates ten LCFF priority areas—including student achievement, engagement, school climate, and access to a broad course of study—to determine eligibility. Key indicators include red or orange ratings on the Dashboard (such as chronic absenteeism, suspension, graduation, and college/career readiness) or unmet local performance standards over multiple years.

LCFF State Priority Areas 1–5	LCFF State Priority Areas 6–10
Basic (Priority 1) ▪ Not Met for Two or More Years on Local Performance Indicator	**School Climate (Priority 6)** ▪ Red on the Suspension Rate Indicator ▪ Not Met for Two or More Years on Local Performance Indicator
Implementation of State Academic Standards (Priority 2) ▪ Not Met for Two or More Years on Local Performance Indicator	**Access to a Broad Course of Study (Priority 7)** ▪ Not Met for Two or More Years on Local Performance Indicator
Parent Engagement (Priority 3) ▪ Not Met for Two or More Years on Local Performance Indicator	**Outcomes in a Broad Course of Study (Priority 8)** ▪ Red on the College/Career Indicator
Pupil Achievement (Priority 4) For all student groups ***except the LTEL student group***: ▪ *Red* on both the Academic - English Language Arts/Literacy (ELA) and Academic - Mathematics Indicators; **or** ▪ *Red* on the ELA or Math Indicator **and** *Orange* on the other indicator, **or** ▪ *Red* on the ELPI (for the EL student group only) **For the LTEL Student Group only:** ▪ *Red* or *Orange* on the ELPI	**Coordination of Services for Expelled Pupils – COEs Only (Priority 9)** ▪ Not Met for Two or More Years on Local Performance Indicator
Pupil Engagement (Priority 5) ▪ Red on the Graduation Rate Indicator; or ▪ Red on the Chronic Absenteeism Indicator	**Coordination of Services for Foster Youth – COEs Only (Priority 10)** ▪ Not Met for Two or More Years on Local Performance Indicator

Figure 3. Priority Areas of the Local Control Funding Formula

Source: California Department of Education, https://www.cde.ca.gov/ta/ac/cm/leaproposedcrit.asp

The process relies on collaboration rather than compliance. COEs can offer guidance, coaching, and facilitation, but they cannot compel districts to adopt particular instructional strategies or interventions. As a result, the impact of DA often depends on the willingness and capacity of districts to engage meaningfully in the improvement process. In practice, this makes DA less an accountability system and more a relationship-based support model, where progress hinges on trust, local initiative, and shared commitment rather than formal authority or sanctions.

Differentiated assistance has received mixed reviews from county leaders. One described it as "some person [who] walks in the door… talk[ing] about all of these wonderful things… continuous improvement… PD essays…and then they say, 'All right, good luck' [and] walk away." Meanwhile, one district superintendent on the receiving end of DA voiced how they felt that CCEE staff were "passive observers that were kind of critiquing the systems that we have in our district, versus actually giving us tools or input or training to get us to the direction that we need to go." Because COEs can't mandate districts' adoption of strategies or interventions, their abilities may be restricted and their impact limited. However, this can be frustrating for both parties, especially for districts who are skeptical of DA and feel that "just using one metric… does not represent what the true needs of our districts are." That being said, differentiated assistance has evolved. Early on, from the state's perspective, it revolved around "this idea of continuous improvement and building capacity," but it eventually became a "shift away from just going in and doing a root cause analysis" to analyzing "the entire system as a whole." There's also been work to extend "an invitation to all of our districts to…engage in collaborative-like structures, year to year," including districts that may not be eligible for differentiated assistance. It becomes apparent that local initiative and shared commitment have really shaped the bedrock of differentiated assistance.

There are times that DA has been done well, though. When that was the case, "the county took a huge ownership in working with the district, in supporting the district, in doing the lift for the district: in planning the PD, facilitating the PD, and then following up through with walkthroughs and all that." Other useful tools include interim assessments; while "it takes a long time to even come up with a new interim assessment," that's when the "buy-in of our teachers" becomes helpful. There's a fine line between collaboration and compliance, but when that balance is struck, it seems to have been successful.

In 2024, more than 450 of the 940 California school districts were on differentiated assistance. At first glance, it may seem concerning that roughly half of districts do not meet standards. But on closer inspection, the reality may be that the current metrics are not the most effective at helping identify school districts that are actually in need. In fact, one district superintendent stated that they

got "dinged for differentiated assistance for chronic absenteeism… in special education." When they investigated further, they realized that it came down to "one student that was chronically absent" who "moved the needle." Chronic absenteeism is not an uncommon problem, so this particular district was frustrated that the county wanted them to go through several steps to prove that they were serious about resolving the issue and pursuing accountability. They believed it ended up being a "real ineffective use of time." This could highlight a larger theme of how sometimes, the county may be creating more work for districts in an effort to improve metrics that don't even capture the problem accurately in the first place. Furthermore, it's worth noting that differentiated assistance is "a really big funding stream for the County Offices" and that it has created "a system that is reactive rather than proactive." Considering that funding depends on how many districts receive differentiated assistance, and that the system tends to be more reactive, it's possible that the way these incentives are structured is benefitting the *county* more than the districts that they're supposed to serve.

Districts can be provided more intensive and customized support through Direct Technical Assistance (DTA) provided by the California Collaborative for Educational Excellence, which is fiscally sponsored by a COE. However, if a district fails to implement recommendations or inadequate performance is so persistent, the State Superintendent of Public Instruction may intervene. The California Department of Education notes various pathways to receiving DTA: (1) When criteria are met for three or more pupil subgroups for multiple LCFF priorities in three out of four consecutive years (or if a district or COE has less than three student groups, all of the student groups have met the DA criteria for three out of four consecutive years); (2) CCEE may request a referral from a county superintendent of schools or from a Geographic Lead Agency to support a district or charter school in need of assistance to accomplish the goals described in the Local Control and Accountability Plan (LCAP); (3) if a school district receives an emergency apportionment, it shall be deemed referred to the CCEE; (4) State Superintendent of Public Instruction (SSPI) may determine that advice and assistance from CCEE is necessary to help an LEA accomplish LCAP goals.[31]

[31] California's system of support. California's System of Support - Title I, Part A (CA Dept of Education). (n.d.). https://www.cde.ca.gov/sp/sw/t1/csss.asp#:~:text=Districts%20and%20COEs%20are%20eligible,an%20LEA%20accomplish%20LCAP%20goals

The state can design an instructional accountability system balancing (1) incentives to prevent underperformance, (2) clear metrics to identify the districts in need of the greatest support, (3) appropriate support for struggling districts, and (4) clear consequences for continued underperformance. First, the state must create an incentive system that discourages persistent underperformance without encouraging narrow compliance or superficial improvements. Second, it should establish clear, transparent, and multidimensional metrics that allow the state to identify districts most in need of instructional support, while recognizing variation in local capacity and context. Third, the system must be coupled with differentiated and sustained supports—such as technical assistance, professional learning, curricular guidance, and peer learning networks—that enable struggling districts to build instructional capacity rather than merely respond to external pressure. Finally, the accountability system must articulate credible and escalating consequences for continued underperformance, ensuring that the state retains the authority to intervene when support alone is insufficient, while reserving the most coercive measures for cases of persistent failure.

Insight 4: The funding structure for County Offices of Education comes from a variety of sources: operational LCFF funding through local property taxes, competitive state and federal grants, differentiated assistance to support struggling districts, fee-for-service contracts, and special education funding. COE fiscal structures are increasingly complex and uneven. The "trial court offset" law, which redirects excess property tax revenues from property-rich counties to state courts, has grown into a substantial transfer, from $37 million in 2015-16 to $180 million in 2023-24. Combined with stagnant hold-harmless provisions and uneven access to state grants, these dynamics produce wide disparities in COE financial capacity.

Source 1: Current state funding for COEs depend mainly on (1) district services, (2) alternative education services and (3) "hold harmless" funding. LCFF accounted for $1.4 billion dollars of funding to COEs in 2023-2024 and consists of three main sections: the operations grant, the alternative education grant, and add-ons including "hold harmless" funding. The *operations grant*, accounting for $835 million in 2023-2024, comprises approximately 60% of all LCFF funding and supports general

operations of the COE.[32] COEs receive a base-funding amount plus additional funding depending on the number of districts and students their county serves. In 2023-2024, COEs received a base-funding amount of $872,151 plus $347,167 per school district and $69 to $109 per student in the county, with less populous counties receiving higher per student rates.[33]

The *alternative education* grant accounted for $288 million in 2023-2024 and comprises approximately 20% of LCFF funding. These funds are used for COEs to serve juvenile court schools and county community schools (for students expelled from school, on probation/parole, homeless, etc.). COEs receive minimum grants for operating at least one juvenile court school ($200,000) and one county community school ($200,000), as well as a base-level of per student funding ($16,395), supplemental funding for each English learner, low income, and foster youth, and concentration funding for each of the aforementioned groups above 50% of enrollment.

The last piece that factors into a COE's LCFF allotment are add-ons and *hold harmless* funding. For add-ons, the state considers whether a COE received two specific categorical grants—the Targeted Instructional Improvement Block Grant and the Home-to-School Transportation program—in 2012-2013, the last year before LCFF was implemented, and adds the amount received from these grants onto the allotment. The sum of the Operations Grant, the Alternative Education Grant, and these add-ons is considered the "LCFF Target Entitlement." This amount is then compared to the "County LCFF Floor," which is the total cost-of-living (COLA) adjusted amount COEs received from revenue limits and categorical grants in 2012-2013. In order to "hold harmless" COEs who would otherwise be negatively impacted by the implementation of LCFF, the state gives COEs the higher of these two allotments. Additionally, the state also ensures COEs receive at least as much general funding for categorical programs as it did in 2012-2013, known as minimum state aid.

[32] Legislative Analyst Office (LAO). (2024, March 14). Increasing transparency of County Office of Education spending. California Legislative Analyst's Office. https://lao.ca.gov/Publications/Report/4883
[33] Legislative Analyst Office (LAO). (2024, March 14). Increasing transparency of County Office of Education spending. California Legislative Analyst's Office. https://lao.ca.gov/Publications/Report/4883

Potential Issue A: In 2023-2024, hold harmless funding totaled $205 million, comprising 15% of all LCFF funding, with 26 out of 58 COEs receiving some form of hold harmless funding. The vast majority of this funding (78.7%) was from the minimum state aid provision. The prevalence of hold harmless funding may undermine LCFF's goal of allocating funds based on current needs. Because a substantial share of COE funding continues to come from historical protections—especially minimum state aid—rather than the underlying formula, funding levels may be only weakly connected to present enrollment or service responsibilities. This also reduces transparency and complicates assessment of whether COE allocations are equitable across counties, particularly since Differentiated Assistance funding is added separately at the end of the calculation.

Potential Issue B: Due to the rising value of properties in California, the amount of excess property tax collected by the state government has increased substantially in the years since the implementation of LCFF. A COE's LCFF allotment is funded initially by local property taxes.[34] If a county lies below the allotment number after accounting for property taxes, the state supplements the county with funds from the Proposition 98 General Fund. In contrast, if a county's local property tax revenues alone surpass the LCFF allotment threshold, the surplus is considered the COE's "excess property tax." As of 2013-2014, the excess property tax is transferred to state trial courts at the direction of the Department of Finance and the State Controller's Office.[35] Funding trial courts with COE excess property tax freed up additional General Fund money that had previously been allocated to the justice system. In 2015-2016, five COEs were affected for a total of $37 million. In 2020, eleven COEs were affected for a total of $100 million transferred.[36] Most recently, in 2023-2024, these same eleven COEs were affected for a total of $179,690,729 (found by adding up the unrestricted "All Other Transfers Out to All Others" section in the "Other Outgo" category of the 11 affected COEs). In the coming years, this sum should continue to be monitored, as these transferred funds are far greater than the assumed intention when the offset law was implemented in 2013-2014.

[34] Legislative Analyst Office (LAO). (2017, February 16). The 2017-18 budget: Trial Courts and the County Office of Education General Fund Offset. California Legislative Analyst's Office. https://lao.ca.gov/Publications/Report/3567
[35] Legislative Analyst Office (LAO). (2017, February 16). The 2017-18 budget: Trial Courts and the County Office of Education General Fund Offset. California Legislative Analyst's Office. https://lao.ca.gov/Publications/Report/3567
[36] California School Boards Association. (2022, May 11). The great "sweep" impacting county offices of education. https://publications.csba.org/california-school-news/may-2022/the-great-sweep-impacting-county-offices-of-education/

Source 2: COEs compete for state and federal grants.[37] While a large majority of categorical grants were eliminated once LCFF took effect in 2013-2014, there are still some categorical and block grants COEs can receive. One example is the state's Career and Technical Incentive Grant, received by roughly half of COEs in 2023-2024 and totaling $22 million.[38] Other competitive state grants include: Specialized Secondary Programs, Inclusive Early Education Expansion Program, ASPIRE, CCAP, Project WorkAbility, Literacy Coaches and Specialists, California Serves, and K-12 Strong Workforce Program. In 2023-2024, the total sum of state categorical grants for COEs—excluding funds for nutrition, mandated reimbursements, and other state apportionments—was $1.026 billion. COEs can also apply for the Mandates Block Grant, which provides them with flexibility in completing state-mandated activities, such as teacher credential training, instead of submitting reimbursement claims to the State Controller. In 2016-2017, 95% of COEs participated in this block grant program.[39] On the federal level, COEs can also apply for competitive categorical grants such as to fund Head Start programs or, through Individuals with Disabilities Education Act (IDEA) Discretionary Grants, projects that further aid special education in their county. In 2023-2024, the total sum of federal grants for COEs, excluding the Special Education Entitlement, nutrition funds, and various safety funds for natural disasters, was $68.92 million.

Source 3: COEs receive funding for the number of districts needing differentiated assistance. Differentiated assistance is targeted technical assistance provided to LEAs who are underperforming on priority areas, such as implementation of state standards and pupil engagement, set by the State Board of Education.[40] It is part of California's Statewide System of Support, the state's method to meet student needs, sustain improvement, and address disparity of opportunity and outcome. COEs provide

[37] There are also some non-competitive grants, such as Federal Titles I-IV (part As) and other state grants that are also not competitive, such Prop 28 funding. There is also funding the COEs receive if districts in their county receive competitive state grants, such as the California Community Schools Partnership Program's concentration grants.
[38] Legislative Analyst Office (LAO). (2024, March 14). Increasing transparency of County Office of Education spending. California Legislative Analyst's Office. https://lao.ca.gov/Publications/Report/4883
[39] California Department of Education. (2024). Mandate block grant, fiscal year 2024-25. Past Funding Profile (ID 6265): Mandate Block Grant, Fiscal Year 2024-25 (CA Dept of Education). https://www.cde.ca.gov/fg/fo/profile.asp?id=6265&recID=6265; Legislative Analyst Office (LAO). (2017a, February 6). Re-envisioning County Offices of Education: A study of their mission and funding. California Legislative Analyst's Office. https://www.lao.ca.gov/Publications/Report/3547
[40] California Department of Education. (2025). California's system of support. California's System of Support - Title I, Part A (CA Dept of Education). https://www.cde.ca.gov/sp/sw/t1/csss.asp

differentiated assistance to eligible districts in their county through activities such as identifying needs of the district and connecting LEAs to support providers. For the 2023-2024 school year, COEs received base funding of $300,000 if they have at least one district eligible for differentiated assistance. COEs then receive additional funding for each additional district and the district's ADA: $100,000 for a small district (ADA less than 2,500), $200,000 for a medium district (ADA between 2,500 and 9,999), and $300,000 for a large district (greater than 10,000).[41] Differentiated assistance funds are added to LCFF state aid and are paid to COEs in monthly increments.

Potential Issue C: Because DA funding is tied to the number of districts identified for assistance, COEs receive more funding when more districts perform poorly. This creates a subtle misalignment: COEs' budgets may expand with district underperformance, rather than district improvement. Although there is no reason to suggest that COEs would prefer district underperformance, the funding structure does little to reward systemic prevention or long-term capacity building that might reduce future DA eligibility. DA funding is triggered by underperformance, rather than used proactively for continuous improvement. As a result, support efforts tend to be reactive—focused on remediation after performance declines—rather than preventive, capacity-building work that might keep districts from needing assistance in the first place.

Potential Issue D: DA funding is coursed through the COE in which a district is located, which can restrict the district's options and disadvantage districts that could benefit from specialized expertise or stronger instructional support available in another county. This geographic restriction reinforces county boundaries as administrative, rather than pedagogical, units, even though educational needs and capacities often cut across those lines. For example, a district in a small or rural county may have very limited access to staff with expertise in areas like multilingual education, data systems, or early literacy—yet the DA structure prevents them from directly seeking support from a different COE that may have robust programs in those areas. This constraint can perpetuate unequal

[41] Thurmond , T. (2023, December 15). *Update on the Implementation of the Local, State and Federal Accountability and Continuous Improvement System: Local Control Funding Formula Eligibility for Differentiated Assistance for Districts, County Offices of Education, and Charter Schools*. California Department of Education. https://www.cde.ca.gov/be/pn/im/documents/dec23memoamard02.docx

access to quality improvement supports, especially when counties vary widely in staff capacity, technical expertise, and relationships with districts. It also limits opportunities for regional collaboration or resource pooling, which could be particularly valuable for small districts that face similar challenges but lack economies of scale. Nonetheless, COEs are allowed to bring in other service providers, including other COEs, and districts are allowed to seek additional assistance at their own cost.

Source 4: COEs provide fee-for-service contracts like payroll, accounting, purchasing, and outdoor education. COEs often provide fee-for-service contracts to their districts, although the fee rates and services provided vary across the state. Services range from aid with payroll and accounting to larger scale services such as teacher induction and career technical education. For example, the Orange County Department of Education has a "District Payroll Services" division for the county's more than 90,000 school employees[42] while the Santa Clara County Office of Education has a hands-on, outdoor school program for district students.[43] Revenue from fee-for-service contracts rose from $300 million in 2012-2013 to $330 million in 2014-2015, with 90% of COEs engaging in fee-for-service contracts in the latter. This number appears to be increasing with our calculations for the 2023-2024 school year suggesting more than $500 million in interagency services and $360 million in "other revenues and contracts." COEs also frequently provide free optional services to districts, with examples including enrichment programs, purchasing technology, and hiring project managers to help districts with the LCAP process. These optional services vary greatly from one COE to the next.

Source 5: COEs receive funding when they are the administrative unit for their SELPA. Special Education Local Plan Areas (SELPAs), established in 1977, are "geographical regions of sufficient size and scope to provide for all special education service needs of children residing within the region's boundaries".[44] All districts and COEs must be in a SELPA. Currently, there are 136 SELPAs and they can

[42] Orange County Department of Education. (n.d.). OCDE - District Payroll Services. https://ocde.us/Administrative/SS/Pages/District-Payroll-Services.aspx
[43] Santa Clara County Office of Education. (n.d.). Sccoe Home. SCCOE Home | Santa Clara County Office of Education. https://www.sccoe.org/Pages/SCCOE%20Home.aspx#:~:text=Environmental%20Education,children%20of%20Santa%20Clara%20County.
[44] SELPA. (n.d.). California Selpa Association. California State SELPA Association. https://selpa.info/

take on different forms. They can be composed of (1) a single LEA without a COE (2) Multiple LEAs without a COE and (3) one or more LEAs with one or more COEs.[45] Each SELPA must create an annual Local Plan describing "how it provides education services pursuant to the Education Code"[46] and assigning duties and responsibilities to each agency within the SELPA.[47] The Local Plan must include contacts and certifications, governance and administration, an annual budget plan, and annual service plan, and additional attachments.[48] The COE of the county the SELPA is in must approve of the Local Plan before it can be implemented.[49]

The role of the COE in administering special education can vary based on the local plan, with some COEs more involved than others. In many cases, COEs serve as the Administrative Unit of the SELPA, which serves as the legal entity that receives funds[50] and distributes them, employs the staff necessary to support SELPA functions, and oversees the coordination of the Local Plan. Funding sources include AB 602 Property Tax funding, AB 602 State Aid funding, Federal IDEA funding, State and Federal Mental Health funding, State Infant/Toddler funding, as well as other grants.[51] COEs' revenues and expenditures for special education will differ depending on how much responsibility the local plan provides them.

There is great variability in COEs' roles and services, their sources of revenue, and their expenditures. To better understand the variance of COE budgets, our team performed a deeper analysis on the revenues and expenditures of five counties: Los Angeles, Santa Clara, Merced, San Francisco, and Lake. These counties were chosen primarily based on their size, location, number of

[45] California Department of Education. (2024). Size and scope. Size And Scope - Laws, Regulations, & Policies (CA Dept of Education). https://www.cde.ca.gov/sp/se/lr/szscpselpa.asp
[46] SELPA. (n.d.). California Selpa Association. California State SELPA Association. https://selpa.info/
[47] SELPA. (n.d.-b). California State Selpa Association. California State SELPA Association. https://selpa.info/info/selpa-governance
[48] California Department of Education. (n.d.). Special education local plan area: Local plan. Special Education Local Plan Area: Local Plan - Data Collection & Reporting (CA Dept of Education). https://www.cde.ca.gov/sp/se/ds/lclpln.asp#coereq
[49] California Department of Education. (n.d.). Special education local plan area: Local plan. Special Education Local Plan Area: Local Plan - Data Collection & Reporting (CA Dept of Education). https://www.cde.ca.gov/sp/se/ds/lclpln.asp#coereq
[50] West San Gabriel Valley SELPA. (n.d.). SELPAs in California. – SELPA Overview – West San Gabriel Valley SELPA. https://www.wsgvselpa.org/apps/pages/index.jsp?uREC_ID=994257&type=d&pREC_ID=1309156
[51] California Department of Education. (n.d.-a). North Region SELPA Local Plan. https://www.northregionselpa.org/apps/pages/LocalPlan

districts, and test scores, with the aim of covering a range of different situations. Table 1 details the demographics of each county.

Table 1. Demographics of Five County Offices of Education

Counties	Location	Student Enrollment	Number of Districts	Percent White	Percent Hispanic	Percent Black	Percent Asian	Percent of Entitlement Covered by Local Revenues	Average Math Scores (County Rank)	Average Reading Scores	LCFF Entitlement (23-24)	Expenditures per Student Enrolled
Santa Clara	South Bay Area	231,385	31	15.2	40.8	1.7	31.1	100%	0.215376105 (2nd)	0.19209109955 (3rd)	$38,487,336.00	$1,406.98
San Francisco	SF Bay Area	56,701	1	13.3	36.7	7.4	27.5	25.54%	-0.03350210412 (8th)	-0.06745964798 (12th)	$12,825,307.00	$273.48
Los Angeles	Southern California	1,275,769	79	12.7	65.2	6.7	8.2	63.92%	-0.2771085218 (25th)	-0.2529726287 (32nd)	$155,116,533.00	$482.39
Merced	Central California	59,478	20	11.7	77.4	2.4	5.2	50.13%	-0.501259395 (53rd)	-0.4305186039 (49th)	$22,619,200.00	$2,019.90
Lake	Northern California	10,172	6	40.7	45.5	1.2	.5	50.74%	-0.5963103384 (58th)	-0.5410832010323 72 (58th)	$4,666,356.00	$1,691.92

Our team used financial data from the Education Data Partnership website, focusing on the 2023-2024 school year due to completeness.[52] We also tabulated data for all COEs in 2023-2024 to use as an average comparison. Figure 4 shows the total revenue sources for 56 counties, excluding Sierra and Modoc for which there was no data, and Figures 5 and 6 show expenditures broken down by both object code (type of good) and function code (purpose of good). In our analysis of each county, we then

[52] EdData. (n.d.). EdData - Home Page. https://ed-data.org/district/Los-Angeles/Los-Angeles-County-Office-of-Education

compare each COE's revenues and expenditures to both the totals and other individual county COEs to pinpoint differences in operations.

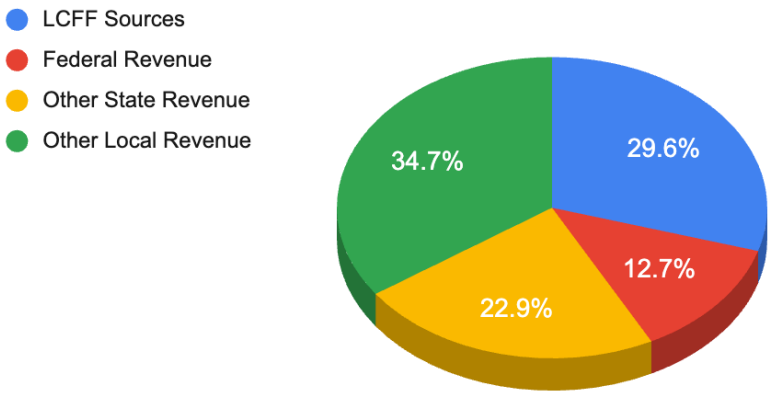


Figure 4. COE Revenue Sources (2023-2024)

Revenues

Revenues are categorized into four object codes, these being LCFF Sources, Federal Revenues, Other State Revenue, and Other Local Revenue. An explanation of these four categories and their prevalence in the average of our five county sample is as follows: *LCFF Sources* (29.6%): "Includes state and local property taxes and fees, plus other fees such as Education Protection Account and Prior Year Adjustments." Although the LCFF Entitlement is a main source of revenue for COEs, close to 2/3 of revenue comes from other sources. *Federal Revenue* (12.7%): "Includes all money received for the Elementary and Secondary Education Act (Title I, Title II, etc.) plus federal Special Education and other federal programs," such as Head Start. Federal revenues account for the lowest proportion of COE funding. *Other State Revenue* (22.9%): Includes lottery funds and state categorical grants (e.g. State Special Education, Mandate Block Grant). Both non-competitive grants, such as the Mandate Block Grant, and competitive grants, such as the Inclusive Early Education Expansion Program and Project WorkAbility, are included in this category. *Other Local Revenue* (34.7%): Includes interest on funds held by the county treasurer, donations and reimbursements, parcel taxes, rents and leases, and other local sources. Fees-for-service, including interagency services between COEs and LEAs in their county, are included in this category.

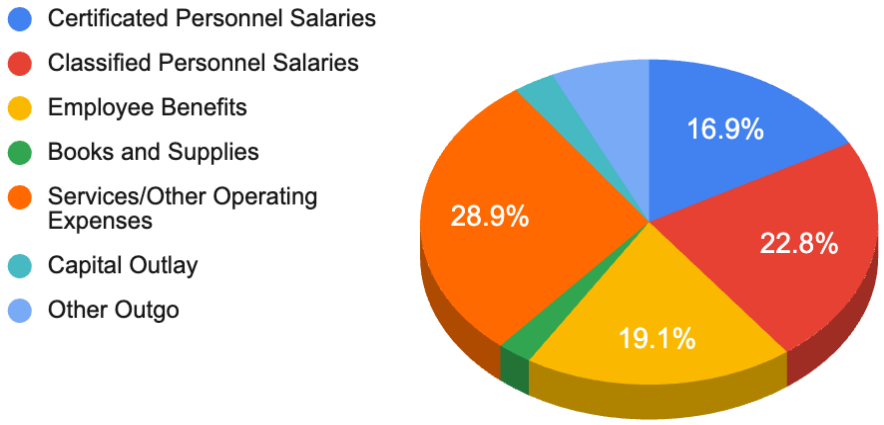


Figure 5: COE Expenditures by Object (2023-2024)

Expenditures

Expenditures are categorized using two different methods to show how funds are spent. The first is by Object Code, which is used to report costs according to the types of goods or services purchased/consumed.[53] The second is by Activity, which categorizes expenditures based on the type of function they support.

Expenditures by Object Code

Certificated Personnel Salaries (16.9%): "Certificated staff are credentialed personnel, including Teachers, Certificated Administrators, Speech Pathologists, and Counselors," and certificated pupil support.[54] *Classified Personnel Salaries* (22.8%): Includes non-certificated instructional assistants, athletics staff, clerical and office staff, maintenance staff, classified supervisors and administrators, among others. *Employee Benefits* (19.1%): Includes health services, as well as guidance and counseling,

[53] California Department of Finance. (n.d.). Object of expenditure codes. Object of Expenditure Codes | California Department of Finance. https://dof.ca.gov/accounting/accounting-policies-and-procedures/accounting-policies-and-procedures-uniform-codes-manual-object-of-expenditure-codes/#:~:text=Object%20codes%20(line%20items)%20are%20used%20to,accomplished%20by%20the%20proposed%20or%20actual%20disbursement.

[54] AESD. (n.d.). Certificated personnel. Adelanto Elementary School District. https://www.aesd.net/divisions/human-resources/certificated-personnel#:~:text=What%20is%20Certificated%20Staff?%20Certificated%20staff%20are,Deans%2C%20Directors%2C%20Coordinators)%2C%20Speech%20Pathologists%2C%20and%20Counselors.

social work, transportation services, and food services. *Books and Supplies* (2.5%): Includes approved textbooks, other books and reference materials, supplies, noncapitalized equipment, and food. *Services and Operating Expenses* (28.9%): Includes travel and conferences, dues and memberships, utilities, subagreements, professional consulting services, rentals, leases, and repairs. *Capital Outlay* (2.9%): Includes sites and site improvements, major/capitalized equipment, equipment replacement, and depreciation. *Other Outgo* (7.0%): Includes transfers to the State of California, as with excess property taxes transferred as part of trial court offset.

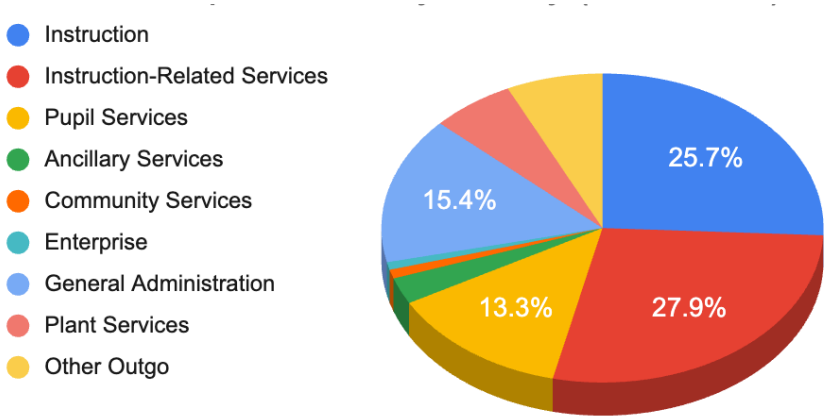


Figure 6: COE Expenditures by Activity Code (2023-2024)

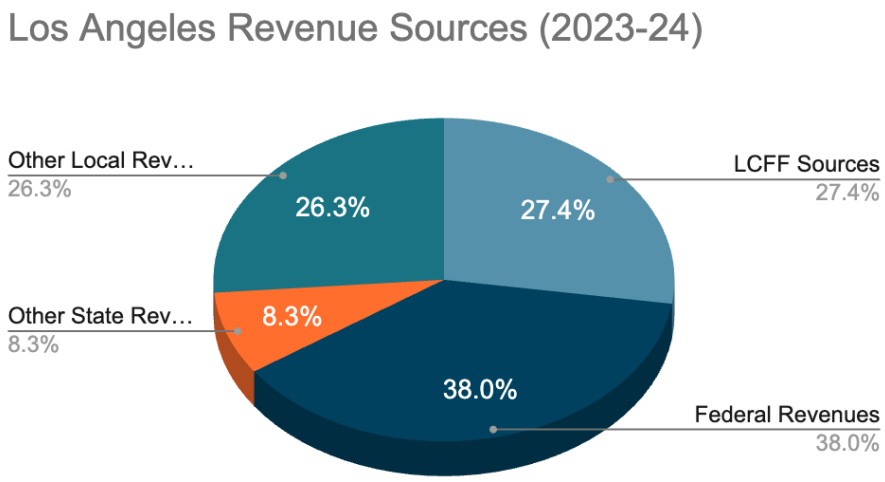
Expenditures by Activity Code

Instruction (25.7%): "Includes the activities dealing directly with the interaction between teachers and students." This category includes special education as well as other forms of alternative education run by COEs, such as community schools and juvenile court schools. *Instruction-Related Services* (27.9%): Includes instructional supervision and administration, which consists of "activities primarily assisting instructional staff in planning, developing, and evaluating the process of providing learning experiences for students." Also includes instructional resources for students, such as instructional media and technology. *Pupil Services* (13.3%): Includes support services to students, such as counseling services, psychological services, food service, and transportation. *Ancillary Services* (2.76%): Includes school-sponsored activities during or after the school day that are not essential to the delivery of instruction, instruction-related services, and pupil services. *Community Services* (0.9%):

Activities concerned with providing services to community participants other than students. Examples include the operation of a community swimming pool or a recreation program for the elderly. *Enterprise* (0.8%): Used when, in a manner similar to private business enterprises, an LEA is selling goods or services to outside organizations and the stated intent is that the costs are financed or recovered primarily through user charges. *General Administration* (15.4%): Includes a wide range of functions, including election costs, fiscal services, internal audition, staff relations and negotiations, and the development of districtwide training programs for noninstructional personnel, among other functions. *Plant Services* (6.1%): Includes the maintenance of operation of facilities, renovations, security, and rents and leases. *Other Outgo* (7.0%): Includes servicing the debts of the LEA and transfers of resources to other LEAs and to all other agencies. Included in this category is the transfer of excess property taxes to the State for trial court offset.

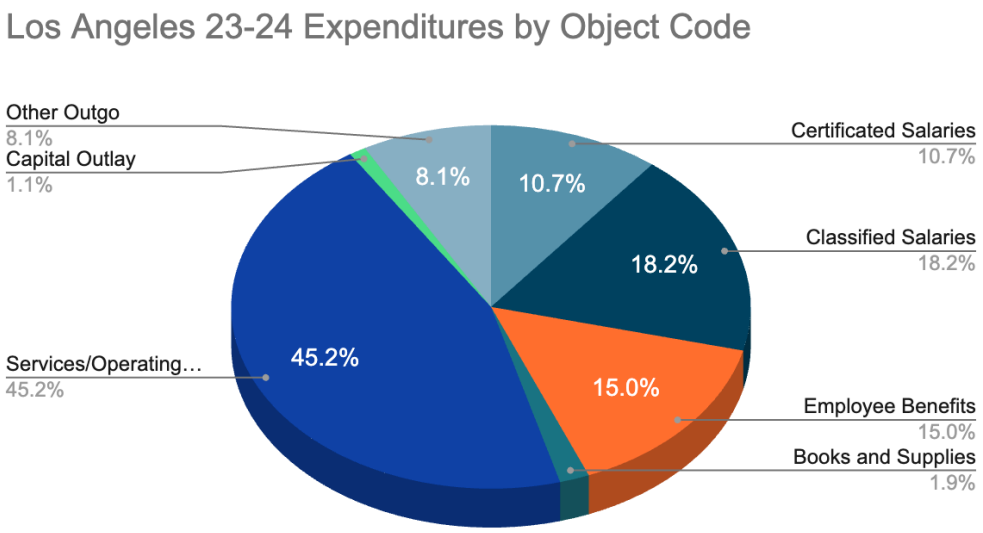
Five Case Study County Offices of Education

(1) Los Angeles County Office of Education

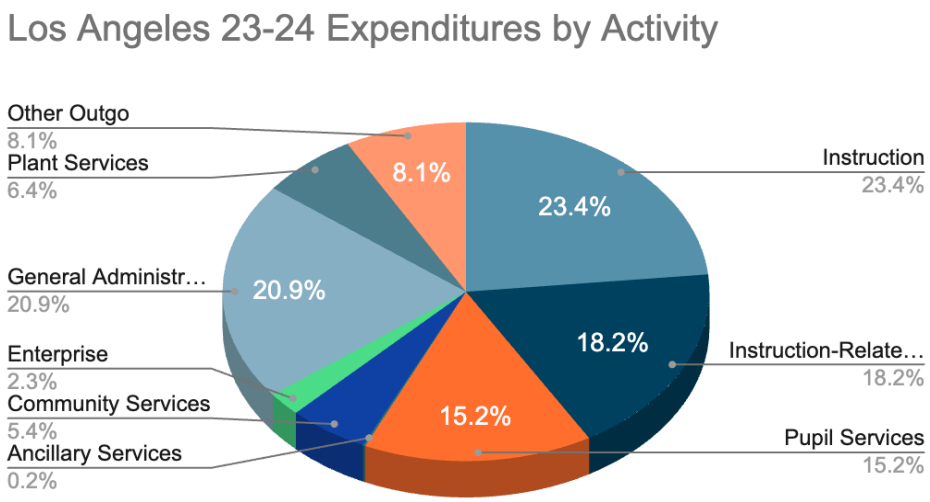


Revenues: In 2023-2024, the Los Angeles County Office of Education (LACOE) reported $720,756,757 in revenues, the most of our five county analysis. LACOE also serves, by a wide margin, the most districts (79) and students (1,275,769) of our sample. For LACOE, the largest portion of revenues was from federal sources at $274,124,649 (38.0%). Taking federal sources as a proportion of

each county's revenues, this figure outpaced the next highest COE, Santa Clara, by over 20%. Although the 23-24 estimated actuals are vague, citing 99.5% of federal funds under an "All Other Federal Funds" designation excluding categories such as special education and child nutrition, other information from LACOE suggest a large percentage of this revenue is for Head Start programs. LACOE is the largest Head Start grantee in California, serving approximately 7,500 children and families each year, and in 2024-2025 submitted a proposed budget that included $201.22 million for their Head Start and Early Learning Division program.[55] Another aspect to note about LACOE is the large amount of revenue, over $20 million, it receives from interest on funds deposited to the county treasurer. This makes up 2.9% of its 23-24 revenue, while for the next closest county, Lake, interest only comprises 1.7% of their budget. These numbers suggest LACOE's larger operating budget provides them with a more significant opportunity to earn interest on their funds.



[55] LACOE. (n.d.). Home. Los Angeles County Office of Education. https://www.lacoe.edu/about/newsroom/resource-guide-library/head-start-awareness; LACOE. (n.d.-a). Home. Los Angeles County Office of Education. https://www.lacoe.edu/about/budget

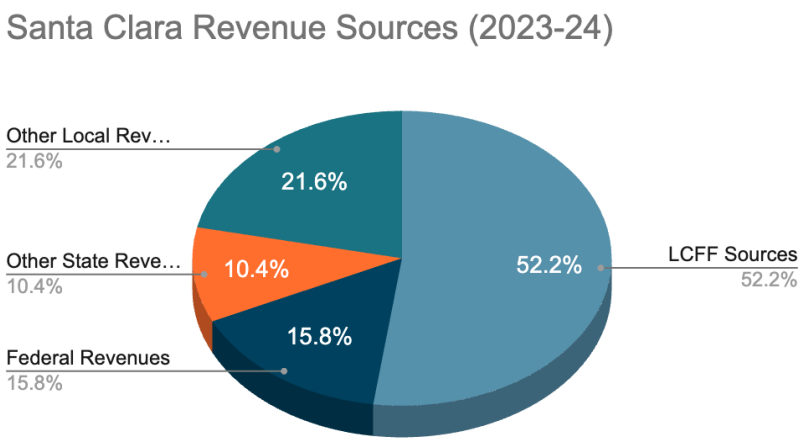


Expenditures: LACOE spent approximately $278 million (45.2%) of their budget on Services and Operating Expenses in 2023-2024. This percentage of the COE's spending eclipsed the next closest county, Santa Clara, by 28.2%. These costs could be due to both the large number of students enrolled in L.A. county and the substantial Head Start and Early Learning Division they operate. LACOE also spends the most in our sample on Community Services (5.4%) and Enterprise (2.3%). Community services are "activities concerned with providing community services to community participants other than students," such as a community swimming pool or a recreation program for the elderly.[56] No other county in our sample used over 1% of their budget on community services in 2023-2024. Meanwhile, Enterprise is categorized as "activities that are financed and operated in a manner similar to private business enterprises" and used for when an LEA is selling goods or services to outside organizations. The only other county in our sample to categorize any expenditures as Enterprise is Merced at 0.3% of their total expenditures. Overall, it should be noted that even with the highest operating budget, LACOE has the second lowest expenditures per student enrolled at $482.39, driven by their large student population.

[56] EdData. (n.d.). EdData - Home Page. https://ed-data.org/district/Los-Angeles/Los-Angeles-County-Office-of-Education

(2) Santa Clara County Office of Education

Revenues: In 2023-2024, the Santa Clara County Office of Education (SCCOE) reported

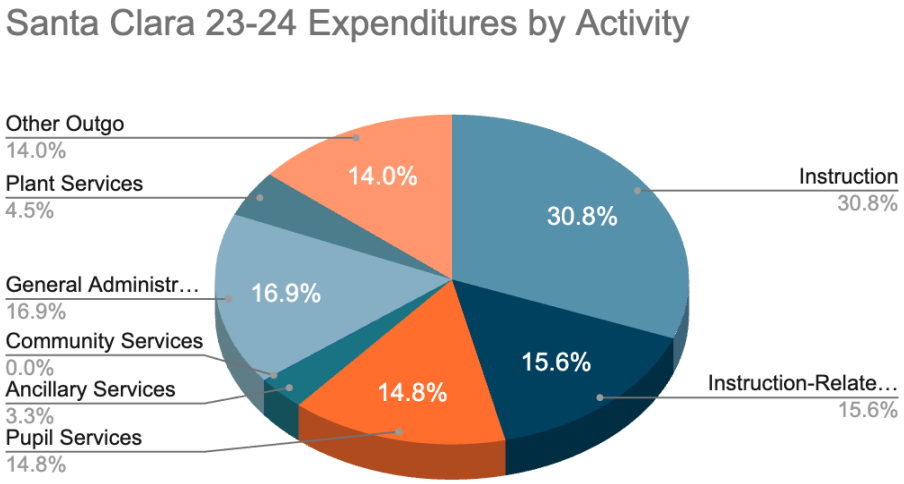


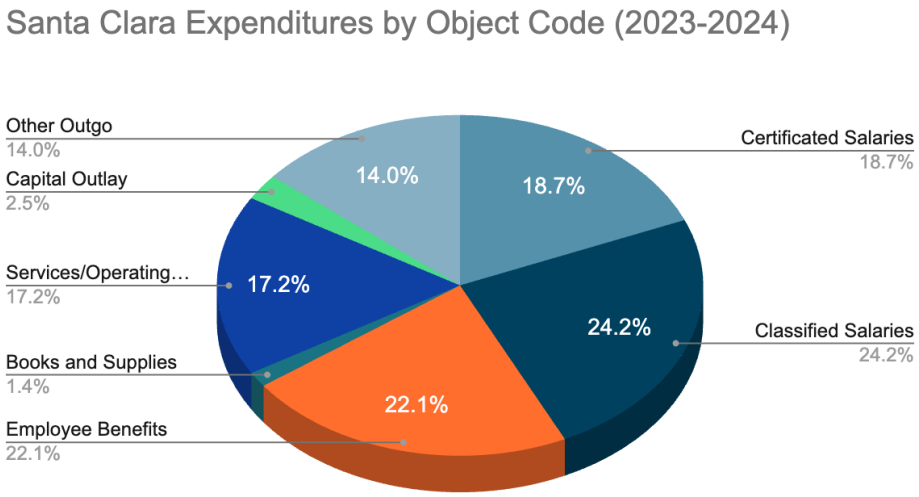
$376,512,080 in revenues, the second highest of our sample. SCCOE also has the second highest percentage of their revenue made up of LCFF sources at 52.2% and, at over $196 million, nearly as much total LCFF revenue as LACOE. Notably, however, SCCOE's LCFF entitlement was entirely funded by local property tax, known colloquially as a "basic aid" COE, and several laws govern how the property tax over this entitlement is used. In 23-24, the county treasurer distributed roughly $226 million in property taxes to SCCOE. Based on a ratio obtained from CDE Local Revenue Exhibit, approximately 62% of this funding, or $140 million, was used to fund Special Education through AB 602 and is given to the Santa Clara SELPA. This distribution of property taxes to special education is done in all counties, although in Santa Clara the amount is more pronounced. State Special Education funding is, accordingly, reduced by the amount received in property taxes.[57] Of the remaining $86 million, SCCOE received its roughly $38.5 million entitlement, with the remaining $47.5 million transferred to the state controller, based on a 2013-2014 change to the education code, to fund state trial courts.[58] It then received an additional $11 million in state aid, not explicitly marked in the revenues but likely made up of various sources of hold-harmless funding. Overall, while SCCOE reported nearly $200 million in

[57] SCCOE. (2024, February 21). Overview of SCCOE Budget Development and Fiscal Planning. https://www.boarddocs.com/ca/sccoe/Board.nsf/files/D2GUM57C7B41/$file/Overview of the Budget Development and Fiscal Planning - 02-21-2024.pdf

[58] California School Boards Association. (2022, May 11). The great "sweep" impacting county offices of education. https://publications.csba.org/california-school-news/may-2022/the-great-sweep-impacting-county-offices-of-education/

funding from LCFF sources in 23-24, the COE itself only operated with roughly $50 million of these funds after accounting for special education and trial court offset.

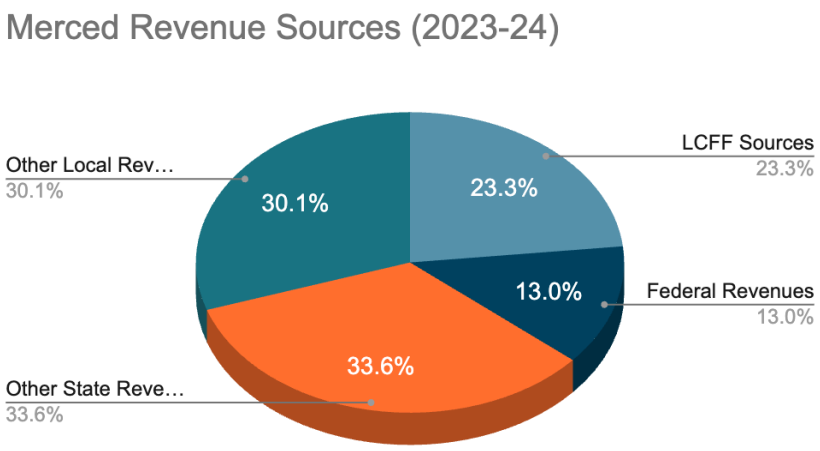




Expenditures: In 2023-2024, SCCOE had $373,217,127 in total expenditures. Of this total, approximately $52 million (14.0%) was classified as "Other Outgo," the highest in our sample. As noted in the previous paragraph, $47.5 million in the Other Outgo category is transferred to the state controller for trial courts. A broader analysis shows that this excess property tax total is the highest out of any COE, with the next closest being the San Mateo COE at $35,158,097. Another aspect that stands

out about SCOE's expenditures is the $12.3 (3.0%) million it spends on ancillary services, defined as school-sponsored activities during or after the school day that are not essential to the delivery of instruction, instruction-related services, and pupil services. San Francisco and Merced spend $0 in this category, while Lake and Los Angeles only spend approximately $120,000 and $1 million, respectively. Along these same lines, is SCCOE's lack of expenditures in the Books and Supplies categories at $5,355,844. This figure represents 1.4% of SCOE's total expenditures and is roughly equivalent to Merced COE's expenditures on books and supplies, even though the county has four times the number of students enrolled. A possible explanation for SCCOE's high ancillary costs and low books and supplies expenditures is the high funding levels for its districts. Unlike COEs, California districts are allowed to use excess property tax funds as part of its general fund. Therefore, it's possible Santa Clara County's districts are able to cover more essential aspects of instruction while SCOE funds enrichment. COEs in less well-funded areas, such as Merced and Lake County, on the other hand, need to help their districts more with essentials. Los Angeles, however, also spends little of its budget (1.9%) on books and supplies, suggesting there could be a connection between county size and COE spending on books and supplies. A final note on SCCOE's expenditures is its heavy involvement in special education, supported by both our budget analysis and an interview with a former superintendent. SCCOE spent approximately $83.4 million on special education instruction in 23-24, with $67.5 million of those expenditures allotted to running separate classes due to the nature and severity of students' special needs. This 18.1% of their total expenditures is larger than Lake (4.6%), San Francisco (1.1%), and Los Angeles (0.67%). SCCOE's figure, however, is lower than Merced's 23.8%, but operates at a far larger scale.

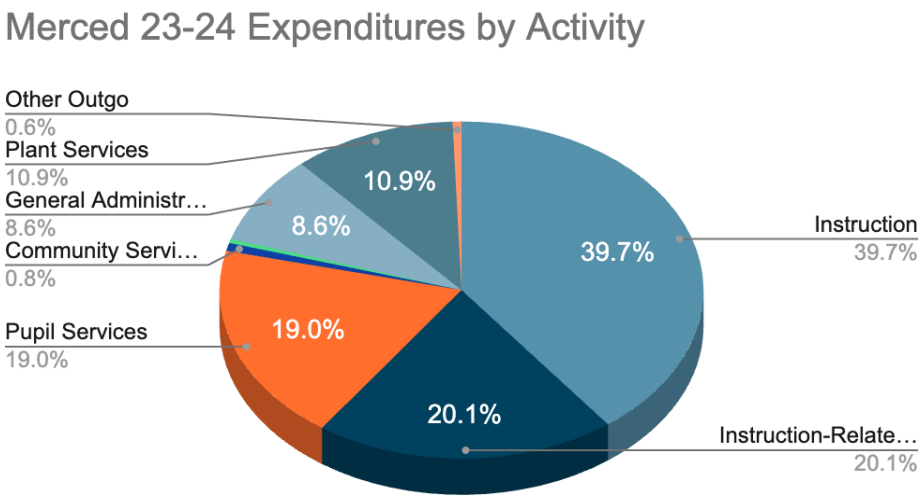
(3) Merced County Office of Education

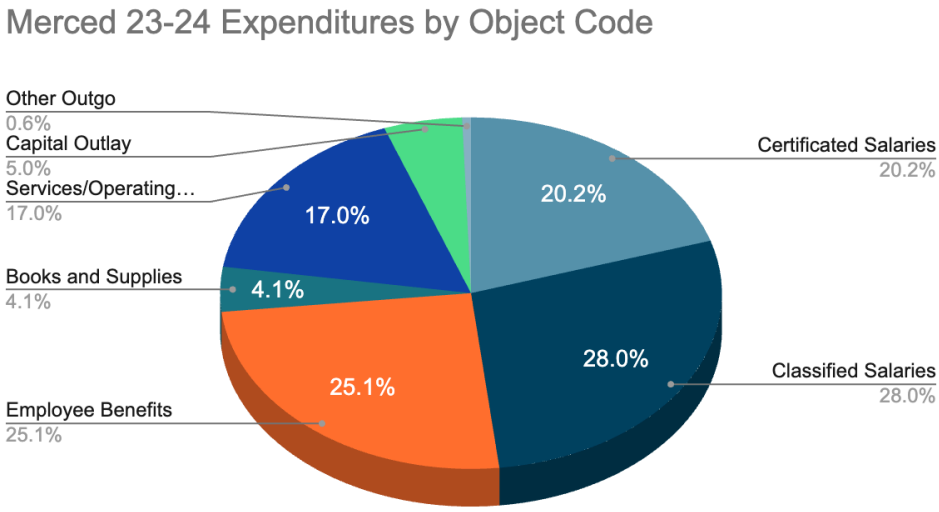


Revenues: In 2023-2024, the Merced County Office of Education (MCOE) reported $133,678,404 in revenues, the third highest of our sample. MCOE received a higher combined percentage of its revenue from Other State and Local Revenue sources (63.7%) than our sample average (37.2%), and a lower combined percentage of its revenue from LCFF Sources and Federal Revenues (36.6%) than our sample average (62.8%). In regards to Other State Revenue, MCOE received approximately $25 million for state apportionments other than LCFF. While not explicitly labeled on their budget, it's likely a large portion of these funds are for special education—the Merced County SELPA received roughly $46 million for special education in 2023-2024, and MCOE served as the Administrative Unit.[59] This assumption is further supported by MCOE's $31 million expenditure on Special Education Instruction in 2023-2024. For Other Local Revenues, over $21 million of MCOE's $40 million in this area is categorized as Tuition, comprising 15.9% of their entire revenue. This designation is used when a county office serves students whose LCFF funding has been allocated to districts[60] or for reimbursing COEs when the A.U. elects for special education payments to be made directly to member agencies.[61] The latter seems

[59] California Department of Education. (n.d.-a). Funding results. Funding Results: Special Education Assembly Bill 602 (CA Dept of Education). https://www.cde.ca.gov/fg/fo/r14/ab60223result.asp;
[60] California Department of Education. (n.d.-a). District-funded students in Coe Programs. District-Funded Students in COE Programs - Correspondence (CA Dept of Education). https://www.cde.ca.gov/fg/ac/co/transferoffunding.asp#:~:text=The%20CDE%20has%20concluded%20that,using%20the%20associated%20instructional%20goal.
[61] Procedure 755: Special Education. (2016). In California School Accounting Manual (pp. 755-5-755-24). essay. Retrieved 2025, from https://selpa.fcoe.org/sites/selpa.fcoe.org/files/2021-05/CSAM%20Procedure%20755%20-%20Special%20Education.pdf.

to play a large factor here, indicated by the MCOE recording no costs in their budget as the A.U. The percentage of MCOE's revenue made up of tuition differs sharply from the other COEs in our sample: Los Angeles (2.4%), Santa Clara (0.37%), San Francisco (1.9%), and Lake (5.3%). More research should be done to see if this has functional benefits for MCOE or is largely an accounting preference.

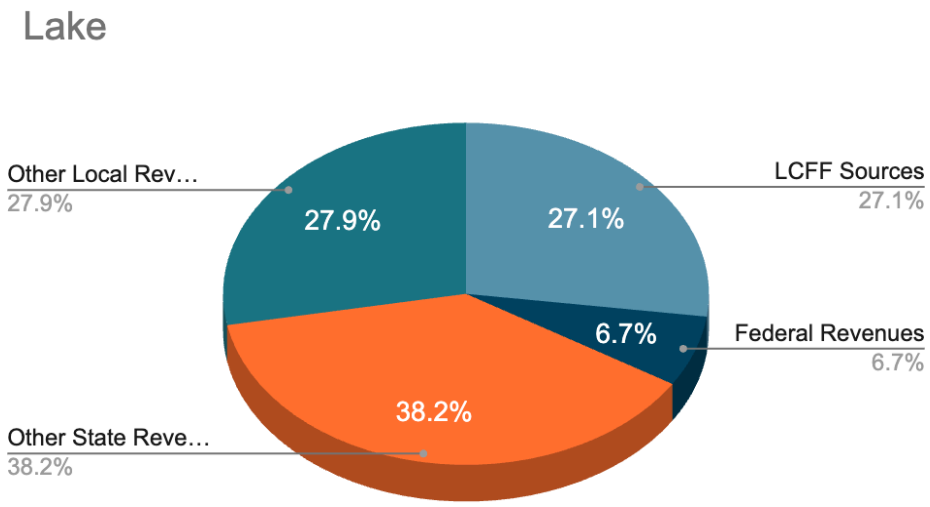




Expenditures: In 23-24, MCOE had $120,139,793.00 in expenditures. Although the third largest in terms of total expenditures in our sample, MCOE's $2,019.90 per student enrolled was the largest of our sample, this per student allocation nearly eight times greater than San Francisco, a county with a similar number of students enrolled. 39.7% of those expenditures were allocated toward Instruction,

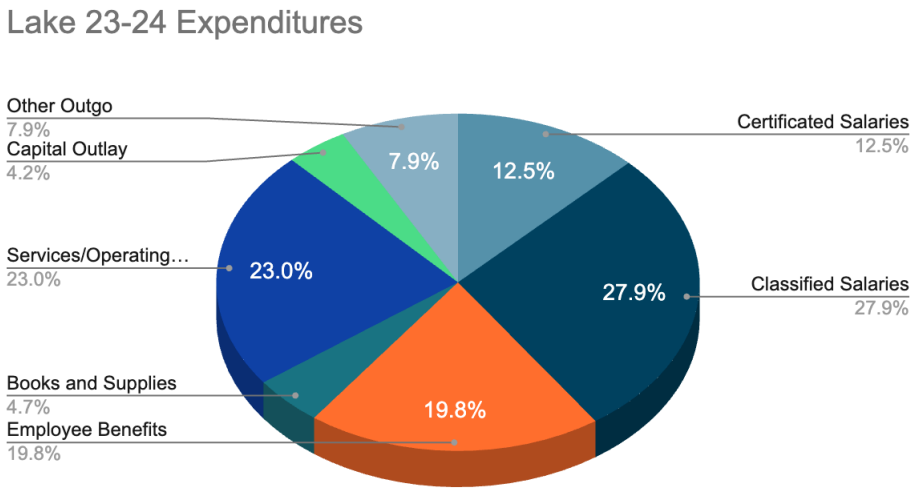
12.4% above our sample average for the same categories and the highest of our five COEs, with Santa Clara then next closest at 30.8%. Both Merced and Santa Clara are heavily involved in special education, with 65.1% and 72.7% of their instruction expenditures, respectively, being allocated toward the service. Los Angeles only allocated 5.3% of its instruction expenditures to special education, with the rest going to other forms of instruction including its Head Start programs, while Lake County allocated 80.1%, albeit on a much smaller scale of $889,239. Other notable expenditures for MCOE include its expenditures on transportation and capital outlay. At nearly $8.5 million, 36.8% of Merced's pupil services expenditures were pupil transportation, with the next closest being Los Angeles at 6.9%. It's possible that transportation costs are higher due to the rural nature of the county or, on the other hand, that other counties might pass off transportation responsibilities to districts. Lastly, MCOE spends 5.0% of its expenditures on capital outlay, more than twice as high as our sample 1.9% average. Over 85% of MCOE's capital outlay expenditures were on buildings and improvements of building—further research could look into how much building costs vary from year to year for COEs, as Los Angeles and Santa Clara only spent roughly $2.9 million and $200,000 only buildings, respectively, despite serving far more students.

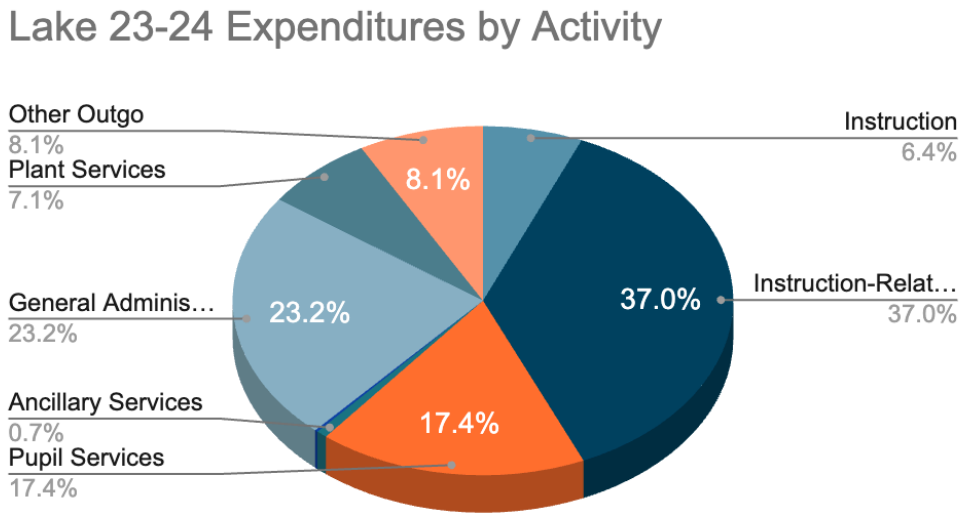
(4) Lake County Office of Education



Revenues: In 2023-2024, the Lake County Office of Education (LCOE) reported $20,922,950 in revenues, the lowest in our sample. Their expenditures per student enrolled, however, is the second highest at $1,691.92. This could be attributed to numerous factors, including: LCFF's method of increased per student funding as part of the Operations Grant for less populous counties, the mechanism of simply dividing by fewer students, and its high percentage of Other State Revenue. At 38.2% of their total, LCOE has the highest Other State Revenue percentage in our sample, with MCOE the next closest at 33.6%. While MCOE's Other State Revenue funds appear to consist mainly of special education funds, nearly 69% of LCOE's funds are unmarked and labeled as All Other State Revenue. It's likely these funds consist of various state categorical grants, including non-competitive grants such as the California State Preschool Program (CSPP) Block Grant, and competitive grants such as the First 5 California IMPACT Grant,[62] the Inclusive Early Education Expansion Program (received from 2023-27) and the Literacy Coaches and Specialists Grant for 2023-2024. Only 8 COEs including LCOE received the latter grant, indicating opportunities the state provides to help counties struggling academically, but also the necessity for these counties to apply for these competitive grants to increase funding. Another notable aspect of LCOE's revenues are its dearth of Federal Revenues, standing at $1.4 million and only 6.7% of its total revenue. Amongst the schools in our sample, a large percentage of Federal Revenue consists of All Other Federal Revenue, referring to grants aside from those related to the Individuals with Disabilities in Education Act (IDEA) and various listed emergency and nutrition funds. The All Other Federal Revenue category makes up merely 6.7%, significantly lower than Los Angeles (37.8%), Santa Clara (14.9%), San Francisco (11.2%), and Merced (10.4%). More research should be conducted into the lack of federal funding for LCOE—our team wonders if it's more difficult for smaller COEs to receive federal funding (the students enrolled in each county compared to these aforementioned percentages suggests these) or if LCOE is simply not applying for as many federal grants.

[62] Lake County Quality Counts (LCQC). Lake County Office Of Education. (n.d.). https://www.lakecoe.org/edservices/lake-county-quality-counts-lcqc

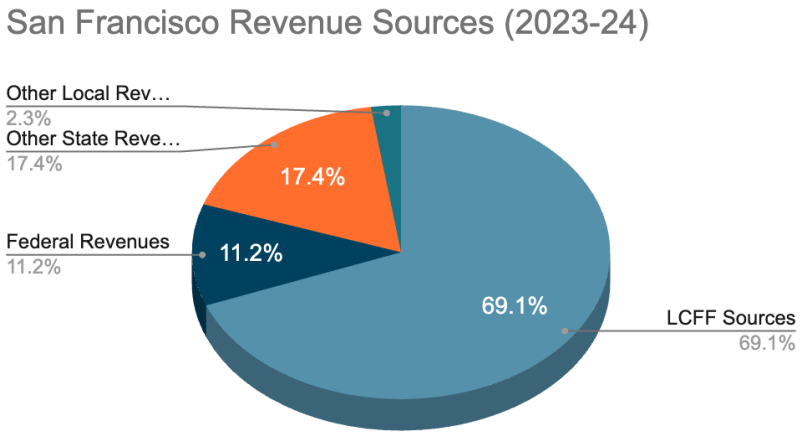




Expenditures: In 2023-2024, LCOE had $17,210,232 in total expenditures. One aspect that stands out is its $6,363,873 spent on instruction-related services, comprising 37.0% of LCOE's total expenditures. This is significantly above the 17.9% average of our sample, with the next closest COE being San Francisco at 25.0%. A large chunk of LCOE's instruction-related expenditures, approximately 30%, comes from the administration of special projects, labeled as projects such as through Title 1 or migrant education. The next closest COEs percentage-wise are Merced with 6.4% and Los Angeles with 6%, with Santa Clara and San Francisco, meanwhile, not reporting any of their expenditures toward

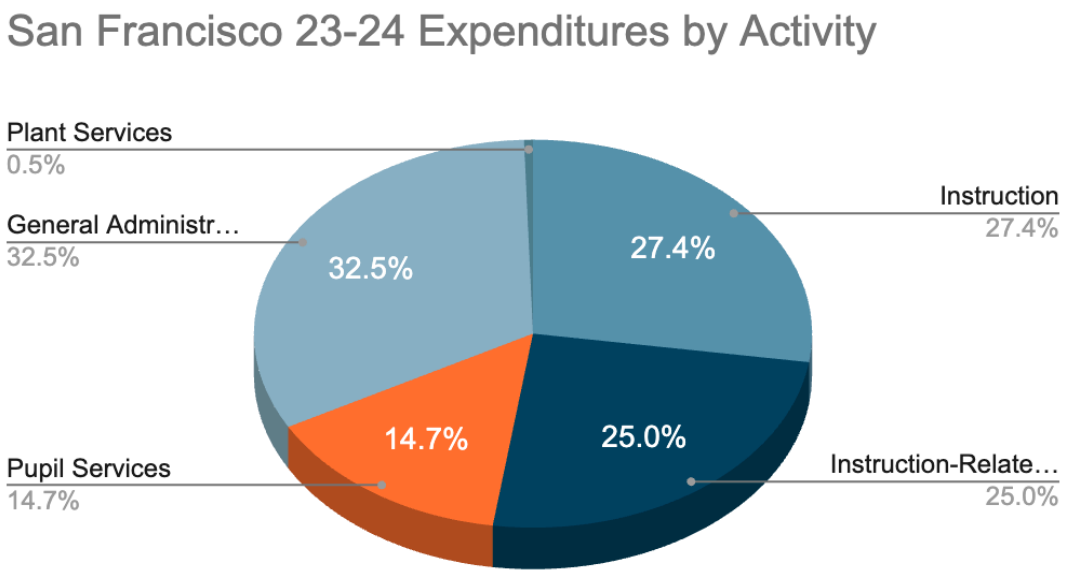
special projects. More research should be conducted to see if COEs in counties struggling academically, such as Lake, are spending more on special projects in the hopes of improving outcomes. It's also possible counties are lumping the special projects category into the wider Instruction Supervision and Administration category. At the same time, LCOE spent the least amount on Instruction, at only $1,109,009, comprising 6.4% of their overall budget. Of this total, approximately 80% is spent on special education, with the remainder spent on other direct instruction. This suggests LCOE operates few alternative and community schools and, based on the total, also likely doesn't play a huge role in its county's special education.

(5) San Francisco County Office of Education (single-district county)

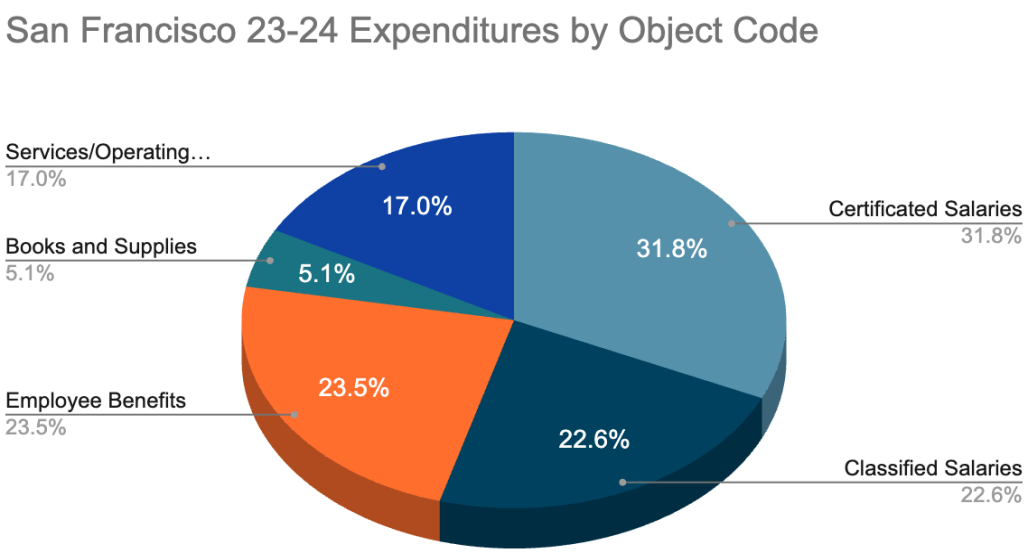


Revenues: In 2023-24, the San Francisco County Office of Education (SFCOE) reported $19,590,813.00 in total revenues. Of this total, roughly $13.5 million came from LCFF sources, comprising 69.1% of SFCOE's total revenue sources. This percentage is the highest of the counties in our sample, with Santa Clara the closest with LCFF comprising 52.2% of their revenue. SFCOE also reported a small percentage, 2.3%, of their revenue from Other Local Revenue sources, far below the average of 25.0%. These differences could in large part be due to SFCOE's designation as a single-district COE, with San Francisco Unified School District (SFUSD) the only one under their jurisdiction. Dr. Maria Su, the superintendent of both SFCOE and SFUSD and the COE and district, have

the same elected, seven member board as well.[63] It's likely this set-up eliminates the need for pass-through funding and fee- for-service contracts, large sources of reported revenue in other COEs. SFCOE also received no federal revenue for Special Education and only around $600,000 in other state apportionments that include special education funding. This suggests much of the funding is distributed instead to SFUSD, with its much larger $1.2 billion operating budget. A closer analysis reveals SFUSD received approximately $19 million interest on funds deposited with the county treasurer, while SFCOE received $0. Although this category is not specifically important, it suggests research should be done to see how SFUSD and SFCOE report and use funds, investigating whether they truly separate them or treat them as a unified source.



[63] District profile: San Francisco County office of education. District Profile: San Francisco County Office of Education (CA Dept of Education). (n.d.). https://www.cde.ca.gov/sdprofile/details.aspx?cds=38103890000000; Dr. Maria Su. SFUSD. (2025, September 12). https://www.sfusd.edu/about-sfusd/our-team/dr-maria-su; Board of Education. SFUSD. (2025a, November 4). https://www.sfusd.edu/about-sfusd/board-education



Expenditures: SFCOE reported $15,597,090 in expenditures in 2023-24. One notable aspect is SFCOE's lack of expenditures categorized as Plant Services and Other Outgo. For Plant Services, SFCOE only spent $79,788, on security and maintenance, comprising 0.5% of their budget. The average for our county sample was $14.1 million per COE, at 6.2% of total expenditures. With SFUSD spending $85.3 million on plant services, these findings again imply the district as potentially handling or accounting for activities frequently performed by COEs. SFCOE also recorded $0 on Other Outgo, an expenditure that, on average, accounted for 9.1% of total COE expenditures. This can partly be attributed to its lack of need to pass through and transfer funds to districts, an expenditure that accounted for approximately $26 million, or 52.2%, of the Los Angeles COE's Other Outgo expenditures and over 99% of the Lake COE's Other Outgo Expenditures. SFUSD, meanwhile, recorded $3.6 million in pass-through funds to charter schools, indicating they have taken on that role. It should be noted, however, that we cannot verify whether other COEs are passing on funds to districts, charter schools, or both, as they are recorded in a single category. One additional notable aspect of SFCOE's expenditures is the approximately $5 million, or 32.5% of its expenditures, that it spends on General Administration. Roughly $4 million of this total, 25.8% of their entire expenditures, is spent on activities of the COE Board, including interpreting laws and statutes and rendering services in connection with school system

elections. No expenditures are attributed to the activities of the Superintendent, which is present in some capacity in all other COEs in our sample. It's possible these Superintendent expenditures are instead lumped into SFUSD's budget, which reports $12.3 million in Superintendent activities and only $1.5 million in board activities. Meanwhile, the combined general administrative activities by the COE Board and Superintendent, and the percentage of their overall expenditures, for these are as follows: Los Angeles ($9.2 million, 1.4%), Santa Clara ($13.9 million, 3.7%), Merced ($1.1 million, 0.9%), and Lake ($1.02 million, 5.9%). It's possible the combined SFUSD/SFCOE board engages in activities, then splits expenditures amongst both expenditure sheets based on budget constraints. It's also possible these costs for board activities make up a high percentage of SFCOE's budget because, while the budget is not large (partly due to its status as a single-district COE), they still oversee 126 schools, leading to a disproportionate amount of board activities.

County Case Studies Conclusion

In sum, these case studies show a number of important issues and insights: COE finances vary dramatically across counties and cannot be understood through statewide averages alone. These differences reflect more than just the size of the counties; they also reflect the COEs' roles, service models, governance structure, and local fiscal context. Reported revenue totals can be misleading because some funds are pass-throughs, offsets, or tied to specific programs rather than flexible operating resources. Thus, cross-county comparisons should focus on function and fiscal structure, instead of just the budget size. Finally, these differences have policy implications for equity, transparency, and the design of California's statewide system of support.

Conclusion

California's County Offices of Education (COEs) have become essential intermediaries in the state's education system—bridging local and state governance, translating policy into practice, and ensuring both compliance and support for districts. Their hybrid role as service providers and accountability agents allows the state to sustain coherence while preserving local control. Many COEs have developed strong partnerships with districts, offered technical and instructional leadership, and

ensured fiscal solvency, particularly for small and rural systems. In doing so, they have played a critical role in maintaining the stability and capacity of California's decentralized education structure.

At the same time, this dual role exposes persistent tensions and unevenness. The system of *differentiated assistance* remains reactive, with support triggered by underperformance rather than by preventive or developmental goals. Variation in *COE capacity*—shaped by geography, property tax revenues, and staffing—has led to inequities in district access to expertise and improvement support. The current *fiscal framework*, including the trial court offset and hold-harmless provisions, amplifies these disparities, while the structural rule that ties assistance to county boundaries limits opportunities for cross-county collaboration.

The evolution of COEs thus highlights a system in transition: one that blends regulation with partnership and accountability with capacity-building. The next phase of policy development will need to clarify the organizing logics of the statewide system of support—balancing oversight with learning, and stability with adaptability. The experience of COEs underscores the importance of coherent governance structures that align fiscal mechanisms, accountability systems, and instructional support within a framework that advances equity, builds local capacity, and strengthens trust across levels of the state's educational system.