COLA Formula Provided by TUSD

TUSD Funded COLA Conversion

LCFF revenue is calculated based on the State Cost of Living Adjustment (COLA), grade span adjustments, and the highest of **Current Year (C/Y)**, **Prior Year (P/Y)** or an **Average of the Three Prior Years (3 P/Y)** of Average Daily Attendance (ADA) amounts. Since the addition of the 3 P/Y ADA factor during the COVID pandemic to address declining enrollment and ADA loss, this has been the higher rate to use for calculating the LCFF revenue apportionment to TUSD.

The use of a 3 P/Y ADA Factor smooths the impacts of drops in ADA over a three year period.

Below is the calculation of the 3 P/Y ADA Factor for 2022-23 from the 2022-23 Unaudited Actuals report. These calculations have been reviewed for accuracy by our independent auditors.

1.5. ADA	District 3rd P/Y atual ADA excl NPS, CDS (P2 A-1, ann A-2)	District 2nd P/Y actual ADA excl NPS, CDS (P2 A-1, ann A-2)	District P/Y actual ADA excl NPS, CDS (P2 A-1, ann A-2)	3 year avg
K-3	6,337.84	6,337.84	5,894.20	6,189.96
4-6	4,873.66	4,873.66	4,577.89	4,775.07
7-8	3,493.50	3,493.50	3,274.59	3,420.53
9-12	7,492.58	7,492.58	7,347.47	7,444.21
Total	22,197.58	22,197.58	21,094.15	21,829.77

For reference the 2022-23 P/Y ADA is 21,094.15 and C/Y is 20,457.49, both lower than 3 P/Y ADA Factor of 21,829.77.

Below is the calculation of the 3 P/Y average ADA for 2023-24 from the 2022-23 Unaudited Actuals used to determine the estimated LCFF revenue in 2023-24:

1.5. ADA	District 3rd P/Y atual ADA excl NPS, CDS (P2 A-1, ann A-2)	District 2nd P/Y actual ADA excl NPS, CDS (P2 A-1, ann A-2)	District P/Y actual ADA excl NPS, CDS (P2 A-1, ann A-2)	3 year avg
K-3	6,337.84	5,894.20	5,737.17	5,989.74
4-6	4,873.66	4,577.89	4,521.91	4,657.82
7-8	3,493.50	3,274.59	3,075.56	3,281.22
9-12	7,492.58	7,347.47	7,122.85	7,320.97
Total	22,197.58	21,094.15	20,457.49	21,249.74

For reference the 2023-24 P/Y ADA is 20,457.49 and C/Y Estimated is 20,113.49, both lower than 3 P/Y ADA Factor of 21,249.74.

The basic process to get to this year's TUSD Funded COLA percentage is to take last year's Base Grant dollars, divide those by last year's ADA Factor, multiply in this year's State COLA, then multiply that by this year's ADA Factor:

(2022-23 Base Grant \$ / 2022-23 3 P/Y ADA Factor) x 2023-24 State COLA % x 2023-24 3 P/Y ADA Factor = 2023-24 LCFF Revenue

For simplicity, if the 2022-23 Base Grant LCFF funding was \$1,000,000, then the 2023-24 LCFF Revenue would be as follows.

(2022-23 BG / 2022-23 3 P/Y)	**x State COLA**	**x 2023-24 3 P/Y ADA**	**= 2023-24 LCFF Revenue**
(\$1,000,000 / 21,829.77)	x 1.0822	x 21,249.74	= \$1,053,445

or approximately a 5.34% increase in LCFF revenue.

If there were no ADA changes, 2023-24 the TUSD LCFF Revenue increase would be \$1,000,000 x 8.22% = an increase of \$82,200 for \$1,082,200 total. Factoring in ADA changes leaves TUSD at \$1,053,445 which is a TUSD Funded COLA of 5.34%.

Other factors such as add-ons for TK and Grade Adjustment Factors in the LCFF calculator bring the 2023-24 expected increase in LCFF revenue to approximate a **5.6% TUSD Funded COLA**.

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