

**Summary and Excerpt of the State Board of Education Proposed
Local Control Funding Formula Spending Regulations and
Local Control and Accountability Plan Template
Prepared 1.8.14**

The proposed Local Control Funding Formula (LCFF) spending regulations and Local Control and Accountability Plan (LCAP) template are to be considered by the State Board of Education (SBE) at the January 16, 2014 meeting. The SBE is expected to adopt these regulations and template on an emergency basis to take effect immediately and to start the process for them to become permanent.

CSBA believes the proposed materials strike a good balance of ensuring the state and local priorities of equity for students in the LCFF unduplicated categories of low-income, English learner, and foster youth, with local decision-making and discretion to design and implement programs to meet local needs and accountability for results. Local stakeholder involvement and transparency remain central tenets. This summary and excerpt are based upon the SBE January agenda materials for Items 20 and 21, which can be found at <http://www.cde.ca.gov/be/ag/ag/yr14/agenda201401.asp>.

A. *Proportionality and determining the percentage of increased effort minimally required to improve or increase services for low-income students, English learners, and foster youth.*

The regulations set out a methodology for local education agencies to use to determine their proportionality percentage.

- *This calculation will result in the percentage by which services for low-income pupils, English learners and foster youth must be increased or improved as compared to services provided to all pupils. This is an annual percentage.*
- Until a local education agency (LEA) reaches its LCFF funding target, the amount of funding it receives in a fiscal year that is attributable to supplemental and concentration grants depends on the LEA's estimated amount of expenditures in 2013-14 and the amounts expended in subsequent years that build up from that locally-estimated starting point.
- The regulations require an LEA to compare the prior year expenditures it identifies with how much more the LEA will receive in supplemental and concentration grant funding at full implementation, and make an incremental increase towards closing this gap each year, based on the amount of new funding the state provides in that year.

- Districts and county offices will determine the prior year expenditure level of services designed to assist/serve students in the unduplicated categories and use a calculation methodology to determine the percentage increase they must provide to meet the statutory requirement to increase or improve services

B. Districtwide/Countywide and schoolwide efforts

The regulations set thresholds for differing levels of explanation and rationale for use of supplemental and concentration funding on districtwide/countywide and schoolwide efforts. Based on the enrollment percentage of pupils in the unduplicated categories of 55% for districtwide and countywide, and 40% for schoolwide, if the enrollment of unduplicated pupils is below these percentages, the LEA will have to explain in its LCAP how the services are the most effective use of funds to meet goals in the state priorities. [See below for more information on LCAP requirements]

C. Demonstration of Proportionally Increased or Improved Services in the LCAP

- The actions the LEA will take to serve low-income pupils, English Learners, foster youth and pupils redesignated as fluent English proficient will be listed and described in the LCAP. These descriptions will need to include the expenditures necessary to implement these actions and related services. The LCAP will describe the LEA's minimum funding target for additional or improved services for low-income pupils, English learners and foster youth in the LCAP year and describe how these funds will be spent.
- If the LEA plans to use some of these funds for schoolwide, districtwide or countywide purposes, these expenditures will be identified in and the LCAP will need to describe how the funded services are directed towards meeting the district's goals for its low-income pupils, English learners, and foster youth in the state priority areas.
- If the LEA plans to provide services on a schoolwide, districtwide or countywide basis and the enrollment of pupils in the unduplicated categories is below 40% or 55% respectively, the LEA must additionally describe in its LCAP how the services provided are the most effective use of funds to meet the district's goals for these students in the state priority areas.
- In the LCAP, along with the LEA's proportionality percentage, the LEA must demonstrate how the services provided for low-income pupils, English learners, and foster youth in

the LCAP year will be increased or improved by the percentage, as compared to the services provided to all pupils.

- This description of how the proportionality percentage standard is met may include quantitative and /or qualitative descriptions of the increased and /or improved services for the unduplicated pupils as compared to the services provided to all pupils.
- The LCAP template provides prompts and questions for consideration – these questions are intended to help boards, administrators, staff, and community members as they develop their LCAPs.
- The LCAP template provides some organizational grouping of the state priorities to help LEAs structure development of their LCAPs.

Please check the CSBA website for further updates and materials on Local Control Funding Formula and Local Control and Accountability Plans.