



Use of Supplemental/Concentration Funds On a Schoolwide/LEA-wide Basis

1. Does the proposed use of funds *increase or improve services* for high need students (low-income students, English learners, and foster youth) (*i.e.*, does it “grow services in quality” or “quantity”)?
 - a. Over the level of services provided to high need students last year (during the transition to full LCFF implementation)?
 - b. Over the level of services provided to all pupils for the LCAP year?
2. Are the proposed use of funds “*principally directed*” toward meeting the *goals* that the LEA has set in its LCAP for high need students? (In other words, are high need pupil goals the principal purpose of the use?)
3. Can the proposed use of funds be demonstrated (by past experience, research, or theory) as an “*effective*” use of funds for serving the LEA’s goals for high need students?
4. If the population of high need students in the LEA is below 55%, or in the school is below 40%, is the decision to provide the LEA-wide or schoolwide service *the most effective use* of the funds, including compared to more targeted programs?
 - (Does the LCAP provide the basis for the “most effective” determination, including, alternatives considered and any supporting research, experience, or educational theory?)
5. For annual updates and future LCAP adoptions, after a reasonable time for implementation:
 - (a) did the investment *result in an increase or improvement in services* in terms of program quantity or quality as promised? (b) Was it *effective* (or, for low-concentration schools/LEAs, the *most effective use*) in *improving outcomes* in the intended priority area?

If the answer to any of the foregoing questions is “no,” then the LEA should not propose to spend (or continue to spend) supplemental and concentration funds on that service. Either, the LEA should reject or discontinue the service or fund it with base funds.

Prior Year Supplemental/Concentration Funding for High Need Students

The step in the 7-step proportionality calculation where LEAs have the most leeway to shape the inputs into the calculation in ways that affect the LEA's future obligation to increase or improve services for high need students is at Step 2—*i.e.*, in defining the prior year or baseline expenditures on services provided for high need pupils. The more prior year services an LEA can credit as having been provided for high need pupils (assuming those services will be continued), the less the LEA needs to increase or improve services for high need pupils in new ways going forward. As a consequence, LEAs and County offices should take particular care to ensure that prior year expenditures in Step 2 are properly calculated. We recommend the following questions regarding the LEA's prior year expenditure calculation, both of which should be explored:

1. How did the LEA define the prior year (baseline) level of services for high need students in 2013-14?
 - Did the LEA use only the prior (2012-13) level of Economic Impact Aid (EIA) or did the LEA add additional services too?
 - If additional services beyond EIA were added, were those services targeted “for unduplicated pupils” *only* like EIA or were they general across-the-board services provided to both high need and non-high need pupils? (The latter *should not* be included in 2013-14 prior year/baseline proportionality calculations under LCFF regulations.)

2. How did the LEA add to the prior year level of services for high need students each year after 2013-14 (*i.e.*, for new high need student services added in 2014-15 and thereafter)?
 - Were the prior year services newly added in 2014-15 and beyond really “principally directed” toward high need student goals or were they basic, across-the-board services directed to the district's goals for all pupils as with base spending?