

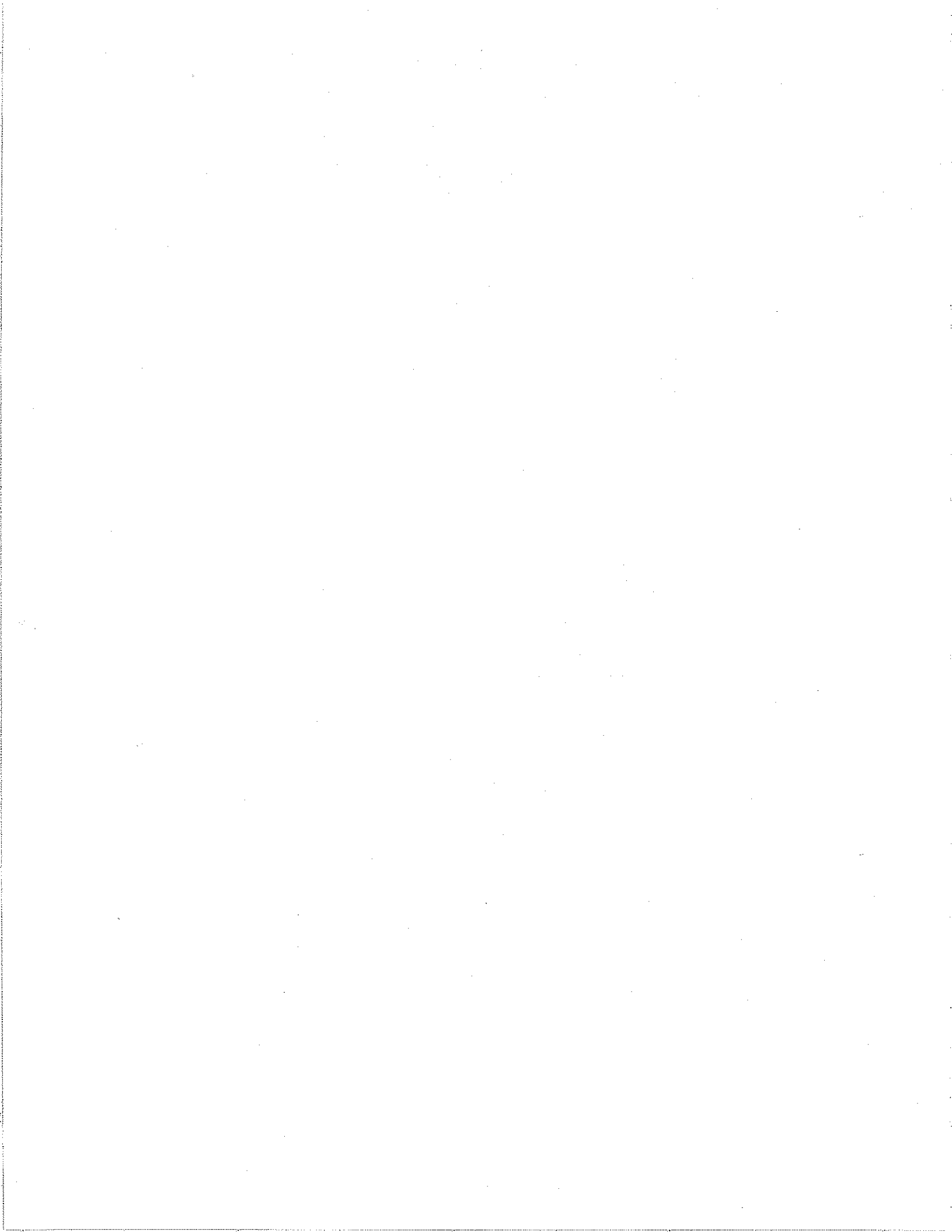
COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION

February 5, 2014 at 5:30 p.m.

Nevada County Superintendent of Schools
Houser Conference Room
112 Nevada City Highway, Nevada City, CA 95959

AGENDA Chair: Bruce Boyd

1. Meeting called to order
2. Pledge of Allegiance
3. Establish quorum
4. Introductions
5. **Open Public Forum:** Recognition of members of the audience wishing to address an agenda item may do so at this time or at the time the agenda item is heard. After being recognized by the County Committee Chair, please identify yourself. A member of the public may at this time make brief comments regarding items not on the agenda, although no action may be taken.
6. Close Public Forum
7. **Action Information and Discussion Items:**
 - A. Approval of Minutes of December 18, 2013
(Action)Page 1
 - B. Approval of Minutes of January 8, 2014
(Action)Page 4
 - C. Approval of Meeting Notes of January 9, 2014
(Action)Page 6
 - D. Approval of Minutes of January 23, 2014
(Action)Page 8
 - E. County Committee Discussion of Input Provided at Public Hearings
(Discussion)
 - F. Review of the Conditions in Education Code 35753:
Does the County Committee find that the following conditions have been substantially met?
(Action required on each item below).....Page 9
 - (a) The reorganized districts will be adequate in terms of number of pupils enrolled.
Discussion:
"Does the county committee find that this condition has been substantially met?"
 - (b) The districts are each organized on the basis of a substantial community identity.
Discussion:
"Does the county committee find that this condition has been substantially met?"



- (c) The proposal will result in an equitable division of property and facilities of the original district or districts.

Discussion:

"Does the county committee find that this condition has been substantially met?"

- (d) The reorganization of the districts will preserve each affected district's ability to educate students in an integrated environment and will not promote racial or ethnic discrimination or segregation.

Discussion:

"Does the county committee find that this condition has been substantially met?"

- (e) Any increase in costs to the state as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.

Discussion:

"Does the county committee find that this condition has been substantially met?"

- (f) The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the educational programs in the districts affected by the proposed reorganization.

Discussion:

"Does the county committee find that this condition has been substantially met?"

- (g) Any increase in school facilities costs as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.

Discussion:

"Does the county committee find that this condition has been substantially met?"

- (h) The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed district or any existing district affected by the proposed reorganization.

Discussion:

"Does the county committee find that this condition has been substantially met?"

- (i) Any other criteria as the board may, by regulation, prescribe.

- G. Shall the County Committee Approve the Proposal for the Reorganization of the Ready Springs Union Elementary School District and the Pleasant Valley Elementary School District?

(Action)

H. Next Steps and Other Updates

8. Next Meeting Date

9. Adjournment

This agenda was posted at least 72 hours in advance of the meeting at the following locations: Nevada County Superintendent of Schools office, 112 Nevada City Highway, Nevada City, CA; Ready Springs School, 10862 Spenceville Rd., Penn Valley, CA; and Williams Ranch School, 14804 Pleasant Valley Rd., Penn Valley, CA.

Posted: January 31, 2014



**COUNTY COMMITTEE
ON SCHOOL DISTRICT ORGANIZATION**

December 18, 2013 at 5:30 p.m.

Nevada County Superintendent of Schools
Houser Conference Room
112 Nevada City Highway, Nevada City, CA 95959

DRAFT

**MINUTES
Chair: Bruce Boyd**

1. Meeting called to order at 5:30 p.m. by Chairman Boyd
2. Established quorum
 - **Committee Members Present:** Jon Steuer; Julie Walton; Denise Loberg; Mary Krosner, Bruce Boyd; Keith Pommerenck; Alan Weisberg; Barbara Getz
 - **Committee Members Not Present:** Linda Napier; Michael McGarr; Kirk Pharis
 - **Others Present:** Holly Hermansen; Donna Fitting; Lisa McClelland; Kim Pearsu; Amanda Wilcox; Debra Worth; Anne Perdue; Rob Moen; Carolyn Bronson; Nicole Van Vacas Gagnon; Tina Skrukud; Teena Corker; Laura Estey
3. Introductions were made
4. Approval of Agenda
5. Opened Public Forum
6. Closed Public Forum
7. Action Information and Discussion Items:
 - A. Approval of Minutes of November 13, 2013
(Action)Page 1

Pommerenck noted the following correction: name correction on the minutes, page 3 item F, the motion was made by *Keith* Pommerenck, not *Kirk* Pommerenck.

On a motion by Denise Loberg, seconded by Keith Pommerenck, the Committee approved the Amended Minutes of November 13, 2013 motion carried unanimously (8 ayes; 3 absent-Napier; McGarr and Pharis).
 - B. Consideration and approval of the Notice of Public Hearing documentation pursuant to Education Code 35705.5 and 35730, for public hearings to be held January 8, 2014 and January 9, 2014, for consideration of the consolidation of the Ready Springs Union Elementary School District and the Pleasant Valley Elementary School District.

“Shall the County Committee approve the Public Hearing documentation?”

Supt. Hermansen referred the Board to the Ed. Code 35705.5 which specifies items needed to be included in the description of the petition. The school districts together submitted the documents which would be included in the Public Hearing; Supt. Hermansen provided a summary and walked the Board through the documents.

The County Committee would like to see a more detailed map of a logical new district. Supt. Hermansen will research and include in the new packet.

Walton is interested in the process moving forward for finalizing personnel and staffing salaries. Supt. Sandoval advised that representatives from both Classified and Certificated Unions have been meeting and are having facilitated conversations. The CTA & CSEA are offering assistance. Also, representatives from both classified and certificated staff have been attending consolidation meetings; were on the Joint Consolidation Vision Committee; and approved the waiver to the State Board of Education.

Walton would like to include the *Letter from Peter Minett, President, PVTA*; and the *Letter from Ready Springs Classified Staff* in the public packet.

Wilcox questioned #7 on page 8 which discussing the trustee areas. Supt. Hermansen offered clarification that this is in reference to the California Voting Rights Act; will further clarify this in the public packet; and will also include the Vision Committees recommendation regarding the makeup of the new board.

Further discussion followed regarding trustee areas. Currently neither PVSD nor RSSD are by trustee area. If new boundary lines are drawn, it could be hard to do by geographical area. How can we be sure that demographic communities have equal representation? Would it satisfy concerns if the interim board is made up of 2 PVSD; 2 RSSD; and one at large? Both boards have had previous healthy conversations of interim board selection and their recommendations are included in the Vision Committee's report. All board members are incredibly collaborative; there is no hint of conflict or favoritism; and are very sensitive to the community.

County Committee recommended Supt. Hermansen obtain legal opinion on the elections process and timeline for the November 2014 election.

Fitting provided a brief explanation from a fiscal standpoint noting that the information provided is what is required by Ed Code. Anything further would be assumptions, and we don't want to send the wrong message to the public. There are significant changes in State revenue funding with LCFF (Local Control Funding Formula). The old formula had a provision in the code to provide extra money to 'true up' salaries. Fitting provided a brief overview of LCFF and basic aid funding.

Consolidating makes financial sense. The current model is not sustainable; if the districts remain as is \$145K-275K for staffing would have to be added. Many services are joint services currently, for example, Special Ed Services; Staff trainings. This is what's best for the kids; if they don't consolidate, programs could disappear.

The biggest challenge is health insurance; and leveling of salaries, however they are not that far apart. Walton would like to see the cost of leveling up salaries.

On a motion by Weisberg, and seconded by Getz, the County Committee approved the Public Hearing documentation as amended, adding in a more detailed map; the Letter from Peter Minett, President, PVTA; the Letter from Ready Springs Classified Staff; and Clarification on Trustee Districts, motion carried unanimously (8 ayes; 3 absent-Napier; McGarr and Pharis).

C. Approval of Guidelines for Public Hearings

"Shall the County Committee approve the guidelines for public hearings?"

(Action)Page 41

The County Committee discussed the sequence of the public hearing.

On a motion by Pommerenck and seconded by Walton, the County Committee approved the Guidelines for Public Hearings, motion carried unanimously (8 ayes; 3 absent-Napier; McGarr and Pharis).

D. Next Steps and Other Updates

(Information/Discussion).....

Supt. Hermansen advised the State Board of Education Waiver has been submitted to be heard on January 15, 2014 on the consent Agenda.

8. Next Meeting Date

| | | | |
|--------------|---------|-----------------------|---|
| Jan. 8, 2014 | 6:00 PM | Public Hearing (RSSD) | Library, Ready Springs School, 10862 Spenceville Rd., Penn Valley |
| Jan. 9, 2014 | 6:00 PM | Public Hearing (PVSD) | Library, William Ranch School, 14804 Pleasant Valley Rd., Penn Valley |
| Feb. 5, 2014 | 5:30 PM | CCOSDO Mtg. | Houser Room, NCSOS, 112 Nevada City Hwy, Nevada City |

9. Adjournment by Chairman Boyd at 7:20 PM

NEVADA COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION

January 8, 2014 6:00 p.m.

Library, Ready Springs School
10862 Spenceville Road, Penn Valley, CA 95946

DRAFT

PUBLIC HEARING MINUTES

Chair: Bruce Boyd

1. Meeting called to order by Chairman Boyd at 6:03 PM
2. Established quorum
 - **Committee Members Present:** Julie Walton; Kirk Pharis; Barbara Getz; Bruce Boyd; Keith Pommerenck; Jon Steuer; Denise Loberg; Alan Weisberg
 - **Committee Members Not Present:** Linda Napier; Michael McGarr; Mary Krosner
 - **Others Present:** An audience of 32 individuals, including staff, parents and community members.
3. Introductions
4. Opened Public Forum
5. Closed Public Forum
6. Presentation by Consolidation Vision Committee

A power point presentation was led by Nicole Van Vacas Gagnon. There were some questions and clarification by the County Committee Members and audience during the presentation. Supt. Sandoval supplied a copy of the State Board of Education agenda item for waiver request of election.
7. Clarification and Questions from the County Committee
8. Opened Public Hearingpage 1 - 33

Anne Perdue addressed the County Committee, representing the teachers of Ready Springs School and supporting the consolidation. She read a letter which was taken into public record.

Chairman Boyd asked the audience if there were any further comments or questions. There were none. Chairman Boyd then asked who in the audience was in favor of consolidation. Majority in attendance raised their hands. He asked who opposed – none.

Ed Patterson asked if this consolidation would allow teachers more opportunity to move within district. Supt. Sandoval answered yes, more positive opportunities. Alan Weisberg reminded the audience that this would be a change of legal status of district and administration could move staff if they desired according to district procedures.

Nick Wilcox has been living this process the last 25 years through his wife, Amanda, on the school board. This is a significant evolution within the community. It is time. It could not be a better thing.

John Smoak advised that he served on the School Board in 1999. He also agrees this is an evolution and it is time. He was involved when discussion was occurring earlier.

Supt. Sandoval advised this is her 6th year in the district and it so exciting. To see the collaboration and support of staff and boards very encouraging. All are looking at what is best.

Debra Worth advised the one comment they have been hearing is that 'we thought you were already combined.'

9. Closed Public Hearing

10. Next Meeting Date:

| | | | |
|------------------|---------|-------------|--|
| February 5, 2014 | 5:30 PM | CCOSDO Mtg. | NCSOS, Houser Room, 112 Nevada City Hwy, Nevada City |
|------------------|---------|-------------|--|

11. Adjournment at 6:35 p.m.

NEVADA COUNTY COMMITTEE ON SCHOOL DISTRICT ORGANIZATION

January 9, 2014 6:00 p.m.

Library, Williams Ranch School
14804 Pleasant Valley Road, Penn Valley, CA 95946

DRAFT

PUBLIC HEARING NOTES

Chair: Bruce Boyd

1. Meeting called to order by Chairman Boyd at 6:03 PM
2. Establish quorum – quorum not established. Meeting adjourned. Informal meeting held to allow those present to speak. Another public hearing will be scheduled.
 - **Committee Members Present:** Jon Steuer; Julie Walton; Keith Pommerenck; Denise Loberg; Bruce Boyd
 - **Committee Members Not Present:** Linda Napier; Michael McGarr; Mary Krosner; Kirk Pharis; Barbara Getz; Alan Weisberg
 - **Others Present:** An audience of 25 individuals, including staff, parents and community members
3. Introductions
4. Opened Public Forum
5. Closed Public Forum
6. Presentation by Consolidation Vision Committee
7. Clarification and Questions from the County Committee
8. Opened Public Hearingpage 1 – 33

Ann Perdue presented a letter from Ready Springs School Staff supporting consolidation.

Calvin Clark, a parent at Ready Springs School, noted the importance in having more parent involvement. Possible future impacts might include school closure. Some students at Pleasant Valley School have a feeling of not belonging. There are other financial aspects that should be considered, including attendance. Clark feels like there needs to be better public relations. Matters need to be discussed openly.

Debra Worth advised that both boards have gone to extremes to be public and transparent.

Lyndsee Eck, a parent of a 2nd grade daughter loves the school, stated it's a no brainer. This will be easier and it's the right thing to do. Lyndsee recommended an informational flyer go out to parents with bulleted points.

Peter Minett, a kindergarten teacher at Pleasant Valley; and Teachers Association President stated that Consolidation has come up in the past. This time it seems

imperative. Money should be spent on kids and the people who serve the kids. We have done a commendable job looking at this issue in depth. He has been watching enrollment and budget for the last 10 years and feels this is the right thing to do.

Ed James advised these two small districts would be better managed by merging together. This is a great idea. Ed is part of the Chamber of Commerce which supports business and businesses want good schools. These schools can become better by doing this.

Peter Minett responded that there is currently no talk about closing Williams Ranch School. There is no compelling reason to consolidate Williams Ranch and Pleasant Valley schools.

Darren Gregoran asked if there was any opposition to the consolidation, other than the rumors about closing schools? There seems to be no opposition, so why are we continuing to discuss?

Deanna Johnson wants to know the capacity of each school and is concerned that district consolidation is the first step to closing schools. Parents are concerned Pleasant Valley School will close. Johnson also has questions regarding the election of school board members.

Rob Moen, Ready Springs Board Member, advised the new school board would make decisions about school closures.

9. Closed Public Hearing

10. Next Meeting Date:

| | | | |
|---------------------|---------|----------------|--|
| February 5, 2014 | 5:30 PM | CCOSDO Mtg. | NCSOS, Houser Room, 112 Nevada City Hwy, Nevada City |
| Jan. 22 or 23, 2014 | 6:00 PM | Public Hearing | Williams Ranch School, Library 14804 Pleasant Valley Rd., Penn Valley |

11. Adjournment at 7:25 PM

**NEVADA COUNTY COMMITTEE
ON SCHOOL DISTRICT ORGANIZATION**

January 23, 2014 6:00 p.m.

Library, Williams Ranch School
14804 Pleasant Valley Road, Penn Valley, CA 95946

DRAFT

**PUBLIC HEARING MINUTES
Chair: Bruce Boyd**

1. Meeting called to order

2. Established quorum

- **Committee Members Present:** Jon Steuer; Julie Walton; Keith Pommerenck; Denise Loberg; Bruce Boyd; Alan Weisberg; Michael McGarr
- **Committee Members Not Present:** Linda Napier; Mary Krosner; Kirk Pharis; Barbara Getz
- **Others Present:** An audience of 23 individuals, including staff, parents and community members

3. Introductions were made

4. Opened Public Forum

5. Closed Public Forum

6. Presentation by Consolidation Vision Committee

A power point presentation was led by Nicole Van Vacas Gagnon.

7. Clarification and Questions from the County Committee

8. Opened Public Hearingpage 1 - 33

Anne Perdue addressed the County Committee, representing the staff of Ready Springs School and supporting the consolidation. She read a letter which was taken into public record.

A question was posed "In the consolidation, what is the % of low income students at PVSD vs. RSSD and would that have an impact?" Fitting referred to the unduplicated percentages on pages 28 and 29 noting the definition of unduplicated students are English Learners; Free or Reduced Lunch; and students in foster care. Updated combined percentage is 55.1% and should not have a significant impact.

9. Closed Public Hearing

10. Next Meeting Date:

| | | | |
|------------------|---------|-------------|--|
| February 5, 2014 | 5:30 PM | CCOSDO Mtg. | NCSOS, Houser Room, 112 Nevada City Hwy, Nevada City |
|------------------|---------|-------------|--|

11. Adjournment at 6:40 PM

CHAPTER 6

LEGAL CRITERIA GOVERNING REORGANIZATION PROPOSALS

This chapter discusses the requirements of *Education Code* Section 35753 in detail and how the State Board of Education would apply the conditions of Section 35753. Any school district reorganization proposal presented to the county committee and State Board of Education must meet those requirements. Both the State Board of Education and county committees on school district organization are required to evaluate a reorganization proposal and make determinations that the conditions are substantially met. The chapter will be of particular value to members of county committees to assist them in understanding the legal conditions governing reorganization proposals.

Upon receiving the plans and recommendations for a proposal from the county committee, the State Board of Education must hold public hearings on all petitions other than those involving transfer of territory. (*EC* 35752)

The State Board of Education also may review a petition for a territory transfer upon an appeal by the chief petitioners or one or more of the affected school districts. Appeals of decisions made by county committees to the State Board of Education are allowed under the provisions of *Education Code* sections 35710.5 and 35711.

The State Board of Education may approve proposals for the reorganization of districts if the board has determined that all the minimum conditions under *EC* 35753 are substantially met. These conditions, the statutes and regulations governing the conditions, and guidelines to evaluate the conditions are listed in the following sections of this chapter. (*EC* 35753)

Following its own review, the county committee shall transmit the reorganization petition to the State Board of Education, with its recommendation whether the proposal would adversely affect the school district organization of the county, and whether the proposal would comply with the provisions of *Education Code* Section 35753. (*EC* 35707)

NOTE:

The guidance in this handbook is not binding on local educational agencies or other entities. Except for statutes, regulations, and court decisions that are referenced herein, the handbook is exemplary, and compliance with it is not mandatory (see *California Education Code* Section 33308.5).

A. Statutory Conditions in *Education Code Section 35753*

1. The State Board of Education may approve proposals for the reorganization of districts, if the board has determined, with respect to the proposal and the resulting districts, that all of the following conditions are substantially met:
 - (a) The reorganized districts will be adequate in terms of number of pupils enrolled.
 - (b) The districts are each organized on the basis of a substantial community identity.
 - (c) The proposal will result in an equitable division of property and facilities of the original district or districts.
 - (d) The reorganization of the districts will preserve each affected district's ability to educate students in an integrated environment and will not promote racial or ethnic discrimination or segregation.
 - (e) Any increase in costs to the state as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.
 - (f) The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the educational programs in the districts affected by the proposed reorganization.
 - (g) Any increase in school facilities costs as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.
 - (h) The proposed reorganization is primarily designed for purposes other than to significantly increase property values.
 - (i) The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed district or any existing district affected by the proposed reorganization.
 - (j) Any other criteria as the board may, by regulation, prescribe.

2. The State Board of Education may approve a proposal for the reorganization of school districts if the board determines that it is not practical or possible to apply the criteria of this section literally, and that the circumstances with respect to the proposals provide an exceptional situation sufficient to justify approval of the proposals.

B. Regulations and Recommendations to Implement the Statutory Conditions

In considering proposals for district reorganization, county committees and the State Board of Education must determine whether the nine conditions in *Education Code* Section 35753(a) are substantially met. Those conditions are further clarified by *California Code of Regulations (CCR)*, Title 5, Section 18573. By its own terms, *Education Code* Section 35753 provides that, if the conditions set forth in subdivisions (a)(1) through (10) are met, the State Board of Education (and the county committee) "may" approve a proposal for the reorganization of a district.

The term "may" denotes discretion. Thus, the conditions in *Education Code* Section 35753 constitute a minimum threshold, which must be met before the State Board of Education or county committee is even vested with discretion to act. There is no requirement of approval when the conditions have been met. Similarly, there is no requirement of disapproval when the conditions have not been met. (*Hamilton v. State Board of Education (1981) 117 Cal. App. 3d 132; Burch v. State Board of Education (1998) Los Angeles Superior Court Case No. B5034463*). Subdivision (b) of Section 35753 gives the State Board of Education authority to depart from the conditions when it determines that exceptional circumstances exist.

1. Number of Pupils. The reorganized districts will be adequate in terms of number of pupils enrolled.

Regulations: This condition is governed by CCR, Title 5, Section 18573(a), which states that each affected school district shall have the following projected enrollment on the date that the proposal becomes effective:

| | |
|----------------------------|-------|
| Elementary District | 901 |
| High School District | 301 |
| Unified District | 1,501 |

2. Substantial Community Identity. The districts are each organized on the basis of a substantial community identity.

Regulations: This condition is addressed by CCR, Title 5, Section 18573(a)(2), which should be reviewed together with the following guidelines.

No single factor is likely to determine that community identity exists. The county committee probably will need to examine several attributes of the population and the makeup of the territory in question to make a judgment on this condition. Some indicators that the committee might study include types of housing, parks and recreation facilities and programs, sports activities, transportation patterns, geopolitical factors, and shopping patterns.

- a. Similarity of architecture, size, and style of homes can create a sense of community identity. A homogeneous housing development would likely generate a sense of community among the residents.

- b. The usage patterns of parks and school facilities for recreation programs and sports activities for youth can indicate a community identity.
 - c. Traffic patterns and public transportation systems and routes may have an impact on community identity.
 - d. Geopolitical factors such as topography and city council, county supervisor, and special district electoral districts might also create a sense of community among the citizens of an area. Post office names and zip code areas also could contribute.
 - e. Neighborhood and regional shopping patterns are often well defined and play a part in the way people see themselves.
 - f. There is no legal necessity that school district boundaries match city boundaries.
3. Division of Property. The proposal will result in an equitable division of property and facilities of the original district or districts.

Statutes and Regulations: This condition is addressed by State Board of Education regulations in CCR, Title 5, Section 18573(a)(3).

In reviewing the aspects of proposals dealing with school facilities, county committees should request long-range facilities plans from the affected school districts.

Those plans should include:

- a. Demographic studies showing both current and projected student population data;
- b. Development of "study area" maps showing census tracts, boundaries, current and proposed zoning, and current and projected residential and commercial/industrial development;
- c. An evaluation and report of the utilization, capacity, and condition of existing school facilities; and
- d. Development of a "comparison analysis" considering both existing and proposed divisions.

There are additional related *Education Code* provisions for the division of property. In particular, refer to *Education Code* sections 35560, 35564, and 35570 through 35579. If a dispute arises concerning the division of real property, *Education Code* Section 35565 provides for binding arbitration of the dispute.

4. **Discrimination or Segregation.** The reorganization of the districts will preserve each affected district's ability to educate students in an integrated environment and will not promote racial or ethnic discrimination or segregation.

Pursuant to state law, local educational agencies have a constitutional obligation to prevent racial and ethnic segregation and to alleviate the harmful effects of segregation. (CCR Title 5 18573[a][4]) To determine whether the new districts will promote racial or ethnic discrimination or segregation, the effects of the following factors will be considered:

- a. The current number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts, compared with the number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts if the proposal or petition were approved.
- b. The trends and rates of present and possible future growth or change in the total population in the districts affected, in each racial and ethnic group within the entire district, and in each school of the affected districts.
- c. The school board policies regarding methods of preventing racial and ethnic segregation in the affected districts and the effect of the proposal or petition on any desegregation plan or program of the affected districts, whether voluntary or court ordered, designed to prevent or alleviate racial or ethnic discrimination or segregation.
- d. The effect of factors such as distance between schools and attendance centers, terrain, and geographic features that may involve safety hazards to pupils, capacity of schools, and related conditions or circumstances that may have an effect on the feasibility of integration of the affected schools.
- e. The effect of the proposal on the duty of the governing board of each of the affected districts to take steps, insofar as reasonably feasible, to alleviate segregation of minority pupils in schools regardless of its cause.

The following types of data are examples of relevant information that may be submitted in support of a petition: the district(s) enrollment statistics that specify the percentages of various ethnic groups; the district(s) enrollment statistics that specify the percentages of the various ethnic groups in each individual school; the district(s) enrollment statistics that specify the grade and ethnic groups of students; the type of attendance area served by a school (rural, suburban, or urban); and the trends in the district(s) total population and percent distribution by race.

The information noted above may be obtained from the following agencies: local school boards (e.g., board policies and procedures), U.S. Bureau of the Census (e.g., latest decennial federal census), California Department of

Finance (e.g., California Statistical Abstracts), California Department of Education (e.g., CBEDS), or other state or federal agencies.

5. Cost to State. Any increase in costs to the state as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.

Regulations: There are no current regulations on this subject; however, some guidelines are presented that may assist the county committee in its review of proposals.

The following factors should be considered in evaluating this condition:

- a. Whether implementation of the proposal would change one or more of the affected districts' basic aid status.

A change in basic aid could increase the amount of state apportionment funds required for either the proposed new district or one or more of the remaining districts.

- b. Additional state costs for school facilities.
- c. Other state special or categorical aid programs and any increased state costs if students transferring would qualify in the gaining district and not in the losing district.
- d. The additional costs to the state if costs per student for special or categorical programs are higher in the gaining district.
- e. The effect on the districts' home-to-school and special education transportation costs and state reimbursements.
- f. Increased costs resulting from additional schools becoming eligible for "necessary small school" funding pursuant to *Education Code* sections 42280 through 42289.

Note that any increase in state apportionments due to recomputation of the revenue limits as required by *Education Code* sections 35735 through 35735.2 does not apply to the analysis of this condition.

6. Educational Programs of Existing and Proposed Districts. The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the educational programs in the districts affected by the proposed reorganization.

Regulations: Please review CCR, Title 5, Section 18573(a)(5) and the following guidelines.

Although it is difficult to accurately predict the changes that would occur in the educational program as a result of district reorganization, there are indicators that would be helpful to consider in making a decision on reorganizations.

- a. Most elementary schools, all middle schools, and 20 percent of California's high schools take part in a program quality review once every three years.
 - b. Most high schools participate in an accreditation review conducted at least every six years by the Western Association of Schools and Colleges. These reviews culminate in a comprehensive report that compiles information on student achievement and on school-wide concerns such as planning, school climate and culture, and governance. Although these are peer reviews that provide primarily qualitative data, they are especially effective in judging program quality when viewed in concert with quantitative data. Such data include the School Accountability Report Card (required as a result of the passage of Proposition 98), which is produced by the school district, and the Academic Performance Index (API) and Adequate Yearly Progress (AYP) reports produced by the California Department of Education.
 - c. In making a determination about program quality, a committee would do well to consider a wide array of data. For high schools these indicators range from the number of Advanced Placement courses offered by the district to the dropout rate.
 - d. Although past performance does not always predict future achievements, the academic track record of a district should certainly be considered when making a decision about reorganization. If a district has failed to perform over a significant period of time, it would be questionable to give a district responsibility for educating more students. However, if reorganization provides for a richer curriculum, more course offerings, and greater resources, the likelihood that educational performance will increase is enhanced.
7. School Housing Costs. Any increase in school facilities costs as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.

Regulations: No regulations have been adopted on this subject; however, a good plan should provide a concise analysis of the availability of school facilities to house the pupils in the portion of the district being reorganized.

If the reorganization is creating a new school district, the school facilities must be adequate to serve all grade levels. If an elementary school district is unifying, there should be a plan for secondary school facilities. Formerly plans have been approved in which the newly unified school districts phase in secondary school programs. When the reorganization is a territory transfer, the plan should address whether the school district receiving the new students has

adequate facilities to house them. If new facilities are required in either of the above cases, the plan should address how the facilities will be funded.

The following areas should also be addressed:

- a. Local bonding capacity. It should be determined whether the territory transfer reduces the assessed valuation of a district to a point where the bonding capacity might be impaired.
 - b. Developer fees. An analysis should be made of how income from developer fees might be affected. Whether developer fees have already been paid, whether they have increased or decreased because of the district losing or gaining the territory, and the impacts of the territory transfer should be determined.
 - c. School property. If there is school property in the area to be transferred, the impact on each district should be determined. If a school is to be transferred, it should be determined how the district losing the school will compensate for the loss of facilities. If school sites are involved, it should be determined how each district's facility plan will be affected.
 - d. School capacity. The analysis should take into consideration whether the schools are operating on traditional, single track, or multi-track schedules.
 - e. Condition of existing facilities. The analysis should distinguish between permanent and portable buildings, the age of the facilities, whether or not they have been well or poorly maintained or modernized, whether they have had technological upgrades, and the conditions of the mechanical systems on the school site (e.g., HVAC).
 - f. State School Facilities Program. It should be determined how the loss and gain of pupils will affect school districts' eligibility for state building funding.
8. Property Values. The proposed reorganization is primarily designed for purposes other than to significantly increase property values.

Regulations: There are no regulations on this subject; however, the rationale given in the petition for the territory transfer should be analyzed. If the petitioners' rationale for the transfer appears questionable or not compelling, the county committee should at least consider whether increased property values might be the primary reason for the petition. The county tax assessor's office or local real estate firms could be consulted for advice on whether territory transfers might have an impact on property values.

9. Fiscal Management or Fiscal Status. The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed district or any existing district affected by the proposed reorganization.

Regulations: There are no regulations on this subject; however, the criteria and standards adopted by the State Board of Education pursuant to *Education Code* Section 33127 (Chapter 1462, Statutes of 1988) and published in *CCR*, Title 5, sections 15440–15466, are recommended for evaluation of the financial condition of school districts affected by any proposed reorganization.

The criteria and standards review process is designed to evaluate how the reorganization will affect the school district's fiscal status for the current and succeeding years. The county committee should review and consider any potential revenue gains or losses resulting from community redevelopment agency agreements or other pass-through agreements, loss of incremental taxes, Mello-Roos Community Facility District funds, parcel taxes, certificates of participation, basic aid, tax overrides, mitigation agreements with developers, and any other categorical or specialized funds (e.g., Public Law 874 funds and Timber Reserves).

The best way to determine the fiscal management of the school district is to use the criteria and standards review process used by county superintendents. This process employs state-adopted standards and criteria to evaluate the fiscal health of a district. It is recommended that the county committee work closely with the staff of the county superintendent responsible for reviewing district budgets.

- a. School districts and county superintendents use the California Department of Education's Criteria and Standards Review Form to review the district's budget for conformance with *Education Code* and *CCR*, Title 5, "*Criteria and Standards*," for developing and managing their budgets. This review is repeated annually; therefore, relatively current data would be available to assist in analyzing whether the district reorganization fiscal management condition would be met if a reorganization proposal were approved.
- b. Other sources of information include the affected school districts' annual audit reports completed by independent auditors.

C. Exceptional Situations

In considering proposals for unification, the State Board of Education must determine whether the conditions in *Education Code* Section 35753(a) are substantially met. However, subdivision (b) of that section of the law also gives the State Board of Education the authority to depart from the conditions under certain conditions. Specifically, the board may determine that it is not practical to apply the conditions literally and that an exceptional situation exists that warrants approval of the proposal.

California Code of Regulations, Title 5, Section 18573, states that the minimum size for a unified school district is supposed to be 1,501 students. In sparsely populated areas, however, it is often difficult to reach that number of students. The State Board of Education has considered such factors as distance, weather conditions, geography, and topography in deciding whether to waive the size condition.

D. Comparison of Statutory and Regulatory Requirements

Criteria Used by the State Board of Education

To Consider Matters Relating to School District Organization

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|--|---|---------------------|-----|----------------------|-----|------------------|-------|
| <i>Education Code Section 35753</i> | <i>California Code of Regulations, Title 5, Section 18573</i> | | | | | | |
| <p>35753. Approval by the State Board of Education; Conditions</p> <p>(a) The State Board of Education may approve proposals for the reorganization of districts if the board has determined, with respect to the proposal and the resulting districts, that all of the following conditions are substantially met:</p> <p>(1) The reorganized districts will be adequate in terms of number of pupils enrolled.</p> | <p>18573. Criteria for Reorganization of School Districts</p> <p>(a) The analysis of the proposal or petition by the California Department of Education shall state findings of fact and recommendations as to whether each district affected by the proposed reorganization substantially meets the following criteria and standards:</p> <p>(1) It is the intent of the State Board of Education that direct service districts not be created that will become more dependent upon county offices of education and state support unless unusual circumstances exist. Therefore, each district affected must be adequate in terms of numbers of pupils, in that:</p> <p>(A) Each such district should have the following projected enrollment on the date that the proposal becomes effective or any new district becomes effective for all purposes:</p> <table border="0" style="margin-left: 40px;"> <tr> <td>Elementary District</td> <td style="text-align: right;">901</td> </tr> <tr> <td>High School District</td> <td style="text-align: right;">301</td> </tr> <tr> <td>Unified District</td> <td style="text-align: right;">1,501</td> </tr> </table> <p>(B) The analysis shall state whether the projected enrollment of each affected district will increase or decline and the extent thereof.</p> | Elementary District | 901 | High School District | 301 | Unified District | 1,501 |
| Elementary District | 901 | | | | | | |
| High School District | 301 | | | | | | |
| Unified District | 1,501 | | | | | | |

- (2) The districts are each organized on the basis of a substantial community identity.
- (2) To determine whether the new district is organized on the basis of substantial community identity, the State Board of Education will consider the following criteria:
- (A) Isolation
 - (B) Geography
 - (C) Distance between social centers
 - (D) Distance between school centers
 - (E) Topography
 - (F) Weather
 - (G) Community, school, and social ties, and other circumstances distinctive about the area.
- (3) The proposal will result in an equitable division of property and facilities of the original district or districts.
- (3) To determine whether an equitable division of property and facilities will occur, the California Department of Education will determine which of the criteria authorized in *Education Code* Section 35736 shall be applied. It shall also ascertain whether the affected school districts and the county office of education are prepared to appoint the committee described in *Education Code* Section 35565 to settle disputes arising from such division of property.

Education Code Section 35753

California Code of Regulations,
Title 5, Section 18573

(4) The reorganization of the districts will preserve each affected district's ability to educate students in an integrated environment and will not promote racial or ethnic discrimination or segregation.

(4) To determine whether the new districts will promote racial or ethnic discrimination or segregation, the State Board of Education will consider the effects of the following factors:

- (A) The current number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts, compared with the number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts if the proposal or petition were approved.
- (B) The trends and rates of present and possible future growth or change in the total population in the districts affected, in each racial and ethnic group within the entire school district, and in each school of the affected districts.
- (C) The school board policies regarding methods of preventing racial and ethnic segregation in the affected districts and the effect of the proposal or petition on any desegregation plan or program of the affected districts, whether voluntary or court ordered, designed to prevent or to alleviate racial or ethnic discrimination or segregation.
- (D) The effect of factors such as distance between schools and attendance centers, terrain, and geographic features that may involve safety hazards to pupils, capacity of schools, and related conditions or circumstances that may have an effect on the feasibility of integration of the affected schools.

(E) The effect of the proposal on the duty of the governing board of each of the affected districts to take steps, insofar as reasonably feasible, to alleviate segregation of minority pupils in schools regardless of its cause.

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| (5) | Any increase in costs to the state as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization. | (No implementing regulations) |
| (6) | The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the educational programs in the districts affected by the proposed reorganization. | (5) The proposal or petition shall not significantly adversely affect the educational programs of districts affected by the proposal or petition. In analyzing the proposal or petition, the California Department of Education shall describe the districtwide programs and the school site programs in schools not a part of the proposal or petition that will be adversely affected by the proposal or petition. |
| (7) | Any increase in school facilities costs as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization. | (No implementing regulation.) |
| (8) | The proposed reorganization is primarily designed for purposes other than to significantly increase property values. | (No implementing regulation.) |
| (9) | The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed district or any existing district affected by the proposed reorganization. | (No implementing regulation.) |

Education Code Section 35753

- (10) Any other criteria as the board may, by regulation, prescribe. (No implementing regulation.)
- (b) The State Board of Education may approve a proposal for the reorganization of school districts if the board determines that it is not practical or possible to apply the criteria of this section literally and that the circumstances with respect to the proposals provide an exceptional situation sufficient to justify approval of the proposals.
- (b) The board may waive the criteria specified in subsections (a) (1) through (a) (5) of this section and may approve a proposal, petition, or decide an appeal under *Education Code* Section 35710.5 or 35711 if the board determines that circumstances with respect to the proposal, petition, or appeal provide a sufficient exceptional situation.