



2009-2010 SANTA CLARA COUNTY CIVIL GRAND JURY REPORT

ACHIEVING SCHOOL DISTRICT EFFICIENCY THROUGH CONSOLIDATION

Summary

The 2009-2010 Santa Clara County Civil Grand Jury reviewed school district administrative expenses and costs in an attempt to find efficiencies that could minimize the impact of an ailing economy on education.

A review of the ongoing expenses of the district administrators and principals indicated that most school districts in Santa Clara County (County) have made strides in reducing expenses. There are, however, many redundant administrative functions in the 31 elementary, middle school, and high school districts of the county. Redundant administrative functions can be made more cost effective through school district unification¹ and/or consolidation².

The Grand Jury recommends the consolidation of certain elementary/middle school districts with the existing high school district they serve. The Grand Jury is not recommending any boundary changes; students will ideally attend the same schools they do prior to consolidation. The Grand jury believes the proposed consolidations will offer **financial** and **education** benefits.

The Grand Jury recommends the consolidation of four elementary/middle school districts into two union³ districts. The creation of these union school districts will offer improved efficiency and cost savings.

The path to consolidation is difficult and time consuming, but the financial situation justifies the effort. The Grand Jury recommends that the hard work be undertaken now to achieve the long-term financial and education gains.

Background

The county has 31 school districts (excluding Metro Ed and the community college districts). The current organization is an outgrowth of the county's origins. Until the 1960s, the county was largely a collection of agricultural communities separated by miles of open space. Each community established a local elementary/middle school district and several banded together to form a high school district.

¹ As referenced in this report, "unification" is defined as: a combining of K - 12 schools into one district.

² As referenced in this report, "consolidation" is defined as: the process of combining two or more districts into one larger entity.

³ As referenced in this report, "union" is defined as: the combination of two same grade level school districts into one district.

In the 1960s, the arrival of defense contractors and high-tech industry urbanized the area. The farms have disappeared and given way to urban development. The communities have become small cities, San Jose has become a large city, and the open land has disappeared.

The resulting organization of the county's school districts is an odd mixture of large and small districts. There are some school districts with only one school, and others located within the boundaries of another district. The configuration is convoluted.

School districts are experiencing unprecedented financial stress resulting in the layoff of teachers and staff, along with the elimination or scaling back of programs.

The economic conditions at all levels of government are dire. The federal budget deficit is in excess of a trillion dollars. The State of California, the County and cities are all strapped for resources. Forecasts indicate a long, slow economic recovery. To minimize the damage to classroom education, school districts need to review expenses and look for operational efficiencies. In this global, competitive world, our children require the efficient and cost-effective delivery of the very best education.

Methodology

To understand the expense practices of the county's 31 school districts, the Grand Jury sent a letter (Appendix A) to each of the 31 school districts. A request was made for the following documentation covering the 2007-2008 and 2008-2009 fiscal years:

1. A list of all organizations and associations to which the superintendent and board members belong.
2. Copies of all contracts, addenda, and work agreements for superintendents, the executive team, directors, and contractors in the administrative office.
3. District policy and procedures regarding reimbursement of expenses for the foregoing positions.
4. Copies of all administrative expenses including off-site meetings and retreats for the last two years.
5. District policy regarding vacation and sick leave for the executive staff.

The data provided were evaluated to determine whether the expenses were reasonable. A year-over-year comparison of the expenditures was made. In addition, the Grand Jury reviewed the administrative staffing levels of all the districts. The information was gathered from the Santa Clara County Office of Education (SCOE) and from the 2008-2009 SCOE Handbook.

The Grand Jury read reports and conducted interviews with state officials, board members, education stakeholders, and county and school district superintendents. We reviewed the following administrative expenses for all school districts: conference attendance; food and entertainment; retreats; travel; mileage; books; information technology (IT); and other miscellaneous items. In addition, the Grand Jury interviewed superintendents and officials in districts from outside the County where unification failed and where it was successful.

Discussion

The Grand Jury determined that most districts reduced their administrative expenses in the second year, reflective of the current economic circumstances. Costs associated with off-site conferences and retreats were reduced most significantly.

We reviewed the recent unification of Twin Rivers in Sacramento. Unifications are infrequent, occurring approximately once per year in California. Twin Rivers Unified School District has similar characteristics to the unifications we are proposing for Santa Clara County.

Financial Benefits

An analysis of the administrative staffing levels, however, suggests there are significant sums to be saved by consolidation and unification. Table 1 shows the existing number of schools, enrollment, number of administrators and board members and budget for each of the 31 school districts.

Table 1**CURRENT SCHOOL DISTRICT INFORMATION**

| SANTA CLARA COUNTY SCHOOL DISTRICTS | NUMBER OF SCHOOLS | DISTRICT ENROLLMENT | NUMBER OF ADMINISTRATORS | NUMBER OF DISTRICT BOARD TRUSTEES | 2009-2010 BUDGET |
|---|-------------------|---------------------|--------------------------|-----------------------------------|------------------------|
| Alum Rock Union School District | 28 | 12,827 | 23 | 5 | \$107,800,037 |
| Berryessa Union School District | 13 | 8,087 | 12 | 5 | \$57,035,559 |
| Cambrian School District | 6 | 3,114 | 12 | 5 | \$23,225,220 |
| Campbell Union High School District | 7 | 7,331 | 13 | 5 | \$64,098,570 |
| Campbell Union School District | 12 | 7,108 | 13 | 5 | \$60,817,024 |
| Cupertino Union School District | 25 | 17,585 | 18 | 5 | \$135,173,436 |
| East Side Union High School District | 21 | 25,564 | 20 | 5 | \$205,466,975 |
| Evergreen School District | 18 | 12,877 | 9 | 5 | \$95,891,927 |
| Franklin McKinley School District | 16 | 9,811 | 14 | 5 | \$81,440,935 |
| Fremont Union High School District | 5 | 9,922 | 24 | 5 | \$96,798,495 |
| Gilroy Unified School District | 16 | 10,408 | 13 | 7 | \$83,558,659 |
| Lakeside Joint School District | 1 | 82 | 1 | 5 | \$1,137,565 |
| Loma Prieta Joint Union School District | 2 | 394 | 8 | 5 | \$4,402,647 |
| Los Altos School District | 9 | 4,191 | 6 | 5 | \$42,205,064 |
| Los Gatos-Saratoga Joint Union High School District | 2 | 3,050 | 6 | 5 | \$36,520,080 |
| Los Gatos Union School District | 5 | 2,832 | 6 | 5 | \$25,787,371 |
| Luther Burbank School District | 1 | 550 | 5 | 5 | \$3,486,320 |
| Milpitas Unified School District | 14 | 9,495 | 16 | 5 | \$76,004,605 |
| Moreland School District | 6 | 3,985 | 14 | 5 | \$34,622,801 |
| Morgan Hill Unified School District | 15 | 9,232 | 21 | 7 | \$70,538,392 |
| Mount Pleasant School District | 5 | 2,677 | 8 | 5 | \$22,552,364 |
| Mountain View Whisman School District | 9 | 4,522 | 7 | 5 | \$40,488,915 |
| Mountain View-Los Altos Union High School District | 3 | 3,553 | 12 | 5 | \$52,147,713 |
| Oak Grove School District | 19 | 11,231 | 20 | 5 | \$85,966,500 |
| Orchard School District | 1 | 829 | 4 | 5 | \$6,132,274 |
| Palo Alto Unified School District | 18 | 10,711 | 22 | 5 | \$154,154,127 |
| San Jose Unified School District | 43 | 30,978 | 29 | 5 | \$268,277,702 |
| Santa Clara Unified School District | 24 | 14,242 | 22 | 5 | \$127,983,685 |
| Saratoga Union School District | 4 | 2,181 | 6 | 5 | \$22,756,528 |
| Sunnyvale School District | 11 | 6,098 | 7 | 5 | \$58,786,101 |
| Union Elementary School District | 9 | 4,586 | 9 | 5 | \$29,423,918 |
| TOTALS | 368 | 250,053 | 400 | 159 | \$2,174,681,509 |

Unification of School Districts

The Grand Jury recommends unifying four high school districts with the elementary/middle school districts that feed them. In unification such as this, we anticipate that the students will attend the same schools; the changes would be administrative, rather than geographical.

Table 2a shows the current number of administrators in the school districts that the Grand Jury recommends should be unified. The administrators of these recommended unifications are simply summed for purposes of comparison to the administrative staffing at existing unified districts. The totals that appear for “Administrator” should decrease once consolidations occur, and fewer administrators are required to operate the consolidated district. (Administrator is defined here as superintendents, assistant superintendents, and director/department heads.)

Table 2b shows the existing unified districts, their current enrollment, and their board and administrative staff levels.

When compared to existing unified districts of similar size, the administrator totals shown in Table 2a significantly exceed the levels reflected in Table 2b. In some cases, a 50% reduction in administrators can be realized. The table suggests a significant total cost saving of approximately \$51 million can be realized by unification. Similarly, the number of the boards of trustees and superintendents should be reduced.

Table 2a
Proposed Unified Districts

| PROPOSED UNIFIED SCHOOL DISTRICTS | NUMBER OF SCHOOLS | DISTRICT ENROLLMENT | NUMBER OF ADMINISTRATORS* | NUMBER OF DISTRICT BOARD TRUSTEES | 2009-2010 BUDGET | ESTIMATED 7% SAVINGS FOR PROPOSED DISTRICTS |
|---|-------------------|---------------------|---------------------------|-----------------------------------|----------------------|---|
| Los Altos School District | 9 | 4,191 | 6 | - | \$42,205,064 | |
| Mountain View Whisman School District | 9 | 4,522 | 7 | - | \$40,488,915 | |
| Mountain View-Los Altos Union High School District | 3 | 3,553 | 12 | - | \$52,147,713 | |
| SUBTOTALS | 21 | 12,266 | >25 | Est. 5 | \$134,841,692 | \$9,438,918 |
| Lakeside Joint School District | 1 | 82 | 1 | - | \$1,137,565 | |
| Loma Prieta Joint Union School District | 2 | 394 | 8 | - | \$4,402,647 | |
| Los Gatos Union School District | 5 | 2,832 | 6 | - | \$25,787,371 | |
| Saratoga Union School District | 4 | 2,181 | 6 | - | \$22,756,528 | |
| Los Gatos-Saratoga Joint Union High School District | 2 | 3,050 | 6 | - | \$36,520,080 | |
| SUBTOTALS | 14 | 8,539 | >27 | Est. 5 | \$90,604,191 | \$6,342,293 |
| Cambrian School District | 6 | 3,114 | 12 | - | \$23,225,220 | |
| Campbell Union School District | 12 | 7,108 | 13 | - | \$60,817,024 | |
| Moreland School District | 6 | 3,985 | 14 | - | \$34,622,801 | |
| Union Elementary School District | 9 | 4,586 | 9 | - | \$29,423,918 | |
| Luther Burbank School District | 1 | 550 | 5 | - | \$3,486,320 | |
| Campbell Union High School District | 7 | 7,331 | 13 | - | \$64,098,570 | |
| SUBTOTALS | 41 | 26,674 | >66 | Est. 5 | \$215,673,853 | \$15,097,170 |
| Cupertino Union School District | 25 | 17,585 | 18 | - | \$135,173,436 | |
| Sunnyvale School District | 11 | 6,098 | 7 | - | \$58,786,101 | |
| Fremont Union High School District | 5 | 9,922 | 24 | - | \$96,798,495 | |
| SUBTOTALS | 41 | 33,605 | >49 | Est. 5 | \$290,758,032 | \$20,353,062 |
| TOTAL | 117 | 81,084 | >167 | Est. 20 | \$731,877,768 | \$51,231,443 |

* Administrators as determined from the Public School Directory, Santa Clara County Office of Education, 2008-2009

Table 2b

Existing Unified Districts

| SANTA CLARA COUNTY EXISTING UNIFIED SCHOOL DISTRICTS | NUMBER OF SCHOOLS | DISTRICT ENROLLMENT | NUMBER OF ADMINISTRATORS | NUMBER OF DISTRICT BOARD TRUSTEES | 2009-2010 BUDGET |
|---|--------------------------|----------------------------|---------------------------------|--|-------------------------|
| Gilroy Unified School District | 16 | 10,408 | 13 | 7 | \$83,558,659 |
| Milpitas Unified School District | 14 | 9,495 | 16 | 5 | \$76,004,605 |
| Morgan Hill Unified School District | 15 | 9,232 | 21 | 7 | \$70,538,392 |
| Palo Alto Unified School District | 18 | 10,711 | 22 | 5 | \$154,154,127 |
| San Jose Unified School District | 43 | 30,978 | 29 | 5 | \$268,277,702 |
| Santa Clara Unified School District | 24 | 14,242 | 22 | 5 | \$127,983,685 |
| TOTALS | 130 | 85,066 | 123 | 34 | \$780,517,170 |

There are additional efficiencies to be realized by operating transportation, maintenance, IT, food, etc. for a single larger entity than for three, four, or five smaller separate entities. The administrative overhead for these functions does not grow linearly with their size. Millions of dollars have been saved in the cost of these operations by the Twin Rivers Unified School District in its recent unification in Sacramento County. Finally, there are additional savings due to the reduction of superintendents and trustees resulting from the consolidation of districts.

Education officials provided the Grand Jury with cost-savings estimates indicating that, through unification, a savings of five to ten percent can be achieved, with seven percent being the more likely number. The savings is comprised of administrative staff reductions and operational efficiencies. The savings range is consistent with that realized in Twin Rivers. Table 2a also estimates the cost savings to be realized by the recommended unifications. Assuming a seven percent savings rate, the dollars saved per newly unified district will range between \$6.3 and \$20.4 million dollars for the four newly formed districts.

The average total compensation (salary plus benefits) for an administrator in one of the existing unified districts is \$200,000. The average total compensation for a teacher in that same district is approximately \$80,000. At this rate, for every \$1 million in savings, 12.5 teachers could be retained or hired.

Education Benefits

The benefits of unification are not simply financial. Several superintendents advised the Grand Jury that the education experience is improved as a consequence of the flexibility afforded the district and the superintendent to:

1. Enhance communication between the high schools, middle, and elementary schools.

2. Make temporary assignments of high school teachers and middle school students to facilitate exceptional student learning opportunities. As an example, a high school language teacher can be assigned to a middle school for one or more hours a week to promote the learning experience of talented middle school students. Similarly, a very talented middle school student can be enrolled in a high school class.
3. Design middle school configurations (e.g., K-8, or 5-8, or 7-12) in recognition of the varied maturation rates of middle school age students.
4. Move students having difficulty into a new school to improve their education experience and performance.
5. Deploy the newly available financial resources to enable counselors and librarians as well as teachers to be retained.
6. Enhance program choices and restore previously cancelled or scaled back programs.

In addition, interviewees stressed that, with consolidation, the larger school districts will attract an expanded competitive pool of the best candidates for superintendent.

The education benefits listed above are being accomplished, or have been accomplished, by the Twin Rivers Unified School District. The district was merged two years ago from three elementary/middle school districts and one high school district into one K-12 district serving approximately 30,000 students. To deal with issues of communication, local control, and identity, the district has decentralized the administration to each of its four high schools. As a consequence, the high school provides a local presence for the district administration, offering easy access to the district administration and a local identity for students and parents.

The accountability for the K-12 education experience will be improved as a consequence of having one well-qualified superintendent responsible for the K-12 experience. At present, elementary/middle school districts may advance students into the high school districts with inconsistent education skill levels, which can create problems with the students' ability to succeed in their new environment. This leads to contention between high school and elementary school districts.

Unification/Consolidation Process

The Grand Jury considered several strategies for unification/consolidation. The Grand Jury respected the guidance of interviewees regarding "optimum" school district size. Interviewees advised that a population ranging from 15,000 to 30,000 students is optimum.

The Grand Jury recognizes the great difficulty associated with unification or consolidation. Depending upon the specifics, the Education Code identifies several paths to consolidation/unification that are substantively the same, but procedurally different. The Grand Jury acknowledges that there are various legal complexities involved in school reorganization in general, and unique issues that will be presented. These legal complexities are detailed, in part, in the California Department of Education's District Organization Handbook. (February 2009). By way of brief overview:

1. The respective boards of trustees must agree, or a percentage of the registered voters in each district must sign a petition, to a consolidation/unification and produce a resolution to that end. (Appendix B)
2. The California Education Code has ten criteria for consolidation/unification that need to be satisfied. (Appendix C)
3. The participation and concurrence of all the stakeholders in public education is required. The effort culminates in a vote of the electorate. In the public debate, issues about local control and identity will be raised. (Appendix B)
4. There are issues about disparate bond commitments, parcel taxes, labor agreements, and financial commitments among school districts that need to be addressed.
5. There are dollar costs associated with legal fees, hiring of facilitators, etc.

Consolidation in East Side Union High School District Feeder Districts

Grand Jury investigation shows efficiencies will also be realized with the consolidation of four elementary school districts into two union school districts. The recommended consolidations are shown in Table 3a. The union of these districts will make the districts stronger and offer the opportunity of a better education for the students. In this instance, the formation of union districts will consolidate districts that are very small and/or surrounded by the neighboring district. Small districts with single or few schools have very little flexibility.

Comparing the proposed consolidated districts with the existing elementary districts of similar size demonstrates the cost savings to be realized through consolidation. The required steps for unification and consolidation are the same.

Table 3b shows the districts that the Grand Jury suggests should not be unified. The unification of East Side Union High School District and its seven feeder elementary/middle school districts would create a district with a total student population of 84,000. The Grand Jury has concerns that a district of that size would be difficult to manage.

Table 3a

Proposed Union School Districts From Existing Feeder School Districts to East Side Union High School District

| PROPOSED UNION SCHOOL DISTRICTS | NUMBER OF SCHOOLS | DISTRICT ENROLLMENT | NUMBER OF ADMINISTRATORS | NUMBER OF DISTRICT BOARD TRUSTEES | 2009-2010 BUDGET | ESTIMATED 7% SAVINGS FOR PROPOSED DISTRICTS |
|---------------------------------|-------------------|---------------------|--------------------------|-----------------------------------|----------------------|---|
| Berryessa Union School District | 13 | 8,087 | 12 | - | \$57,035,559 | |
| Orchard School District | 1 | 829 | 4 | - | \$6,132,274 | |
| TOTALS | 14 | 8,916 | >16 | Est. 5 | \$63,167,833 | \$4,421,748 |
| Alum Rock Union School District | 28 | 12,827 | 23 | - | \$107,800,037 | |
| Mount Pleasant School District | 5 | 2,677 | 8 | - | \$22,552,364 | |
| TOTALS | 33 | 15,504 | >31 | Est. 5 | \$130,352,401 | \$9,124,668 |

Table 3b

Unchanged Districts That Feed East Side Union High School District

| UNCHANGED DISTRICTS | NUMBER OF SCHOOLS | DISTRICT ENROLLMENT | NUMBER OF ADMINISTRATORS | NUMBER OF DISTRICT BOARD TRUSTEES | 2009-2010 BUDGET |
|-----------------------------------|-------------------|---------------------|--------------------------|-----------------------------------|----------------------|
| Evergreen School District | 18 | 12,877 | 9 | 5 | \$95,891,927 |
| Franklin McKinley School District | 16 | 9,811 | 14 | 5 | \$81,440,935 |
| Oak Grove School District | 19 | 11,231 | 20 | 5 | \$85,966,500 |
| TOTALS | 53 | 33,919 | 43 | 15 | \$263,299,362 |

Conclusions

Consolidation or unification requires strong and effective leadership by the superintendents and school boards to guide school staff and community through the process, and to realize the projected **financial and education** benefits.

School districts within the county need to unify/consolidate to realize significant **financial** and **education** benefits. The Grand Jury recommends reducing school districts from 31 to 16, as shown in Tables 2a and 3a. The effort required to achieve consolidation is significant and time consuming but necessary to serve our children well.

Findings and Recommendations

Finding 1

Education and financial benefits can be achieved by consolidation and unification of certain county school districts.

Recommendation 1a

The Boards of Trustees should unify Cambrian School District, Campbell Union School District, Moreland School District, Union School District, and Luther Burbank School District with Campbell Union High School District.

Recommendation 1b

The Boards of Trustees should unify Lakeside Joint School District, Loma Prieta Joint Union School District, Los Gatos Union School District and Saratoga Union School District with Los Gatos-Saratoga High School District.

Recommendation 1c

The Boards of Trustees should unify Cupertino Union School District and Sunnyvale School District with Fremont Union High School District.

Recommendation 1d

The Boards of Trustees should unify Los Altos School District and Mountain View Whisman School District with Mountain View-Los Altos High School District.

Recommendation 1e

The Boards of Trustees should consolidate Alum Rock Union School District and Mount Pleasant School District to form a new elementary/middle school district.

Recommendation 1f

The Boards of Trustees should consolidate Berryessa Union School District and Orchard School District to form a new elementary/middle school district.

Appendix A

September 30, 2009

Name
President
Board of Trustees
Name of School District
Address
City, State Zip Code

Dear Board President and Members of the Board of Trustees:

The 2009-2010 Santa Clara County Civil Grand Jury is requesting the following information and documents:

- Provide a list all organizations to which the District Board and/or Superintendent currently belong. Please include the following:

Name of organization(s)

Dues paid by the District or reimbursed by the District

Frequency of Dues (Monthly, Quarterly, Annually)

Years of membership in organization

Designated attendees for each organization

What benefits do the memberships you have listed provide to your district?

- Copies of the contracts, any addendums and work agreements for the following positions:
 - a. Superintendent
 - b. Assistant Superintendents
 - c. Chief Business Officer or Chief Financial Officer
 - d. All Directors that report to the above positions
 - e. Contractors in the Administration office, including principals and others on special assignments

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- District policy and procedures regarding the reimbursement of expenses for the above positions.
- Copies of all expenses submitted for reimbursement by the above individuals and all board members for the past two years.
- Copies of all expenses relating to any off-site meetings and retreats.
- District's policy regarding vacation allotment (number of days per year), accrual of vacation time and pay-out for unused vacation time. How is vacation time tracked and documented.
- District's policy regarding number of sick days and/or personal days granted each year, accrual of sick days and/or personal days, and pay-out of unused days. How are sick leave and/or personal days tracked and documented?
- Provide financials for payments in the past two years for any accrued unused vacation, sick days and/or personal days for positions **a-e** above. Are these payments based on salary earned in the year of accrual or in the year of payment?

Please have the documents delivered to the Office of the Civil Grand Jury at 111 West St. John Street, Suite 100, San Jose CA, **no later than October 16, 2009.**

Sincerely,

ANGIE M. CARDOZA
Foreperson
2009-2010 Civil Grand Jury

Appendix B

Overview of the Process of Unification

(Based on information from the *School District Organization Handbook*, 2009, p. 44-52)

UNIFICATIONS INITIATED BY OWNERS OF UNINHABITED TERRITORY, A 25 PERCENT PETITION, OR A DISTRICT GOVERNING BOARD

1. Initiation of Proposals for Unification (*EC 35700*)
 - a. Petition signed by the owner(s) of uninhabited territory; or,
 - b. Petition signed by at least 25 percent of the registered voters in the inhabited territory proposed to be reorganized (if the territory proposed for reorganization is located within two or more school districts, the signatures of at least 25 percent of the registered voters from that territory in each school district are required); or,
 - c. Petition signed by a majority of the members of the governing boards of all affected districts; or,
 - d. Petition signed by a number of registered voters equaling 8 percent of the number of votes cast in the last gubernatorial election petition to reorganize a district with over 200,000 ADA into two or more districts.
2. Determination of Sufficiency and Transmittal of Petition Within 30 days of Receipt (*EC 35704*)
 - a. County superintendent must determine sufficiency of petition within 30 days.
 - b. A 25 percent or 8 percent petition must be verified by the county department of elections.
 - c. The county committee and the State Board of Education must be apprised of a sufficient petition.
3. Public Hearings (*EC 35705, 35705.5*). A public hearing in each affected district must be held by the county committee within 60 days of receipt of the petition.
4. Notice to Local Agency Formation Commission (*EC 35700.5*). Before initiating proceedings to consider any reorganization plan, the county committee on school district organization shall provide written notice of the proposed action to the local agency formation commission for the affected area.
5. County Committee Study of the Unification (*EC 35753*). The county committee must determine the impact of the unification on the conditions listed in *Education Code Section 35753*.

Appendix B – continued

6. Approval Process (*EC* 35706, 35707, 35752 through 35755)
 - a. Within 120 days of the first public hearing, the county committee must make a recommendation to approve or disapprove the petition.
 - b. The county committee may make a recommendation regarding the area of election.
 - c. The county committee transmits the petition, report, and recommendations to the State Board of Education.
 - d. The State Board of Education holds public hearings on CEQA and the unification proposal.
 - e. The State Board of Education approves or disapproves the petition.
 - f. If approval is given, the county superintendent calls an election in an area determined by the State Board of Education.

Appendix B - continued

UNIFICATION INITIATED BY 10% PETITION OR LOCAL AGENCY

1. Initiation of Proposals for Unification (*EC 35720, EC 35721*)
 - a. Petition signed by at least 10 percent of the registered voters of the entire district; or,
 - b. Petition signed by at least 5 percent of the registered voters to reorganize a district with over 200,000 ADA into two or more districts; or,
 - c. Resolution approved by a majority of the members of a city council, county board of supervisors, governing body of a special district, or local agency formation commission.
2. Preliminary Hearing (*EC 35721*)
 - a. Following the hearing, the county committee must grant or deny the petition.
 - b. If the petition is granted, the county committee must adopt tentative plans and recommendations.
3. Public Hearing (*EC 35720.5, 35721*). The county committee is required to hold a public hearing in the area proposed for reorganization. The public hearing should be held no later than 60 days after adopting a tentative recommendation.
4. Notice of Hearing (*EC 5362, 5363, 35705, 35705.5, 35720.5*). The county committee shall send a notice to the governing board of each school district involved and to the chief petitioners as appropriate at least ten days prior to the hearing. The notice must contain information about the time, place, and purpose of the hearing. The notice of the public hearing must be either:
 - a. Posted at three public places in the school districts involved and at every school in each school district involved, or
 - b. Published in a newspaper of general circulation published within the school district, or, if there is no such newspaper, then in any newspaper of general circulation that is regularly circulated in the district.

A description of any additions and amendments to the petition be made available to the public and to the governing boards affected by the petition at least ten days before the public hearing.

Appendix B - continued

5. Notice to Local Agency Formation Commission (*EC 35721.5*).

Before initiating proceedings to consider any reorganization plan, the county committee on school district organization shall provide written notice of the proposed action to the local agency formation commission for the affected area.

6. County Committee Study of the Unification (*EC 35706, 35709, 35710, 35722*). The county committee study must determine the impact of the unification on the conditions listed in *Education Code Section 35753*.

7. Approval Process (*EC 35722, 35752 through 35755*)

- a. Within 120 days of the first public hearing, the county committee shall make a final recommendation to approve or disapprove the petition.
- b. The county committee may make a recommendation regarding the area of election.
- c. The county committee transmits reports and recommendations to the State Board of Education.
- d. The State Board of Education holds public hearings on CEQA and the unification proposal.
- e. The State Board of Education approves or disapproves the petition.
- f. If approval is given, the county superintendent calls an election in an area determined by the State Board of Education.

Appendix B - continued

COUNTY COMMITTEE PLANS AND RECOMMENDATIONS FOR REORGANIZATION

1. Proposal formulated under the direction of SBE (*EC 35720*)
2. Public Hearing (*EC 35720.5, 35721*). The county committee is required to hold a public hearing in the area proposed for reorganization. The public hearing should be held no later than 60 days after adopting a tentative recommendation.
3. Notice of Hearing (*EC 5362, 5363, 35705, 35705.5, 35720.5*). The county committee shall send a notice to the governing board of each school district involved and to the chief petitioners as appropriate at least ten days prior to the hearing. The notice must contain information about the time, place, and purpose of the hearing. The notice of the public hearing must be either:
 - a. Posted at three public places in the school districts involved and at every school in each school district involved, or
 - b. Published in a newspaper of general circulation published within the school district, or, if there is no such newspaper, then in any newspaper of general circulation that is regularly circulated in the district.

A description of any additions and amendments to the petition be made available to the public and to the governing boards affected by the petition at least ten days before the public hearing.
4. Notice to Local Agency Formation Commission (*EC 35721.5*).

Before initiating proceedings to consider any reorganization plan, the county committee on school district organization shall provide written notice of the proposed action to the local agency formation commission for the affected area.
5. County Committee Study of the Unification (*EC 35706, 35709, 35710, 35722*). The county committee study must determine the impact of the reorganization on the conditions listed in *Education Code Section 35753*.
6. Approval Process (*EC 35722, 35752 through 35755*)
 - a. Within 120 days of the first public hearing, the county committee should make a final recommendation to approve or disapprove the petition.
 - b. The county committee may make a recommendation regarding the area of election, if required.

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- c. The county committee transmits reports and recommendations to the State Board of Education.
- d. The State Board of Education holds public hearings on CEQA and the reorganization proposal.
- e. The State Board of Education approves or disapproves the petition.
- f. If approval is given and an election is required, the county superintendent calls an election in an area determined by the State Board of Education.

Appendix C

California Educational Code Section 35753

(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:

- (1) The reorganized districts will be adequate in terms of number of pupils enrolled.
- (2) The districts are each organized on the basis of a substantial community identity.
- (3) The proposal will result in an equitable division of property and facilities of the original district or districts.
- (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.
- (5) Any increase in costs to the state as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.
- (6) The proposed reorganization will continue to promote sound education performance and will not significantly disrupt the education programs in the districts affected by the proposed reorganization.
- (7) Any increase in school facilities costs as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization.
- (8) The proposed reorganization is primarily designed for purposes other than to significantly increase property values.
- (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.
- (10) Any other criteria as the board may, by regulation, prescribe.

(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.

This report was **PASSED** and **ADOPTED** with a concurrence of at least 12 grand jurors on this 15th day of June, 2010.

Angie M. Cardoza
Foreperson

Judy B. Shaw
Foreperson pro tem