



**Association of California School Administrators
Superintendency Council**

Friday, December 5, 2008,
Manchester Grand Hyatt Hotel, San Diego, CA

WELCOME / CALL TO ORDER / INTRODUCTIONS: The meeting, held in conjunction with the California School Boards Association Conference, was called to order at 9:00 am by President Dick Bray. Members and guests made brief personal introductions.

HIGHLIGHTS OF THE MEETING

- Reviewed the status of the current California fiscal crisis, the forces and factors that brought it about, and the current solutions being considered in a special session of the legislature.
- Considered the tragic impact on schools of a projected \$7.2 billion, \$1.200 per pupil, cut in state funding, and voted to continue to oppose those cuts.
- Committed to educating their legislators on the needs of their schools.
- Prepared to explain to local communities what this could mean specifically for their children and schools.
- Agreed that California must have a revenue increase to limit the devastation to school programs, already underfunded and constricted.
- Discussed flexibility measures that the legislature could enact that would result in fiscal savings, and voted to pursue maximum flexibility (as proposed by the Governor), especially any flexibility within the Class Size Reduction program.

ATTENDING: (signing in, many additional superintendents attended all or part of the meeting but did not sign the attendance sheet)

Council President: Richard Bray, Region 17

Region Representatives

Region 1: Art Delgado

Region 2: Sherry J. Smith

Region 3:

Region 4: Sue Field

Region 5:

Region 6:
Region 7: Bill Draa
Region 8: Don Iglesias
Region 9: Elaine Cash
Region 10: Susan Silver
Region 11: John Snavelly
Region 12: Art Golden
Region 13: Kathy Boomer
Region 14:
Region 15: Amy Enomoto-Perez
Region 16: David Brewer
Region 17:
Region 18: Janice Cook
Region 19: Phil Pendley

Committee Members:

Tod Anton, Scribe
Tom Armelino, California County Superintendents Educational Services Association
David Brewer, Los Angeles Unified School District
Susan K. Burr, California County Superintendents Educational Services Association
Bill Draa, FCMAT
Dale Drew, Small School Districts Committee and Small School Districts Assn.
David Gomez, Latino Superintendents
Terry Grier, Large School Districts
Jeffrey Hearn, High School Districts Association
Thelma Melendez de Santa Ana, AASA Representative
Anthony Monreal, California Department of Education, CIF Liaison
Gil Montano, ROC/P
Lou Obermeyer, Superintendents Symposium
Phil Quon, Mid-Sized School Districts
John Roach, California City School Superintendents
Jane Russo, Large School Districts
Jeff Vaca, California School Boards Association
Charles Weis, ACSA Board Liaison
Bob Wells, ACSA Executive Director

Others Attending

Phil Alvarado, Santa Maria-Bonita Elementary School District
Jorge Ayala, Yolo County Office of Education
Jose Banda, Anaheim City School District
Jim Brown, College Elementary School District
Julian Crocker, San Luis Obispo County Office of Education
Maria De La Vega, Ravenswood School District
Mike Hansen, Fresno Unified School District
Bob Klempen, Placentia-Yorba Linda Unified School District
Hugo Lara, Guadalupe Union Elementary School District
Steve Lowder, Lincoln Unified School District
Adonai Mack, ACSA Governmental Relations
Ken Noah, San Dieguito Union High School District
Ralph Porras, Pacific Grove Unified School District
Rick Rogers, Superintendent, Oakley Union School District
Ellen Smith, Moorpark Unified School District
Sal Villaseñor, ACSA Governmental Relations

Karen Stapf Walters, ACSA Assistant Executive Director

THE STATE BUDGET, EXPANDED GROUP DISCUSSION

Focus of Meeting: Bob Wells previewed the presentation by staff and what is desired from this meeting: 1) demonstrating the need from additional revenue, 2) personalizing impact on students of projected cuts, and 3) supporting flexibility measures so districts can maximize limited and reduced resources.

State Budget Discussion: Adonai Mack used a power point presentation that assesses the state's current fiscal crisis. Karen Stapf Walters e-mailed copies to the Superintendent. Council members. The power point also can be accessed through the ACSA website. <http://www.acsa.org/FunctionalMenuCategories/AboutACSA/Councils/Superintendency/SuptsCouncilPresentation12508.aspx>. It noted how the November special session of the legislature was a dramatic failure. Legislative leadership and the governor met and little progress occurred. With that failure, the governor has called a second special session under the purpose and terms of Proposition 58. Adonai described the continuing drop in projected state revenue and the politics of the new legislature.

Current Special Session: In the "Proposition 58" Special Session the legislature has 45 days to consider the governor's solutions to the fiscal emergency. Other legislation is delayed until the legislature acts on the fiscal situation. Urgency measures and tax levies take effect immediately; majority vote measures generally take effect 90 days after the close of the special session.

Governor's Solution: The governor, the Legislative Analyst's Office (LAO) and the Democratic leadership have purposed solutions. The governor's plan would have a \$2.5 billion reduction to Proposition 98, eliminate the .69% COLA, impose a \$1.791 billion cut to revenue limit, reduce child care, preschool and CalWORKs child care by \$205 million, save \$78 million in Prop 98 reversions from unallocated funds, and allow flexibility to shift categorical funds to general fund. Areas for flexibility include adult education, increased class size, instructional materials, and deferred/routine maintenance. The governor proposed additional revenue measures.

The LAO Assessment: The LAO warns that the legislature must act now and is more realistic in pointing out the difficulty of implementing mid-year cuts. The LAO noted declines in property, sales, personal income and corporate taxes. The LAO sees a mid-year cut of \$1 billion. The LAO would suspend COLA, sweep up unexpended funds and suspend programs such as professional development, maintenance and instructional materials. The LAO would score funding above Prop 98 guarantee as settle-up dollars. The LAO predicts a Prop 98 dip in 2009-10 and deficits reaching \$22 billion throughout the five-year forecast period. The LAO is skeptical about the current budget plans for using lottery income and state reserves.

Democratic Proposal: The Democratic majority proposal would eliminate COLA, reduce the maintenance reserve requirement from 3% to 1%, eliminate the deferred maintenance match, and suspend several program requirements in PI schools, HP schools and Emergency Repairs. It also would score over-appropriation as settle up funds and allow districts for the 2008-09 year only to use reserves from restricted balances with several exceptions including special education, instructional materials, targeted instructional improvement grants, economic impact aid, QEIA, home to school transportation, and CAHSEE intensive intervention. It should be noted that within the legislature there is

distrust with local control. The Republicans have boxed themselves in with their pledge not to raise taxes. Yet some Republican votes will be necessary for the legislature to get the 2/3 vote necessary to enact a revenue increase. Los Angeles Unified has been working with both sides of the aisle. Republican parents will accompany district leaders in making the case for new revenue.

New Revenue Is Essential: All these proposals would require additional revenue. How are we going to reduce the achievement gap without resources? Reductions are no longer feasible. We have reduced too much already. The state must have new revenue. The proposed midyear reductions would be devastating to education which would suffer a disproportionate reduction percentage. The governor's proposal with his revenue increases would still be a \$5 billion total cut for k-12 education. Without the revenue increase the hit would be \$7.2 billion. The projected total cuts over two years including loss of statutory COLA would be \$10.5 billion with revenue increase, \$17 billion without revenue increases.

What do we do about getting involved in the discussions on increasing revenue? Probably we should leave that to the legislature. Discussions of sales tax, car tax, income surcharges and other proposals need not be the focus of superintendents. Our task is to communicate to legislators, press and public the severe impact of cuts on education.

Can we support any legislative revenue proposal? We should not be negative. Can we provide cover for legislators who vote for a revenue increase? Can California reinstate its vehicle license fee? Should the fee be progressive?

Raising Awareness of School Needs: Many legislators are not aware of the cuts already felt by education. New legislators must be educated. A \$7 billion cut for education is equivalent to a cut of \$1200 per student or a cut of \$31,500 per classroom. Superintendents need to paint a picture for legislators and others of how this will impact their students and schools. The projected cuts would cripple California schools that currently spend \$1,900 less per student than the national average. Cite the Stanford University study, "Getting Down to Facts," that states that California now underfunds its schools and would need to spend 40% more to ensure that all students meet the state's rigorous academic standards. The public is getting a message on the plight of big three auto makers. Other agencies are reducing services. Libraries are closing many days. Cities are considering reducing police and fire services. A reality is that closing schools would get the public's attention. Most communities still don't understand how great the schools needs are.

Savings through Flexibility: The need for flexibility must be described and acquired. The governor has called for innovative methods to ensure solvency for the state. He proposed allowing school districts to move restricted categorical programs into the district's unrestricted general fund for at least a two-year period. The issue of class size may be the most difficult flexibility issue for the education coalition. We need to be on one page in talking to legislators. Is it possible? Can we work to have coalition coalescence?

ACSA prepared a paper on local flexibility options to help districts manage the budget crisis. It suggests allowing districts being able to move all categorical carryover or reserve funds from any prior year and from any program to the district's general fund. It would allow transfer of categorical funds and expand the programs included in the categorical block grant. Districts should be allowed more freedom in routine and deferred maintenance accounts regarding level of reserves, district matching funds and fund transfers. Instructional materials purchases could be extended over at least two years. Removing all state penalties for class size reduction could free substantial dollars. In professional development, buy back days could be eliminated shifting funding to general fund and

allowing employees to be furloughed. Also, a professional development block grant for state programs could help. It is recognized that there are also federal requirements that complicate any state flexibility allowances.

The Sonoma County superintendents presented a flexibility proposal. It acknowledged that there could be surgical cutting of some programs that are not meeting intended purposes. It also pointed out that resources are already stretched to the maximum and that mere categorical flexibility will not compensate for further cuts. The proposal cited reporting and regulatory oversight as a field for fiscal savings. Required reports, many with overlapping functions and duplicate data collection, could be consolidated with the Single Plan for Student Achievement with a "smart goal" for each funded program. Compliance and accountability could be assigned to the annual audit. The proposal identified nine different mandates or requirements, noting what are required now and what would be more efficient with potential savings noted.

The Democratic position on flexibility is not now something that would benefit districts. We need to inform legislators what flexibility measures would be beneficial. We may need to correct some misconceptions. Flexibility needs to happen, but it is not a substitute for additional revenue.

Education Coalition: Can the Education Coalition remain united to urge the legislature to raise revenue? Columnist Dan Walters wrote that the governor's proposal on flexibility, particularly any modification of class size requirements, would split the coalition. ACSA needs to know what to push for when meeting with coalition partners, especially the CTA. It is evident that class size requirements must be relaxed if massive cuts in school budgets are directed. The coalition works to help the press understand that California's public schools need ongoing stable revenues now more than ever. The coalition must hold together in this fiscal crisis. The coalition next meets on Tuesday, December 9.

Standards and Accountability: Accountability and NCLB will still be here. California has adopted the most rigorous standards for student achievement. Progress has been made. Nevertheless, the achievement gap still is with us; this is the wrong time to halt progress and take backward steps. We no longer can just trim or adjust and economize; we have reached a nadir in services to children and youth. California's future depends on improving education, not decimating it.

Personnel and Collective Bargaining: If schools are reduced \$1,200/pupil, \$600/pupil or \$300/pupil, what is the impact on students and classrooms? Should we reduce the school year? We are talking about cutting teacher work days, closing schools. Would cutting last two weeks or last month of schools be a stop-gap solution? Altering the school calendar creates a problem for many families. Shortening school year would engage parents to work in behalf of school funding. Some districts have three days of pre-service work. Moving buy-back days into the 180 is a possibility. With collective bargaining, are we kidding ourselves that cuts in midyear can be implemented? Some believe we must now have a major reduction such as shortening year to cope with projected cuts in funding. We must have an increase in revenue. Reduction in educational services for children and youth is totally unacceptable.

Parcel Tax at 55%: Can we get a parcel tax through with 55% rather than 2/3 affirmative vote? We are closed to bottom of states in local tax funding. We should get local revenue capability. If we had access to a 55% parcel tax election, wealthy districts would benefit most. Then we would need to press for equity at state level. It is much easier to pass a 55% tax measure rather than a two-thirds super majority. With construction bonds requiring

55%, tens of billions of dollars of bond issues have passed. Talk up this with coalition representatives.

Health Care: The great increases in health insurance have strained school district budgets. The cost of health care to school districts is rising and rising. There are great disparities. Los Angeles Unified is paying about \$11,000 per employee per year. Some districts are paying \$8000, others up to \$14,000. Los Angeles Unified has urged a statewide health care system to take advantage of economy of scale. California needs an improved health care system.

Action Now: Are we agreed that we need more revenue? YES! We need to contact the governor and lawmakers immediately to urge them to support new revenues, to avoid massive cuts to education and support flexibility options that ensure maximum resources are directed to classroom instruction. ACSA has developed Talking Points, December 2008, which describe the catastrophic consequences for California's schools and students. Adapt the Talking Points to your schools, personalizing the impact of cuts on your district, your classrooms. Give specific examples of what will happen to your students. Describe what a horrible impact a \$7.2 billion cut to California public schools would be like. Describe how a dollar loss of \$1200 per pupil would affect schools in your community. Describe it in terms of per pupil spending, per classroom spending, elimination of programs not already diminished or dropped, laying off classified employees and eliminating services to children and schools. Interpret the cut in terms in shutting down schools in your district for 25 days. Or describe in terms of increasing class size or in laying off classroom teachers. What would this all mean for a child's learning opportunities?

Contact your press, editorial boards, local coalition, business community, school support groups, civic clubs about how potential cuts would impact students and their future. Remind the community groups and individuals about the cuts your district has already made in recent years and describe how further cuts would harm local schools. Describe layoff procedures and their impact. Host a local Education Coalition news conference to urge lawmakers to support revenue increases to avert catastrophic consequences for local schools. Speak to your local civic clubs and community organizations and ask for their support in voicing concern about the mid-year budget cuts and the need for increased revenues. Remind them that the 2008 Budget Act was based on faulty revenue assumptions and borrowing and accounting gimmicks that failed to repair the structural problems with the state budget.

Commitment: Our repeated message and effort must be to affirm the need for additional revenue, personalize and localize the impact of projected cuts, and urge support for appropriate flexibility so districts can maximize resources.

CALIFORNIA LONGITUDINAL PUPIL ACHIEVEMENT DATA SYSTEM (CALPADS) & LOCAL EDUCATIONAL AGENCY (LEA)

A letter and four page report from Jack O'Connell on CALPADS was distributed. The development of a longitudinal data system is one of Jack's high priorities, particularly to better identify our dropout problem and attack the pernicious achievement gap. Since January 2008 IBM has been working under contract with the CDE, CSIS, county offices of education, school districts and charter schools to develop CALPADS. The project team has been working with local educational agency (LEA) representatives, student information system vendors and others. Based on input, IBM has entered the system development stage. Pilot use by LEAs will soon be underway. In October of 2009, all LEAs will be

submitting official enrollment, exits, dropout, graduate, course enrollment and teacher assignment data to CALPADS replacing CSIS, CBEDS and other collections. There will be immediate access on transferring students. State testing and data analysis will be more efficient. Statewide reports will be generated without further need for LEA investment.

PUBLIC SCHOOL ACCOUNTABILITY ACT -- Chuck Weis

Chuck Weis has been asked to chair the 5-Year Plan development subcommittee of the Public School Accountability Act Advisory committee. Marc Ecker, Fountain Valley School District Superintendent, Vicki Barber, El Dorado County Superintendent, and CSBA executive Holly Jacobsen are the other members. Their primary task is to recommend changes to the content and weights of measures in the API, the level of the state target (currently set at 800), and any other changes needed in our system to the State Board of Education. Chuck believes that this is an opportune time to make changes that may make the API rigorous enough to meet criteria as a "growth model" for the reauthorization of ESEA (read NCLB). Any ACSA member who has input for the subcommittee should contact him at charles_weis@sccoe.org or the other members listed above. We are scheduled to make a report to the SBE in March.

CALIFORNIA SCHOOL BOARDS ASSOCIATION REPORT – Jeff Vaca

Jeff Vaca reported that CSBA's Education Legal Alliance had just reached an agreement with the state Department of Finance, under which school districts, County Offices of Education and SELPAS will receive increased funding for Behavioral Intervention Plan mandates. The suit was originally filed by CSBA on behalf of San Diego USD and the Butte and San Joaquin COEs. Jeff also reported that the CSBA Board of Directors approved the filing of an adequacy lawsuit against the state at their meeting on December 2. CSBA and ACSA are full partners in this suit.

SUPERINTENDENTS SYMPOSIUM – Lou Obermeyer

Lou Obermeyer distributed copies of the annual Superintendents' Symposium program. With the theme, "Leading with Heart," the symposium will be at the Monterey Conference Center January 28-30, 2009. General session speakers will be Rick Stiggins on "Productive Assessment" and Marty Linsky on "Chaos, Conflict and Courage." Brett McFadden and Kevin Gordon will lead a panel, "What's on the Horizon for 2009." Featured presenters include Harry Weinberg, Bob Farran, Marty Linsky, Rick Stiggins, Kate Kinsella, Mark Schneipp and Joan Kowal. Karen Stapf Walters and the ACSA governmental relations staff will discuss the public policy issues of 2009 affecting education. Walt Hanline, William Levinson and Michael Bossi will present a workshop on leadership coaching. Retiring superintendents will be honored at the traditional Thursday luncheon. Leading the Leaders, the New Superintendents Workshop and the Executive Leadership Seminary will all be held just preceding the symposium on January 27-28.

STUDENT SERVICES, SPECIAL EDUCATION & DIVERSITY SYMPOSIUM

The annual Student Services, Special Education & Diversity Symposium will be held January 14-16, 2009 in Monterey. There are sessions to help meet legal mandates and boost student achievement. Some of the sessions include a webinar featuring Perry Zirkle on the reauthorized Americans with Disabilities Act, legally compliant assessments and

IEPs, special education law by Fagen, Friedman & Fulfrost, and “Teaching the Digital Generation: No More Cookie Cutter Schools” by Ian Jukes. Empower your staff to maintain their skills and learn new strategies by participating. For information, contact Sue Periera at speriera@acsa.org or (800) 608-2272, ext. 3831.

NEXT MEETING DATE: Wednesday, January 28, 2009, 7:00 a.m.-11:30 a.m., Portola Plaza Hotel, Monterey, in conjunction with the Superintendent’s Symposium

ADJOURNMENT: The council president, Dick Bray, adjourned the meeting at 11:07 am to enable members to attend the CSBA conference activities.

NOTES PREPARED BY: Tod Anton, Professor of School Administration Emeritus, California State University, Stanislaus

NOTES REVIEWED BY: Dick Bray, Superintendent, Tustin Unified School District, and Bob Wells, Executive Director, Association of California School Administrators