

Introduced by Senator Wyland

February 21, 2014

An act to amend Sections 41020, 42127, 42238.07, 52052, 52060, 52061, 52063, 52064, 52066, 52067, 52069, 52071, and 52071.5 of, and to add Section 54030 to, the Education Code, relating to schools.

LEGISLATIVE COUNSEL'S DIGEST

SB 1346, as amended, Wyland. Schools: accountability: local control and accountability plans.

(1) Existing law establishes the public school system in this state and, among other things, provides for the establishment of county superintendents of schools, school districts, and charter schools throughout the state. Existing law establishes a public school financing system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula, as specified. Existing law, by not later than May 1 of each fiscal year, requires the governing board of each local educational agency to provide for an audit of the books and accounts of the local educational agency, as specified.

This bill would require an audit of a local educational agency to also include whether expenditures were in compliance with the regulations related to the expenditure of moneys apportioned on the basis of the number and concentration of unduplicated pupils, as defined.

(2) Existing law requires the Superintendent of Public Instruction, with approval of the State Board of Education, to develop an Academic Performance Index to measure the performance of schools and school districts, especially the academic performance of pupils. Existing law

requires a school or school district to demonstrate comparable improvement in academic achievement as measured by the Academic Performance Index by all numerically significant pupil subgroups at the school or school district, as specified.

This bill would add reclassified English learners, as provided, to the list of pupil subgroups concerning which a school or school district is required to demonstrate this improvement, if the subgroup is numerically significant. By adding to the duties of local educational agencies, this bill would impose a state-mandated local program.

(3) Existing law requires the State Board of Education, on or before January 31, 2014, to adopt regulations that govern the expenditure of funds apportioned on the basis of the number and concentration of unduplicated pupils pursuant to the local control funding formula. Existing law requires the regulations to include provisions that, among other things, authorize a school district, county office of education, or charter school to use funds apportioned on the basis of the number of unduplicated pupils for schoolwide purposes, or, for school districts, districtwide purposes, for county offices of education, countywide purposes, or for charter schools, charterwide purposes, in a manner no more restrictive than the federal No Child Left Behind Act of 2011.

This bill would require the state board, on or before January 31, 2015, to revise those regulations to authorize a school district, county office of education, or charter school to use funds apportioned on the basis of both the number and concentration of unduplicated pupils for schoolwide purposes. The bill also would require the revised regulations to authorize a school district or county office of education to use funds apportioned on the basis of both the number and concentration of unduplicated pupils for districtwide or countywide purposes, respectively.

~~(3)~~

(4) Existing law requires a county board of education and a governing board of a school district to annually adopt or revise a local control and accountability plan that aligns with its annual budget and contains certain elements, including, among other elements, a description of the annual goals for all pupils and specified ~~subgroups~~ *subgroups* of pupils to be achieved for each specified state priority. Existing law requires a charter for a charter school to include many of the local control and accountability plan elements and requires the charter school to annually update its plan related to those elements.

Existing law, an initiative measure, requires that all children in public schools, with certain exceptions, be taught English by being taught in English, requires that all children be placed in English language classrooms, and requires that children who are English learners be educated through sheltered English immersion during a temporary transition period not normally intended to exceed one year.

This bill would revise provisions regarding local control and accountability plans, primarily in regard to English learners, including requiring each county superintendent of schools and the governing board of a school district to include a listing and description of certain expenditures in its local control and accountability plan, as specified. The bill would add to the list of state priorities the extent to which teachers, administrators, and staff receive professional development or participate in induction programs, including the type and subject areas of the professional development provided. By adding to the duties of local educational agencies, this bill would impose a state-mandated local program.

(4)

(5) Existing law, on or before March 31, 2014, requires the State Board of Education to adopt templates for use by school districts and county superintendents of schools to meet the ~~requirement~~ requirements of local control and accountability plans.

This bill ~~would~~ would, on or before March 31, 2015, require ~~the templates developed by the state board to~~, to adopt templates to, among other things, ensure that each school district, county superintendent of schools, or charter school that receives supplemental and concentration funds for unduplicated pupils include specified information in its local control and accountability plan.

(5)

(6) Existing law requires, on or before July 1 of each fiscal year, the governing board of each school district to, among other things, adopt a budget, as provided. Existing law requires the county superintendent of schools to determine whether the adopted budget includes the expenditures necessary to implement the local control and accountability plan or annual update to the local control and accountability plan approved by the county superintendent of schools.

This bill would require the county superintendent of schools to also determine whether the adopted budget complies with the regulations related to the expenditure of moneys apportioned on the basis of the number and concentration of unduplicated pupils, as defined.

~~(6)~~

(7) Existing law requires the governing board of a school district to establish a parent advisory committee to provide advice to the governing board of the school district and the superintendent of the school district, as specified. Existing law additionally requires the governing board of a school district to establish an English learner parent advisory committee if the enrollment of the school district includes at least 15% English learners and the school district enrolls at least 50 pupils who are English learners.

This bill would instead require the governing board of a school district to establish a districtwide parent advisory committee and, as a condition of state supplemental grant funds, if either the enrollment of the school district includes at least 15% English learners or the school district enrolls at least 50 pupils who are English learners, to establish a districtwide English learner parent advisory committee. The bill would require the districtwide English learner parent advisory committee to advise the governing board of the school district on specified tasks, including, among others, the establishment of school district goals and objectives for programs and services for English learners and school district reclassification procedures.

~~(7)~~

(8) Existing law requires a county superintendent of schools to establish an English learner parent advisory committee if the enrollment of the pupils in the schools and programs operated by the county superintendent of schools includes at least 15% English learners and the schools and programs operated by the county superintendent of schools enroll at least 50 pupils who are English learners.

This bill would instead require a county superintendent of schools to establish an English learner parent advisory committee if either the enrollment of the pupils in the schools and programs operated by the county superintendent of schools includes at least 15% English learners or the schools and programs operated by the county superintendent of schools enroll at least 50 pupils who are English learners.

~~(8)~~

(9) This bill would make other related and conforming changes and various nonsubstantive changes.

~~(9)~~

(10) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 41020 of the Education Code is amended
2 to read:

3 41020. (a) It is the intent of the Legislature to encourage sound
4 fiscal management practices among local educational agencies for
5 the most efficient and effective use of public funds for the
6 education of children in California by strengthening fiscal
7 accountability at the school district, county, and state levels.

8 (b) (1) Not later than the first day of May of each fiscal year,
9 each county superintendent of schools shall provide for an audit
10 of all funds under his or her jurisdiction and control and the
11 governing board of each local educational agency shall either
12 provide for an audit of the books and accounts of the local
13 educational agency, including an audit of income and expenditures
14 by source of funds, or make arrangements with the county
15 superintendent of schools having jurisdiction over the local
16 educational agency to provide for that auditing.

17 (2) A contract to perform the audit of a local educational agency
18 that has a disapproved budget or has received a negative
19 certification on any budget or interim financial report during the
20 current fiscal year or either of the two preceding fiscal years, or
21 for which the county superintendent of schools has otherwise
22 determined that a lack of going concern exists, is not valid unless
23 approved by the responsible county superintendent of schools and
24 the governing board.

25 (3) If the governing board of a local educational agency has not
26 provided for an audit of the books and accounts of the local
27 educational agency by April 1, the county superintendent of schools
28 having jurisdiction over the local educational agency shall provide
29 for the audit of each local educational agency.

1 (4) An audit conducted pursuant to this section shall comply
2 fully with the Government Auditing Standards issued by the
3 Comptroller General of the United States.

4 (5) For purposes of this section, “local educational agency” does
5 not include community colleges.

6 (c) Each audit conducted in accordance with this section shall
7 include all funds of the local educational agency, including the
8 student body and cafeteria funds and accounts and any other funds
9 under the control or jurisdiction of the local educational agency.
10 Each audit shall also include an audit of pupil attendance
11 procedures. Each audit shall include a determination of whether
12 funds were expended pursuant to a local control and accountability
13 plan or an approved annual update to a local control and
14 accountability plan pursuant to Article 4.5 (commencing with
15 Section 52060) of Chapter 6.1 of Part 28 of Division 4 and whether
16 expenditures were in compliance with the regulations adopted
17 pursuant to Section 42238.07.

18 (d) All audit reports for each fiscal year shall be developed and
19 reported using a format established by the Controller after
20 consultation with the Superintendent and the Director of Finance.

21 (e) (1) The cost of the audits provided for by the county
22 superintendent of schools shall be paid from the county school
23 service fund and the county superintendent of schools shall transfer
24 the pro rata share of the cost chargeable to each school district
25 from school district funds.

26 (2) The cost of the audit provided for by a governing board of
27 a local educational agency shall be paid from local educational
28 agency funds. The audit of the funds under the jurisdiction and
29 control of the county superintendent of schools shall be paid from
30 the county school service fund.

31 (f) (1) The audits shall be made by a certified public accountant
32 or a public accountant, licensed by the California Board of
33 Accountancy, and selected by the local educational agency, as
34 applicable, from a directory of certified public accountants and
35 public accountants deemed by the Controller as qualified to conduct
36 audits of local educational agencies, which shall be published by
37 the Controller not later than December 31 of each year.

38 (2) Commencing with the 2003–04 fiscal year and except as
39 provided in subdivision (d) of Section 41320.1, it is unlawful for
40 a public accounting firm to provide audit services to a local

1 educational agency if the lead audit partner, or coordinating audit
2 partner, having primary responsibility for the audit, or the audit
3 partner responsible for reviewing the audit, has performed audit
4 services for that local educational agency in each of the six previous
5 fiscal years. The Education Audits Appeal Panel may waive this
6 requirement if the panel finds that no otherwise eligible auditor is
7 available to perform the audit.

8 (3) It is the intent of the Legislature that, notwithstanding
9 paragraph (2), the rotation within public accounting firms conform
10 to provisions of the federal Sarbanes-Oxley Act of 2002 (Public
11 Law 107-204; 15 U.S.C. Sec. 7201 et seq.), and upon release of
12 the report required by the act of the Comptroller General of the
13 United States addressing the mandatory rotation of registered
14 public accounting firms, the Legislature intends to reconsider the
15 provisions of paragraph (2). In determining which certified public
16 accountants and public accountants shall be included in the
17 directory, the Controller shall use the following criteria:

18 (A) The certified public accountants or public accountants shall
19 be in good standing as certified by the California Board of
20 Accountancy.

21 (B) The certified public accountants or public accountants, as
22 a result of a quality control review conducted by the Controller
23 pursuant to Section 14504.2, shall not have been found to have
24 conducted an audit in a manner constituting noncompliance with
25 subdivision (a) of Section 14503.

26 (g) (1) The auditor's report shall include each of the following:

27 (A) A statement that the audit was conducted pursuant to
28 standards and procedures developed in accordance with Chapter
29 3 (commencing with Section 14500) of Part 9 of Division 1 of
30 Title 1.

31 (B) A summary of audit exceptions and management
32 improvement recommendations.

33 (C) Each audit of a local educational agency shall include an
34 evaluation by the auditor on whether there is substantial doubt
35 about the ability of the local educational agency to continue as a
36 going concern for a reasonable period of time. This evaluation
37 shall be based on the ~~Statement~~ *Statements* on Auditing Standards
38 (SAS) No. 59, as issued by the ~~AICPA~~ *American Institute of*
39 *Certified Public Accountants (AICPA)* regarding disclosure

1 requirements relating to the ability of the entity to continue as a
2 going concern.

3 (2) To the extent possible, a description of correction or plan
4 of correction shall be incorporated in the audit report, describing
5 the specific actions that are planned to be taken, or that have been
6 taken, to correct the problem identified by the auditor. The
7 descriptions of specific actions to be taken or that have been taken
8 shall not solely consist of general comments such as “will
9 implement,” “accepted the recommendation,” or “will discuss at
10 a later date.”

11 (h) Not later than December 15, a report of each local
12 educational agency audit for the preceding fiscal year shall be filed
13 with the county superintendent of schools of the county in which
14 the local educational agency is located, the department, and the
15 Controller. The Superintendent shall make any adjustments
16 necessary in future apportionments of all state funds, to correct
17 any audit exceptions revealed by those audit reports.

18 (i) (1) Commencing with the 2002–03 audit of local educational
19 agencies pursuant to this section and subdivision (d) of Section
20 41320.1, each county superintendent of schools shall be responsible
21 for reviewing the audit exceptions contained in an audit of a local
22 educational agency under his or her jurisdiction related to
23 attendance, inventory of equipment, internal control, and any
24 miscellaneous items, and determining whether the exceptions have
25 been either corrected or an acceptable plan of correction has been
26 developed.

27 (2) Commencing with the 2004–05 audit of local educational
28 agencies pursuant to this section and subdivision (d) of Section
29 41320.1, each county superintendent of schools shall include in
30 the review of audit exceptions performed pursuant to this
31 subdivision those audit exceptions related to use of instructional
32 materials program funds, teacher misassignments pursuant to
33 Section 44258.9, *and* information reported on the school
34 accountability report card required pursuant to Section ~~33126~~
35 *33126*, and shall determine whether the exceptions are either
36 corrected or an acceptable plan of correction has been developed.

37 (j) Upon submission of the final audit report to the governing
38 board of each local educational agency and subsequent receipt of
39 the audit by the county superintendent of schools having

1 jurisdiction over the local educational agency, the county office
2 of education shall do all of the following:

3 (1) Review audit exceptions related to attendance, inventory of
4 equipment, internal control, and other miscellaneous exceptions.
5 Attendance exceptions or issues shall include, but not be limited
6 to, those related to local control funding formula allocations
7 pursuant to Section 42238.02, as implemented by Section 42238.03,
8 and independent study.

9 (2) If a description of the correction or plan of correction has
10 not been provided as part of the audit required by this section, then
11 the county superintendent of schools shall notify the local
12 educational agency and request the governing board of the local
13 educational agency to provide to the county superintendent of
14 schools a description of the corrections or plan of correction by
15 March 15.

16 (3) Review the description of correction or plan of correction
17 and determine its adequacy. If the description of the correction or
18 plan of correction is not adequate, the county superintendent of
19 schools shall require the local educational agency to resubmit that
20 portion of its response that is inadequate.

21 (k) Each county superintendent of schools shall certify to the
22 Superintendent and the Controller, not later than May 15, that his
23 or her staff has reviewed all audits of local educational agencies
24 under his or her jurisdiction for the prior fiscal year, that all
25 exceptions that the county superintendent was required to review
26 were reviewed, and that all of those exceptions, except as otherwise
27 noted in the certification, have been corrected by the local
28 educational agency or that an acceptable plan of correction has
29 been submitted to the county superintendent of schools. In addition,
30 the county superintendent shall identify, by local educational
31 agency, any attendance-related audit exception or exceptions
32 involving state funds, and require the local educational agency to
33 which the audit exceptions were directed to submit appropriate
34 reporting forms for processing by the Superintendent.

35 (l) In the audit of a local educational agency for a subsequent
36 year, the auditor shall review the correction or plan or plans of
37 correction submitted by the local educational agency to determine
38 if the exceptions have been resolved. If not, the auditor shall
39 immediately notify the appropriate county office of education and
40 the department and restate the exception in the audit report. After

1 receiving that notification, the department shall either consult with
2 the local educational agency to resolve the exception or require
3 the county superintendent of schools to follow up with the local
4 educational agency.

5 (m) (1) The Superintendent shall be responsible for ensuring
6 that local educational agencies have either corrected or developed
7 plans of correction for any one or more of the following:

8 (A) All federal and state compliance audit exceptions identified
9 in the audit.

10 (B) Any exceptions that the county superintendent certifies as
11 of May 15 have not been corrected.

12 (C) Any repeat audit exceptions that are not assigned to a county
13 superintendent to correct.

14 (2) In addition, the Superintendent shall be responsible for
15 ensuring that county superintendents of schools and each county
16 board of education that serves as the governing board of a local
17 educational agency either correct all audit exceptions identified in
18 the audits of county superintendents of schools and of the local
19 educational agencies for which the county boards of education
20 serve as the governing boards or develop acceptable plans of
21 correction for those exceptions.

22 (3) The Superintendent shall report annually to the Controller
23 on his or her actions to ensure that school districts, county
24 superintendents of schools, and each county board of education
25 that serves as the governing board of a school district have either
26 corrected or developed plans of correction for any of the exceptions
27 noted pursuant to paragraph (1).

28 (n) To facilitate correction of the exceptions identified by the
29 audits issued pursuant to this section, commencing with 2002–03
30 audits pursuant to this section, the Controller shall require auditors
31 to categorize audit exceptions in each audit report in a manner that
32 will make it clear to both the county superintendent of schools and
33 the Superintendent which exceptions they are responsible for
34 ensuring the correction of by a local educational agency. In
35 addition, the Controller annually shall select a sampling of county
36 superintendents of schools and perform a followup of the audit
37 resolution process of those county superintendents of schools and
38 report the results of that followup to the Superintendent and the
39 county superintendents of schools that were reviewed.

1 (o) County superintendents of schools shall adjust subsequent
2 local property tax requirements to correct audit exceptions relating
3 to local educational agency tax rates and tax revenues.

4 (p) If a governing board or county superintendent of schools
5 fails or is unable to make satisfactory arrangements for the audit
6 pursuant to this section, the Controller shall make arrangements
7 for the audit and the cost of the audit shall be paid from local
8 educational agency funds or the county school service fund, as the
9 case may be.

10 (q) Audits of regional occupational centers and programs are
11 subject to the provisions of this section.

12 (r) This section does not authorize examination of, or reports
13 on, the curriculum used or provided for in any local educational
14 agency.

15 (s) Notwithstanding any other law, an auditing, management,
16 or other consulting service to be provided to a local educational
17 agency by a certified public accounting firm while the certified
18 public accounting firm is performing an audit of the agency
19 pursuant to this section must be in accord with Government
20 Accounting Standards, Amendment No. 3, as published by the
21 United States General Accounting Office.

22 SEC. 2. Section 42127 of the Education Code is amended to
23 read:

24 42127. (a) On or before July 1 of each year, the governing
25 board of each school district shall accomplish the following:

26 (1) Hold a public hearing on the budget to be adopted for the
27 subsequent fiscal year. The budget to be adopted shall be prepared
28 in accordance with Section 42126. The agenda for that hearing
29 shall be posted at least 72 hours before the public hearing and shall
30 include the location where the budget will be available for public
31 inspection.

32 (A) For the 2011–12 fiscal year, notwithstanding any of the
33 standards and criteria adopted by the state board pursuant to Section
34 33127, each school district budget shall project the same level of
35 revenue per unit of average daily attendance as it received in the
36 2010–11 fiscal year and shall maintain staffing and program levels
37 commensurate with that level.

38 (B) For the 2011–12 fiscal year, the school district shall not be
39 required to demonstrate that it is able to meet its financial
40 obligations for the two subsequent fiscal years.

1 (2) Adopt a budget. Not later than five days after that adoption
2 or by July 1, whichever occurs first, the governing board of the
3 school district shall file that budget with the county superintendent
4 of schools. The budget and supporting data shall be maintained
5 and made available for public review. If the governing board of
6 the school district does not want all or a portion of the property
7 tax requirement levied for the purpose of making payments for the
8 interest and redemption charges on indebtedness as described in
9 paragraph (1) or (2) of subdivision (b) of Section 1 of Article
10 XIII A of the California Constitution, the budget shall include a
11 statement of the amount or portion for which a levy shall not be
12 made. For the 2014–15 fiscal year and each fiscal year thereafter,
13 the governing board of the school district shall not adopt a budget
14 before the governing board of the school district adopts a local
15 control and accountability plan, if an existing local control and
16 accountability plan or annual update to a local control and
17 accountability plan is not effective for the budget year. The
18 governing board of a school district shall not adopt a budget that
19 does not include the expenditures necessary to implement the local
20 control and accountability plan or the annual update to a local
21 control and accountability plan that is effective during the
22 subsequent fiscal year.

23 (b) The county superintendent of schools may accept changes
24 in any statement included in the budget, pursuant to subdivision
25 (a), of the amount or portion for which a property tax levy shall
26 not be made. The county superintendent of schools or the county
27 auditor shall compute the actual amounts to be levied on the
28 property tax rolls of the school district for purposes that exceed
29 apportionments to the school district pursuant to Chapter 6
30 (commencing with Section 95) of Part 0.5 of Division 1 of the
31 Revenue and Taxation Code. Each school district shall provide all
32 data needed by the county superintendent of schools or the county
33 auditor to compute the amounts. On or before August 15, the
34 county superintendent of schools shall transmit the amounts
35 computed to the county auditor who shall compute the tax rates
36 necessary to produce the amounts. On or before September 1, the
37 county auditor shall submit the rate computed to the board of
38 supervisors for adoption.

39 (c) The county superintendent of schools shall do all of the
40 following:

1 (1) Examine the adopted budget to determine whether it
2 complies with the standards and criteria adopted by the state board
3 pursuant to Section 33127 for application to final local educational
4 agency budgets. The county superintendent of schools shall
5 identify, if necessary, technical corrections that are required to be
6 made to bring the budget into compliance with those standards
7 and criteria.

8 (2) Determine whether the adopted budget will allow the school
9 district to meet its financial obligations during the fiscal year and
10 is consistent with a financial plan that will enable the school district
11 to satisfy its multiyear financial commitments. In addition to his
12 or her own analysis of the budget of each school district, the county
13 superintendent of schools shall review and consider studies, reports,
14 evaluations, or audits of the school district that were commissioned
15 by the school district, the county superintendent of schools, the
16 Superintendent, and state control agencies and that contain
17 evidence that the school district is showing fiscal distress under
18 the standards and criteria adopted in Section 33127 or that contain
19 a finding by an external reviewer that more than 3 of the 15 most
20 common predictors of a school district needing intervention, as
21 determined by the County Office Fiscal Crisis and Management
22 Assistance Team, are present. The county superintendent of schools
23 shall either conditionally approve or disapprove a budget that does
24 not provide adequate assurance that the school district will meet
25 its current and future obligations and resolve any problems
26 identified in studies, reports, evaluations, or audits described in
27 this paragraph.

28 (3) Determine whether the adopted budget includes the
29 expenditures necessary to implement the local control and
30 accountability plan or annual update to the local control and
31 accountability plan approved by the county superintendent of
32 schools and whether those expenditures comply with the
33 regulations adopted pursuant to Section 42238.07.

34 (d) (1) On or before August 15, the county superintendent of
35 schools shall approve, conditionally approve, or disapprove the
36 adopted budget for each school district. For the ~~2014-15~~ 2015-16
37 fiscal year and each fiscal year thereafter, the county superintendent
38 of schools shall disapprove a budget if the county superintendent
39 of schools determines that the budget does not include the
40 expenditures necessary to implement a local control and

1 accountability plan or an annual update to the local control and
2 accountability plan approved by the county superintendent of
3 schools or does not comply with the regulations adopted pursuant
4 to Section 42238.07. If a school district does not submit a budget
5 to the county superintendent of schools, the county superintendent
6 of schools shall develop, at school district expense, a budget for
7 that school district by September 15 and transmit that budget to
8 the governing board of the school district. The budget prepared
9 by the county superintendent of schools shall be deemed adopted,
10 unless the county superintendent of schools approves any
11 modifications made by the governing board of the school district.
12 The approved budget shall be used as a guide for the school
13 district's priorities. The Superintendent shall review and certify
14 the budget approved by the county. If, pursuant to the review
15 conducted pursuant to subdivision (c), the county superintendent
16 of schools determines that the adopted budget for a school district
17 does not satisfy paragraph (1), (2), or (3) of that subdivision, he
18 or she shall conditionally approve or disapprove the budget and,
19 not later than August 15, transmit to the governing board of the
20 school district, in writing, his or her recommendations regarding
21 revision of the budget and the reasons for those recommendations,
22 including, but not limited to, the amounts of any budget
23 adjustments needed before he or she can approve that budget. The
24 county superintendent of schools may assign a fiscal adviser to
25 assist the school district to develop a budget in compliance with
26 those revisions. In addition, the county superintendent of schools
27 may appoint a committee to examine and comment on the
28 superintendent's review and recommendations, subject to the
29 requirement that the committee report its findings to the county
30 superintendent of schools no later than August 20. For the 2011–12
31 fiscal year, notwithstanding any of the standards and criteria
32 adopted by the state board pursuant to Section 33127, the county
33 superintendent of schools, as a condition on approval of a school
34 district budget, shall not require a school district to project a lower
35 level of revenue per unit of average daily attendance than it
36 received in the 2010–11 fiscal year nor require the school district
37 to demonstrate that it is able to meet its financial obligations for
38 the two subsequent fiscal years.

39 (2) Notwithstanding any other provision of this article, for the
40 2014–15 fiscal year and each fiscal year thereafter, the budget

1 shall not be adopted or approved by the county superintendent of
2 schools before a local control and accountability plan or update to
3 an existing local control and accountability plan for the budget
4 year is approved.

5 (e) On or before September 8, the governing board of the school
6 district shall revise the adopted budget to reflect changes in
7 projected income or expenditures subsequent to July 1, and to
8 include any response to the recommendations of the county
9 superintendent of schools, shall adopt the revised budget, and shall
10 file the revised budget with the county superintendent of schools.
11 Before revising the budget, the governing board of the school
12 district shall hold a public hearing regarding the proposed revisions,
13 to be conducted in accordance with Section 42103. In addition, if
14 the adopted budget is disapproved pursuant to subdivision (d), the
15 governing board of the school district and the county
16 superintendent of schools shall review the disapproval and the
17 recommendations of the county superintendent of schools regarding
18 revision of the budget at the public hearing. The revised budget
19 and supporting data shall be maintained and made available for
20 public review.

21 (1) For the 2011–12 fiscal year, notwithstanding any of the
22 standards and criteria adopted by the state board pursuant to Section
23 33127, each school district budget shall project the same level of
24 revenue per unit of average daily attendance as it received in the
25 2010–11 fiscal year and shall maintain staffing and program levels
26 commensurate with that level.

27 (2) For the 2011–12 fiscal year, the school district shall not be
28 required to demonstrate that it is able to meet its financial
29 obligations for the two subsequent fiscal years.

30 (f) On or before September 22, the county superintendent of
31 schools shall provide a list to the Superintendent identifying all
32 school districts for which budgets may be disapproved.

33 (g) (1) The county superintendent of schools shall examine the
34 revised budget to determine whether it (A) complies with the
35 standards and criteria adopted by the state board pursuant to Section
36 33127 for application to final local educational agency budgets,
37 (B) allows the school district to meet its financial obligations during
38 the fiscal year, (C) satisfies all conditions established by the county
39 superintendent of schools in the case of a conditionally approved
40 budget, and (D) is consistent with a financial plan that will enable

1 the school district to satisfy its multiyear financial commitments,
2 and, not later than October 8, shall approve or disapprove the
3 revised budget. If the county superintendent of schools disapproves
4 the budget, he or she shall call for the formation of a budget review
5 committee pursuant to Section 42127.1, unless the governing board
6 of the school district and the county superintendent of schools
7 agree to waive the requirement that a budget review committee be
8 formed and the department approves the waiver after determining
9 that a budget review committee is not necessary. Upon the grant
10 of a waiver, the county superintendent of schools immediately has
11 the authority and responsibility provided in Section 42127.3. Upon
12 approving a waiver of the budget review committee, the department
13 shall ensure that a balanced budget is adopted for the school district
14 by November 30. If no budget is adopted by November 30, the
15 Superintendent may adopt a budget for the school district. The
16 Superintendent shall report to the Legislature and the Director of
17 Finance by December 10 if any school district, including a school
18 district that has received a waiver of the budget review committee
19 process, does not have an adopted budget by November 30. This
20 report shall include the reasons why a budget has not been adopted
21 by the deadline, the steps being taken to finalize budget adoption,
22 the date the adopted budget is anticipated, and whether the
23 Superintendent has or will exercise his or her authority to adopt a
24 budget for the school district. For the 2011–12 fiscal year,
25 notwithstanding any of the standards and criteria adopted by the
26 state board pursuant to Section 33127, the county superintendent
27 of schools, as a condition on approval of a school district budget,
28 shall not require a school district to project a lower level of revenue
29 per unit of average daily attendance than it received in the 2010–11
30 fiscal year nor require the school district to demonstrate that it is
31 able to meet its financial obligations for the two subsequent fiscal
32 years.

33 (2) Notwithstanding any other law, for the 2014–15 fiscal year
34 and each fiscal year thereafter, if the county superintendent of
35 schools disapproves the budget for the sole reason that the county
36 superintendent of schools has not approved a local control and
37 accountability plan or an annual update to the local control and
38 accountability plan filed by the school district pursuant to Section
39 52061, the county superintendent of schools shall not call for the

1 formation of a budget review committee pursuant to Section
2 42127.1.

3 (h) Not later than October 8, the county superintendent of
4 schools shall submit a report to the Superintendent identifying all
5 school districts for which budgets have been disapproved or budget
6 review committees waived. The report shall include a copy of the
7 written response transmitted to each of those school districts
8 pursuant to paragraph (1) of subdivision (d).

9 (i) Notwithstanding any other provision of this section, the
10 budget review for a school district shall be governed by paragraphs
11 (1), (2), and (3), rather than by subdivisions (e) and (g), if the
12 governing board of the school district so elects and notifies the
13 county superintendent of schools in writing of that decision, not
14 later than October 31 of the immediately preceding calendar year.
15 On or before July 1, the governing board of a school district for
16 which the budget review is governed by this subdivision, rather
17 than by subdivisions (e) and (g), shall conduct a public hearing
18 regarding its proposed budget in accordance with Section 42103.

19 (1) If the adopted budget of a school district is disapproved
20 pursuant to subdivision (d), on or before September 8, the
21 governing board of the school district, in conjunction with the
22 county superintendent of schools, shall review the superintendent's
23 recommendations at a regular meeting of the governing board of
24 the school district and respond to those recommendations. The
25 response shall include any revisions to the adopted budget and
26 other proposed actions to be taken, if any, as a result of those
27 recommendations.

28 (2) On or before September 22, the county superintendent of
29 schools shall provide a list to the Superintendent identifying all
30 school districts for which a budget may be tentatively disapproved.

31 (3) Not later than October 8, after receiving the response
32 required under paragraph (1), the county superintendent of schools
33 shall review that response and either approve or disapprove the
34 budget. Except as provided in paragraph (2) of subdivision (g), if
35 the county superintendent of schools disapproves the budget, he
36 or she shall call for the formation of a budget review committee
37 pursuant to Section 42127.1, unless the governing board of the
38 school district and the county superintendent of schools agree to
39 waive the requirement that a budget review committee be formed
40 and the department approves the waiver after determining that a

1 budget review committee is not necessary. Upon the grant of a
2 waiver, the county superintendent has the authority and
3 responsibility provided to a budget review committee in Section
4 42127.3. Upon approving a waiver of the budget review committee,
5 the department shall ensure that a balanced budget is adopted for
6 the school district by November 30. The Superintendent shall
7 report to the Legislature and the Director of Finance by December
8 10 if any school district, including a school district that has received
9 a waiver of the budget review committee process, does not have
10 an adopted budget by November 30. This report shall include the
11 reasons why a budget has not been adopted by the deadline, the
12 steps being taken to finalize budget adoption, and the date the
13 adopted budget is anticipated. For the 2011–12 fiscal year,
14 notwithstanding any of the standards and criteria adopted by the
15 state board pursuant to Section 33127, the county superintendent
16 of schools, as a condition on approval of a school district budget,
17 shall not require a school district to project a lower level of revenue
18 per unit of average daily attendance than it received in the 2010–11
19 fiscal year nor require the school district to demonstrate that it is
20 able to meet its financial obligations for the two subsequent fiscal
21 years.

22 (4) Not later than 45 days after the Governor signs the annual
23 Budget Act, the school district shall make available for public
24 review any revisions in revenues and expenditures that it has made
25 to its budget to reflect the funding made available by that Budget
26 Act.

27 (j) Any school district for which the county board of education
28 serves as the governing board of the school district is not subject
29 to subdivisions (c) to (h), inclusive, but is governed instead by the
30 budget procedures set forth in Section 1622.

31 SEC. 3. Section 42238.07 of the Education Code is amended
32 to read:

33 42238.07. (a) On or before January 31, 2014, the state board
34 shall adopt regulations that govern the expenditure of funds
35 apportioned on the basis of the number and concentration of
36 unduplicated pupils pursuant to Sections 2574, 2575, 42238.02,
37 and 42238.03. The regulations shall include, but are not limited
38 to, provisions that do ~~at~~ *both* of the following:

39 (1) Require a school district, county office of education, or
40 charter school to increase or improve services for unduplicated

1 pupils in proportion to the increase in funds apportioned on the
2 basis of the number and concentration of unduplicated pupils in
3 the school district, county office of education, or charter school.

4 ~~(2) Authorize a school district, county office of education, or~~
5 ~~charter school to use funds apportioned on the basis of the number~~
6 ~~and concentration of unduplicated pupils for schoolwide purposes.~~
7 ~~The regulations governing the expenditures of moneys~~
8 ~~for schoolwide purposes shall not be more restrictive than the~~
9 ~~restrictions provided for in Title I of the federal No Child Left~~
10 ~~Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).~~

11 ~~(3) Authorize a school district or county office of education to~~
12 ~~use of funds apportioned on the basis of the number and~~
13 ~~concentration of unduplicated pupils, for school districts, for~~
14 ~~districtwide purposes, or, for county offices of education, for~~
15 ~~countywide purposes.~~

16 *(b) On or before January 31, 2015, the state board shall revise*
17 *the regulations adopted pursuant to subdivision (a) to do both of*
18 *the following:*

19 *(1) Authorize a school district, county office of education, or*
20 *charter school to use funds apportioned on the basis of the number*
21 *and concentration of unduplicated pupils for schoolwide purposes.*
22 *The regulations governing the expenditures of moneys for*
23 *schoolwide purposes shall not be more restrictive than the*
24 *restrictions provided for in Title I of the federal No Child Left*
25 *Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).*

26 *(2) Authorize a school district or county office of education to*
27 *use funds apportioned on the basis of the number and concentration*
28 *of unduplicated pupils, for school districts, for districtwide*
29 *purposes, or, for county offices of education, for countywide*
30 *purposes.*

31 ~~(b)~~

32 *(c) The state board may adopt emergency regulations for*
33 *purposes of this section.*

34 SEC. 4. Section 52052 of the Education Code is amended to
35 read:

36 52052. (a) (1) The Superintendent, with approval of the state
37 board, shall develop an Academic Performance Index (API), to
38 measure the performance of schools and school districts, especially
39 the academic performance of pupils.

1 (2) A school or school district shall demonstrate comparable
2 improvement in academic achievement as measured by the API
3 by all numerically significant pupil subgroups at the school or
4 school district, including:

- 5 (A) Ethnic subgroups.
- 6 (B) Socioeconomically disadvantaged pupils.
- 7 (C) English learners.
- 8 (D) Pupils with disabilities.
- 9 (E) Foster youth.
- 10 (F) Reclassified English learners. The inclusion of reclassified
11 English learners in the API shall, at a minimum, be consistent with
12 the manner in which reclassified English learners are included in
13 the determination of adequate yearly progress, as required by
14 Section 6311(b)(2)(B) of the federal No Child Left Behind Act of
15 2001 (20 U.S.C. Sec. 6301 et seq.).

16 (3) (A) For purposes of this section, a numerically significant
17 pupil subgroup is one that consists of at least 30 pupils, each of
18 whom has a valid test score.

19 (B) Notwithstanding subparagraph (A), for a subgroup of pupils
20 who are foster youth, a numerically significant pupil subgroup is
21 one that consists of at least 15 pupils.

22 (C) For a school or school district with an API score that is
23 based on no fewer than 11 and no more than 99 pupils with valid
24 test scores, numerically significant pupil subgroups shall be defined
25 by the Superintendent, with approval by the state board.

26 (4) (A) The API shall consist of a variety of indicators currently
27 reported to the department, including, but not limited to, the results
28 of the achievement test administered pursuant to Section 60640,
29 attendance rates for pupils in elementary schools, middle schools,
30 and secondary schools, and the graduation rates for pupils in
31 secondary schools.

32 (B) The Superintendent, with the approval of the state board,
33 may also incorporate into the API the rates at which pupils
34 successfully promote from one grade to the next in middle school
35 and high school, and successfully matriculate from middle school
36 to high school.

37 (C) Graduation rates for pupils in secondary schools shall be
38 calculated for the API as follows:

39 (i) Four-year graduation rates shall be calculated by taking the
40 number of pupils who graduated on time for the current school

1 year, which is considered to be three school years after the pupils
2 entered grade 9 for the first time, and dividing that number by the
3 total calculated in clause (ii).

4 (ii) The number of pupils entering grade 9 for the first time in
5 the school year three school years before the current school year,
6 plus the number of pupils who transferred into the class graduating
7 at the end of the current school year between the school year that
8 was three school years before the current school year and the date
9 of graduation, less the number of pupils who transferred out of the
10 school between the school year that was three school years before
11 the current school year and the date of graduation who were
12 members of the class that is graduating at the end of the current
13 school year.

14 (iii) Five-year graduation rates shall be calculated by taking the
15 number of pupils who graduated on time for the current school
16 year, which is considered to be four school years after the pupils
17 entered grade 9 for the first time, and dividing that number by the
18 total calculated in clause (iv).

19 (iv) The number of pupils entering grade 9 for the first time in
20 the school year four years before the current school year, plus the
21 number of pupils who transferred into the class graduating at the
22 end of the current school year between the school year that was
23 four school years before the current school year and the date of
24 graduation, less the number of pupils who transferred out of the
25 school between the school year that was four years before the
26 current school year and the date of graduation who were members
27 of the class that is graduating at the end of the current school year.

28 (v) Six-year graduation rates shall be calculated by taking the
29 number of pupils who graduated on time for the current school
30 year, which is considered to be five school years after the pupils
31 entered grade 9 for the first time, and dividing that number by the
32 total calculated in clause (vi).

33 (vi) The number of pupils entering grade 9 for the first time in
34 the school year five years before the current school year, plus the
35 number of pupils who transferred into the class graduating at the
36 end of the current school year between the school year that was
37 five school years before the current school year and the date of
38 graduation, less the number of pupils who transferred out of the
39 school between the school year that was five years before the

1 current school year and the date of graduation who were members
2 of the class that is graduating at the end of the current school year.

3 (D) The inclusion of five- and six-year graduation rates for
4 pupils in secondary schools shall meet the following requirements:

5 (i) Schools and school districts shall be granted one-half the
6 credit in their API scores for graduating pupils in five years that
7 they are granted for graduating pupils in four years.

8 (ii) Schools and school districts shall be granted one-quarter the
9 credit in their API scores for graduating pupils in six years that
10 they are granted for graduating pupils in four years.

11 (iii) Notwithstanding clauses (i) and (ii), schools and school
12 districts shall be granted full credit in their API scores for
13 graduating in five or six years a pupil with disabilities who
14 graduates in accordance with his or her individualized education
15 program.

16 (E) The pupil data collected for the API that comes from the
17 achievement test administered pursuant to Section 60640 and the
18 high school exit examination administered pursuant to Section
19 60851, when fully implemented, shall be disaggregated by special
20 education status, English learners, socioeconomic status, gender,
21 and ethnic group. Only the test scores of pupils who were counted
22 as part of the enrollment in the annual data collection of the
23 California Basic Educational Data System for the current fiscal
24 year and who were continuously enrolled during that year may be
25 included in the test result reports in the API score of the school.

26 (F) (i) Commencing with the baseline API calculation in 2016,
27 and for each year thereafter, results of the achievement test and
28 other tests specified in subdivision (b) shall constitute no more
29 than 60 percent of the value of the index for secondary schools.

30 (ii) In addition to the elements required by this paragraph, the
31 Superintendent, with approval of the state board, may incorporate
32 into the index for secondary schools valid, reliable, and stable
33 measures of pupil preparedness for postsecondary education and
34 career.

35 (G) Results of the achievement test and other tests specified in
36 subdivision (b) shall constitute at least 60 percent of the value of
37 the index for primary schools and middle schools.

38 (H) It is the intent of the Legislature that the state's system of
39 public school accountability be more closely aligned with both the
40 public's expectations for public education and the workforce needs

1 of the state’s economy. It is therefore necessary that the
2 accountability system evolve beyond its narrow focus on pupil test
3 scores to encompass other valuable information about school
4 performance, including, but not limited to, pupil preparedness for
5 college and career, as well as the high school graduation rates
6 already required by law.

7 (I) The Superintendent shall annually determine the accuracy
8 of the graduation rate data. Notwithstanding any other law,
9 graduation rates for pupils in dropout recovery high schools shall
10 not be included in the API. For purposes of this subparagraph,
11 “dropout recovery high school” means a high school in which 50
12 percent or more of its pupils have been designated as dropouts
13 pursuant to the exit/withdrawal codes developed by the department
14 or left a school and were not otherwise enrolled in a school for a
15 period of at least 180 days.

16 (J) To complement the API, the Superintendent, with the
17 approval of the state board, may develop and implement a program
18 of school quality review that features locally convened panels to
19 visit schools, observe teachers, interview pupils, and examine pupil
20 work, if an appropriation for this purpose is made in the annual
21 Budget Act.

22 (K) The Superintendent shall annually provide to local
23 educational agencies and the public a transparent and
24 understandable explanation of the individual components of the
25 API and their relative values within the API.

26 (L) An additional element chosen by the Superintendent and
27 the state board for inclusion in the API pursuant to this paragraph
28 shall not be incorporated into the API until at least one full school
29 year after the state board’s decision to include the element into the
30 API.

31 (b) Pupil scores from the following tests, when available and
32 when found to be valid and reliable for this purpose, shall be
33 incorporated into the API:

34 (1) The standards-based achievement tests provided for in
35 Section 60642.5.

36 (2) The high school exit examination.

37 (c) Based on the API, the Superintendent shall develop, and the
38 state board shall adopt, expected annual percentage growth targets
39 for all schools based on their API baseline score from the previous
40 year. Schools are expected to meet these growth targets through

1 effective allocation of available resources. For schools below the
2 statewide API performance target adopted by the state board
3 pursuant to subdivision (d), the minimum annual percentage growth
4 target shall be 5 percent of the difference between the actual API
5 score of a school and the statewide API performance target, or one
6 API point, whichever is greater. Schools at or above the statewide
7 API performance target shall have, as their growth target,
8 maintenance of their API score above the statewide API
9 performance target. However, the state board may set differential
10 growth targets based on grade level of instruction and may set
11 higher growth targets for the lowest performing schools because
12 they have the greatest room for improvement. To meet its growth
13 target, a school shall demonstrate that the annual growth in its API
14 is equal to or more than its schoolwide annual percentage growth
15 target and that all numerically significant pupil subgroups, as
16 defined in subdivision (a), are making comparable improvement.

17 (d) Upon adoption of state performance standards by the state
18 board, the Superintendent shall recommend, and the state board
19 shall adopt, a statewide API performance target that includes
20 consideration of performance standards and represents the
21 proficiency level required to meet the state performance target.

22 (e) (1) A school or school district with 11 to 99 pupils with
23 valid test scores shall receive an API score with an asterisk that
24 indicates less statistical certainty than API scores based on 100 or
25 more test scores.

26 (2) A school or school district annually shall receive an API
27 score, unless the Superintendent determines that an API score
28 would be an invalid measure of the performance of the school or
29 school district for one or more of the following reasons:

30 (A) Irregularities in testing procedures occurred.

31 (B) The data used to calculate the API score of the school or
32 school district are not representative of the pupil population at the
33 school or school district.

34 (C) Significant demographic changes in the pupil population
35 render year-to-year comparisons of pupil performance invalid.

36 (D) The department discovers or receives information indicating
37 that the integrity of the API score has been compromised.

38 (E) Insufficient pupil participation in the assessments included
39 in the API.

1 (F) A transition to new standards-based assessments
2 compromises comparability of results across schools or school
3 districts. The Superintendent may use the authority in this
4 subparagraph in the 2013–14 and 2014–15 school years only, with
5 approval of the state board.

6 (3) If a school or school district has fewer than 100 pupils with
7 valid test scores, the calculation of the API or adequate yearly
8 progress pursuant to the federal No Child Left Behind Act of 2001
9 (20 U.S.C. Sec. 6301 et seq.) and federal regulations may be
10 calculated over more than one annual administration of the tests
11 administered pursuant to Section 60640 and the high school exit
12 examination administered pursuant to Section 60851, consistent
13 with regulations adopted by the state board.

14 (4) Any school or school district that does not receive an API
15 calculated pursuant to subparagraph (F) of paragraph (2) shall not
16 receive an API growth target pursuant to subdivision (c). Schools
17 and school districts that do not have an API calculated pursuant
18 to subparagraph (F) of paragraph (2) shall use one of the following:

19 (A) The most recent API calculation.

20 (B) An average of the three most recent annual API calculations.

21 (C) Alternative measures that show increases in pupil academic
22 achievement for all groups of pupils schoolwide and among
23 significant subgroups.

24 (f) Only schools with 100 or more test scores contributing to
25 the API may be included in the API rankings.

26 (g) The Superintendent, with the approval of the state board,
27 shall develop an alternative accountability system for schools under
28 the jurisdiction of a county board of education or a county
29 superintendent of schools, community day schools, nonpublic,
30 nonsectarian schools pursuant to Section 56366, and alternative
31 schools serving high-risk pupils, including continuation high
32 schools and opportunity schools. Schools in the alternative
33 accountability system may receive an API score, but shall not be
34 included in the API rankings.

35 (h) For purposes of this section, county offices of education
36 shall be considered school districts.

37 SEC. 5. Section 52060 of the Education Code is amended to
38 read:

1 52060. (a) On or before July 1, 2014, the governing board of
2 each school district shall adopt a local control and accountability
3 plan using a template adopted by the state board.

4 (b) A local control and accountability plan adopted by a
5 governing board of a school district shall be effective for a period
6 of three years, and shall be updated on or before July 1 of each
7 year.

8 (c) A local control and accountability plan adopted by a
9 governing board of a school district shall include, for the school
10 district and each school within the school district, all of the
11 following:

12 (1) A description of the annual goals, for all pupils and each
13 subgroup of pupils identified pursuant to Section 52052, to be
14 achieved for each of the state priorities identified in subdivision
15 (d) and for any additional local priorities identified by the
16 governing board of the school district. For purposes of this article,
17 a subgroup of pupils identified pursuant to Section 52052 shall be
18 a numerically significant pupil subgroup as specified in paragraphs
19 (2) and (3) of subdivision (a) of Section 52052.

20 (2) A description of the specific actions the school district will
21 take during each year of the local control and accountability plan
22 to achieve the goals identified in paragraph (1), including the
23 enumeration of any specific actions necessary for that year to
24 correct any deficiencies in regard to the state priorities listed in
25 paragraph (1) of subdivision (d). The specific actions shall not
26 supersede the provisions of existing local collective bargaining
27 agreements within the jurisdiction of the school district.

28 (3) ~~A~~ *Beginning with the 2015–16 fiscal year, and each year*
29 *thereafter the local control and accountability plan is updated, a*
30 *listing and description of the expenditures for the ~~initial~~ fiscal year*
31 *implementing the specific actions included in the local control and*
32 *accountability plan.*

33 (4) ~~A~~ *Beginning with the 2015–16 fiscal year, and each year*
34 *thereafter the local control and accountability plan is updated, a*
35 *listing and description of the expenditures for the ~~initial~~ fiscal year*
36 *that will serve pupils to whom one or more of the definitions in*
37 *Section 42238.01 apply, and pupils reclassified as fluent English*
38 *proficient.*

39 (d) All of the following are state priorities:

1 (1) The degree to which the teachers of the school district are
2 appropriately assigned in accordance with Section 44258.9, and
3 fully credentialed in the subject areas, and, for the pupils they are
4 teaching, every pupil in the school district has sufficient access to
5 the standards-aligned instructional materials as determined pursuant
6 to Section 60119, and school facilities are maintained in good
7 repair as specified in subdivision (d) of Section 17002.

8 (2) Implementation of the academic content and performance
9 standards adopted by the state board, including how the programs
10 and services will enable English learners to access the common
11 core academic content standards adopted pursuant to Section
12 60605.8 and the English language development standards adopted
13 pursuant to former Section 60811.3 as it read on June 30, 2013,
14 or adopted pursuant to Section 60811.4 on or after January 1, 2014,
15 for purposes of gaining academic content knowledge and English
16 language proficiency.

17 (3) Parental involvement, including efforts the school district
18 makes to seek parent input in making decisions for the school
19 district and each individual schoolsite, and including how the
20 school district will promote parental participation in programs for
21 unduplicated pupils and individuals with exceptional needs.

22 (4) Pupil achievement, including for each subgroup as identified
23 in Section 52052, as measured by all of the following, as
24 applicable:

25 (A) Statewide assessments administered pursuant to Article 4
26 (commencing with Section 60640) of Chapter 5 of Part 33 or any
27 subsequent assessment, as certified by the state board.

28 (B) The Academic Performance Index, as described in Section
29 52052.

30 (C) The percentage of pupils who have successfully completed
31 courses that satisfy the requirements for entrance to the University
32 of California and the California State University, or career technical
33 education sequences or programs of study that align with state
34 board-approved career technical educational standards and
35 frameworks, including, but not limited to, those described in
36 subdivision (a) of Section 52302, subdivision (a) of Section
37 52372.5, or paragraph (2) of subdivision (e) of Section 54692.

38 (D) The percentage of English learner pupils who make progress
39 toward English proficiency as measured by the California English

- 1 Language Development Test or any subsequent assessment of
2 English proficiency, as certified by the state board.
- 3 (E) The English learner reclassification rate.
- 4 (F) The percentage of pupils who have passed an advanced
5 placement examination with a score of 3 or higher.
- 6 (G) The percentage of pupils who participate in, and demonstrate
7 college preparedness pursuant to, the Early Assessment Program,
8 as described in Chapter 6 (commencing with Section 99300) of
9 Part 65 of Division 14 of Title 3, or any subsequent assessment of
10 college preparedness.
- 11 (5) Pupil engagement, as measured by all of the following, as
12 applicable:
- 13 (A) School attendance rates.
- 14 (B) Chronic absenteeism rates.
- 15 (C) Middle school dropout rates, as described in paragraph (3)
16 of subdivision (a) of Section 52052.1.
- 17 (D) High school dropout rates.
- 18 (E) High school graduation rates.
- 19 (6) School climate, as measured by all of the following, as
20 applicable:
- 21 (A) Pupil suspension rates.
- 22 (B) Pupil expulsion rates.
- 23 (C) Other local measures, including surveys of pupils, parents,
24 and teachers on the sense of safety and school connectedness.
- 25 (7) The extent to which pupils have access to, and are enrolled
26 in, a broad course of study that includes all of the subject areas
27 described in Section 51210 and subdivisions (a) to (i), inclusive,
28 of Section 51220, as applicable, including the programs and
29 services developed and provided to unduplicated pupils and
30 individuals with exceptional needs, and the program and services
31 that are provided to benefit these pupils as a result of the funding
32 received pursuant to Section 42238.02, as implemented by Section
33 42238.03.
- 34 (8) Pupil outcomes, if available, in the subject areas described
35 in Section 51210 and subdivisions (a) to (i), inclusive, of Section
36 51220, as applicable.
- 37 (9) The extent to which teachers, administrators, and staff
38 receive professional development or participate in induction
39 programs, including the type and subject areas of the professional
40 development provided.

1 (e) For purposes of the descriptions required by subdivision (c),
2 a governing board of a school district may consider qualitative
3 information, including, but not limited to, findings that result from
4 school quality reviews conducted pursuant to subparagraph (J) of
5 paragraph (4) of subdivision (a) of Section 52052 or any other
6 reviews.

7 (f) To the extent practicable, data reported in a local control and
8 accountability plan shall be reported in a manner consistent with
9 how information is reported on a school accountability report card.

10 (g) A governing board of a school district shall consult with
11 teachers, principals, administrators, other school personnel, local
12 bargaining units of the school district, parents, and pupils in
13 developing a local control and accountability plan.

14 (h) A school district may identify local priorities, goals in regard
15 to the local priorities, and the method for measuring the school
16 district's progress toward achieving those goals.

17 SEC. 6. Section 52061 of the Education Code is amended to
18 read:

19 52061. (a) On or before July 1, 2015, and each year thereafter,
20 a school district shall update the local control and accountability
21 plan. The annual update shall be developed using a template
22 developed pursuant to Section 52064 and shall include all of the
23 following:

24 (1) A review of any changes in the applicability of the goals
25 described in paragraph (1) of subdivision (c) of Section 52060.

26 (2) A review of the progress toward the goals included in the
27 existing local control and accountability plan, an assessment of
28 the effectiveness of the specific actions described in the existing
29 local control and accountability plan toward achieving the goals,
30 and a description of changes to the specific actions the school
31 district will make as a result of the review and assessment.

32 (3) A listing and description of the expenditures for the fiscal
33 year implementing the specific actions included in the local control
34 and accountability plan and the changes to the specific actions
35 made as a result of the reviews and assessment required by
36 paragraphs (1) and (2).

37 (4) A listing and description of expenditures for the fiscal year
38 that will serve the pupils to whom one or more of the definitions
39 in Section 42238.01 apply and pupils redesignated as fluent English
40 proficient.

1 (b) The expenditures identified in subdivision (a) of this section
2 and subdivision (c) of Section 52060 shall be classified using the
3 California School Accounting Manual pursuant to Section 41010.

4 SEC. 7. Section 52063 of the Education Code is amended to
5 read:

6 52063. (a) (1) The governing board of a school district shall
7 establish a districtwide parent advisory committee to provide advice
8 to the governing board of the school district and the superintendent
9 of the school district regarding the requirements of this article.

10 (2) A parent advisory committee shall include parents or legal
11 guardians of pupils to whom one or more of the definitions in
12 Section 42238.01 apply.

13 (3) This subdivision shall not require the governing board of
14 the school district to establish a new districtwide parent advisory
15 committee if the governing board of the school district already has
16 established a districtwide parent advisory committee that meets
17 the requirements of this subdivision, including any committee
18 established to meet the requirements of the federal No Child Left
19 Behind Act of 2001 (Public Law 107-110) pursuant to Section
20 1112 of Subpart 1 of Part A of Title I of that act.

21 (b) As a condition of receipt of state supplemental grant funds,
22 the governing board of a school district shall establish a districtwide
23 English learner parent advisory committee if the enrollment of the
24 school district includes at least 15 percent English learners or the
25 school district enrolls at least 50 pupils who are English learners.

26 (c) Districtwide English learner parent advisory committees
27 shall advise the governing board of the school district on at least
28 the following tasks:

29 (1) Establishment of school district goals and objectives for
30 programs and services for English learners to ensure that the
31 academic and language proficiency needs of English learners,
32 including long-term English learners and English learners at risk
33 of becoming long-term English learners, as defined in Section
34 313.1, are being met.

35 (2) Administration of the home language survey.

36 (3) School district reclassification procedures, consistent with
37 the procedures developed pursuant to subdivision (f) of Section
38 313.

39 (d) This section shall not require the governing board of the
40 school district to establish a new districtwide English learner parent

1 advisory committee if the governing board of the school district
2 already has established a school district level parent advisory
3 committee that meets the applicable requirements of this section.

4 SEC. 8. Section 52064 of the Education Code is amended to
5 read:

6 52064. (a) On or before March 31, 2014, the state board shall
7 adopt templates for the following purposes:

8 (1) For use by school districts to meet the requirements of
9 Sections 52060 to 52063, inclusive.

10 (2) For use by county superintendents of schools to meet the
11 requirements of Sections 52066 to 52069, inclusive.

12 (3) For use by charter schools to meet the requirements of
13 Section 47606.5.

14 (b) The templates developed by the state board shall allow a
15 school district, county superintendent of schools, or charter school
16 to complete a single local control and accountability plan to meet
17 the requirements of this article, the requirements of the federal No
18 Child Left Behind Act of 2001 related to local educational agency
19 plans pursuant to Section 1112 of Subpart 1 of Part A of Title I of
20 Public Law 107-110, and the requirements of the federal No Child
21 Left Behind Act of 2001 (Public Law 107-110) and Section 64001
22 related to the Single Plan for Pupil Achievement, including the
23 requirements of Title III of the federal No Child Left Behind Act
24 of 2001 (Public Law 107-110). The state board shall also take steps
25 to minimize duplication of effort at the local level to the greatest
26 extent possible. The template shall include guidance for school
27 districts, county superintendents of schools, and charter schools
28 to report both of the following:

29 (1) A listing and description of expenditures for the 2014–15
30 fiscal year, and each fiscal year thereafter, implementing the
31 specific actions included in the local control and accountability
32 plan.

33 (2) A listing and description of expenditures for the 2014–15
34 fiscal year, and each fiscal year thereafter, that will serve the pupils
35 to whom one or more of the definitions in Section 42238.01 apply
36 and pupils redesignated as fluent English proficient.

37 ~~(c) The templates developed by the state board shall~~ *On or*
38 *before March 31, 2015, the state board shall adopt templates that,*
39 *beginning with the 2015–16 fiscal year, and each fiscal year*
40 *thereafter, ensure that each school district, county superintendent*

1 of schools, or charter school that receives supplemental and
2 concentration funds for unduplicated pupils, pursuant to Sections
3 2574, 2575, 42238.02, and 42238.03, include information on the
4 instructional programs and services provided to unduplicated pupils
5 for the purpose of increasing their academic achievement, as
6 referenced in Sections 52060 and 52066, in its local control and
7 accountability plan.

8 ~~The templates shall~~ *On or before March 31, 2015, the state*
9 *board shall adopt templates that, beginning with the 2015–16*
10 *fiscal year, and each fiscal year thereafter,* ensure that school
11 districts, county superintendents of schools, or charter schools
12 include information on the types of English language development
13 instructional programs provided to English learners, and how those
14 programs support the core instructional program, including, but
15 not limited to, the types of instructional materials provided to
16 pupils and the professional development provided to schoolsite
17 staff.

18 (e) If possible, the templates identified in paragraph (2) of
19 subdivision (a) for use by county superintendents of schools shall
20 allow a county superintendent of schools to develop a single local
21 control and accountability plan that would also satisfy the
22 requirements of Section 48926.

23 (f) The state board shall adopt the template pursuant to the
24 requirements of the Administrative Procedure Act (Chapter 3.5
25 (commencing with Section 11340) of Part 1 of Division 3 of Title
26 2 of the Government Code). The state board may adopt emergency
27 regulations for purposes of implementing this section.

28 (g) Revisions to a template or evaluation rubric shall be
29 approved by the state board by January 31 before the fiscal year
30 during which the template or evaluation rubric is to be used by a
31 school district, county superintendent of schools, or charter school.

32 (h) The adoption of a template or evaluation rubric by the state
33 board shall not create a requirement for a governing board of a
34 school district, a county board of education, or a governing body
35 of a charter school to submit a local control and accountability
36 plan to the state board, unless otherwise required by federal law.
37 The Superintendent shall not require a local control and
38 accountability plan to be submitted by a governing board of a
39 school district or the governing body of a charter school to the
40 state board. The state board may adopt a template or evaluation

1 rubric that would authorize a school district or a charter school to
2 submit to the state board only the sections of the local control and
3 accountability plan required by federal law.

4 SEC. 9. Section 52066 of the Education Code is amended to
5 read:

6 52066. (a) On or before July 1, 2014, each county
7 superintendent of schools shall develop, and present to the county
8 board of education for adoption, a local control and accountability
9 plan using a template adopted by the state board.

10 (b) A local control and accountability plan adopted by a county
11 board of education shall be effective for a period of three years,
12 and shall be updated on or before July 1 of each year.

13 (c) A local control and accountability plan adopted by a county
14 board of education shall include, for each school or program
15 operated by the county superintendent of schools, all of the
16 following:

17 (1) A description of the annual goals, for all pupils and each
18 subgroup of pupils identified pursuant to Section 52052, to be
19 achieved for each of the state priorities identified in subdivision
20 (d), as applicable to the pupils served, and for any additional local
21 priorities identified by the county board of education.

22 (2) A description of the specific actions the county
23 superintendent of schools will take during each year of the local
24 control and accountability plan to achieve the goals identified in
25 paragraph (1), including the enumeration of any specific actions
26 necessary for that year to correct any deficiencies in regard to the
27 state priorities listed in paragraph (1) of subdivision (d). The
28 specific actions shall not supersede the provisions of existing local
29 collective bargaining agreements within the jurisdiction of the
30 county superintendent of schools.

31 (3) A listing and description of the expenditures for the fiscal
32 year implementing the specific actions included in the local control
33 and accountability plan pursuant to paragraph (2).

34 (4) A listing and description of expenditures for the fiscal year
35 that will serve the pupils to whom one or more of the definitions
36 in Section 42238.01 apply, and pupils redesignated as fluent
37 English proficient.

38 (d) All of the following are state priorities:

39 (1) The degree to which the teachers in the schools or programs
40 operated by the county superintendent of schools are appropriately

1 assigned in accordance with Section 44258.9 and fully credentialed
2 in the subject areas, and, for the pupils they are teaching, every
3 pupil in the schools or programs operated by the county
4 superintendent of schools has sufficient access to the
5 standards-aligned instructional materials as determined pursuant
6 to Section 60119, and school facilities are maintained in good
7 repair as specified in subdivision (d) of Section 17002.

8 (2) Implementation of the academic content and performance
9 standards adopted by the state board, including how the programs
10 and services will enable English learners to access the common
11 core academic content standards adopted pursuant to Section
12 60605.8 and the English language development standards adopted
13 pursuant to former Section 60811.3 as it read on June 30, 2013,
14 or adopted pursuant to Section 60811.4 on or after January 1, 2014,
15 for purposes of gaining academic content knowledge and English
16 language proficiency.

17 (3) Parental involvement, including efforts the county
18 superintendent of schools makes to seek parent input in making
19 decisions for each individual schoolsite and program operated by
20 a county superintendent of schools, and including how the county
21 superintendent of schools will promote parental participation in
22 programs for unduplicated pupils and individuals with exceptional
23 needs.

24 (4) Pupil achievement, including for each of the subgroups
25 identified pursuant to Section 52052, as measured by all of the
26 following, as applicable:

27 (A) Statewide assessments administered pursuant to Article 4
28 (commencing with Section 60640) of Chapter 5 of Part 33 or any
29 subsequent assessment, as certified by the state board.

30 (B) The Academic Performance Index, as described in Section
31 52052.

32 (C) The percentage of pupils who have successfully completed
33 courses that satisfy the requirements for entrance to the University
34 of California and the California State University, or career technical
35 education sequences or programs of study that align with state
36 board-approved career technical education standards and
37 frameworks, including, but not limited to, those described in
38 subdivision (a) of Section 52302, subdivision (a) of Section
39 52372.5, or paragraph (2) of subdivision (e) of Section 54692.

- 1 (D) The percentage of English learner pupils who make progress
2 toward English proficiency as measured by the California English
3 Language Development Test or any subsequent assessment of
4 English proficiency, as certified by the state board.
- 5 (E) The English learner reclassification rate.
- 6 (F) The percentage of pupils who have passed an advanced
7 placement examination with a score of 3 or higher.
- 8 (G) The percentage of pupils who participate in, and demonstrate
9 college preparedness pursuant to, the Early Assessment Program,
10 as described in Chapter 6 (commencing with Section 99300) of
11 Part 65 of Division 14 of Title 3, or any subsequent assessment of
12 college preparedness.
- 13 (5) Pupil engagement, as measured by all of the following, as
14 applicable:
- 15 (A) School attendance rates.
- 16 (B) Chronic absenteeism rates.
- 17 (C) Middle school dropout rates, as described in paragraph (3)
18 of subdivision (a) of Section 52052.1.
- 19 (D) High school dropout rates.
- 20 (E) High school graduation rates.
- 21 (6) School climate, as measured by all of the following, as
22 applicable:
- 23 (A) Pupil suspension rates.
- 24 (B) Pupil expulsion rates.
- 25 (C) Other local measures, including surveys of pupils, parents,
26 and teachers on the sense of safety and school connectedness.
- 27 (7) The extent to which pupils have access to, and are enrolled
28 in, a broad course of study that includes all of the subject areas
29 described in Section 51210 and subdivisions (a) to (i), inclusive,
30 of Section 51220, as applicable, including the programs and
31 services developed and provided to unduplicated pupils and
32 individuals with exceptional needs, and the ~~program~~ *programs*
33 and services that are provided to benefit these pupils as a result of
34 the funding received pursuant to Section 42238.02, as implemented
35 by Section 42238.03.
- 36 (8) Pupil outcomes, if available, in the subject areas described
37 in Section 51210 and subdivisions (a) to (i), inclusive, of Section
38 51220, as applicable.
- 39 (9) How the county superintendent of schools will coordinate
40 instruction of expelled pupils pursuant to Section 48926.

1 (10) How the county superintendent of schools will coordinate
 2 services for foster children, including, but not limited to, all of the
 3 following:

4 (A) Working with the county child welfare agency to minimize
 5 changes in school placement.

6 (B) Providing education-related information to the county child
 7 welfare agency to assist the county child welfare agency in the
 8 delivery of services to foster children, including, but not limited
 9 to, educational status and progress information that is required to
 10 be included in court reports.

11 (C) Responding to requests from the juvenile court for
 12 information and working with the juvenile court to ensure the
 13 delivery and coordination of necessary educational services.

14 (D) Establishing a mechanism for the efficient expeditious
 15 transfer of health and education records and the health and
 16 education passport.

17 (11) The extent to which teachers, administrators, and staff
 18 receive professional development or participate in induction
 19 programs, including the type and subject areas of the professional
 20 development provided.

21 (e) For purposes of the descriptions required by subdivision (c),
 22 a county board of education may consider qualitative information,
 23 including, but not limited to, findings that result from school quality
 24 reviews conducted pursuant to subparagraph (J) of paragraph (4)
 25 of subdivision (a) of Section 52052 or any other reviews.

26 (f) To the extent practicable, data reported in a local control and
 27 accountability plan shall be reported in a manner consistent with
 28 how information is reported on a school accountability report card.

29 (g) The county superintendent of schools shall consult with
 30 teachers, principals, administrators, other school personnel, local
 31 bargaining units of the county office of education, parents, and
 32 pupils in developing a local control and accountability plan.

33 (h) A county board of education may identify local priorities,
 34 goals in regard to the local priorities, and the method for measuring
 35 the county office of education’s progress toward achieving those
 36 goals.

37 SEC. 10. Section 52067 of the Education Code is amended to
 38 read:

39 52067. (a) On or before July 1, 2015, and each year thereafter,
 40 a county board of education shall update the local control and

1 accountability plan. The annual update shall be developed using
2 a template developed pursuant to Section 52064 and shall include
3 all of the following:

4 (1) A review of any changes in the applicability of the goals
5 described in paragraph (1) of subdivision (c) of Section 52066.

6 (2) A review of the progress toward the goals included in the
7 existing local control and accountability plan, an assessment of
8 the effectiveness of the specific actions described in the existing
9 local control and accountability plan toward achieving the goals,
10 and a description of changes to the specific actions the county
11 office of education will make as a result of the review and
12 assessment.

13 (3) A listing and description of the expenditures for the fiscal
14 year implementing the specific actions included in the local control
15 and accountability plan, including the changes to the specific
16 actions made as a result of the reviews and assessment required
17 by paragraphs (1) and (2).

18 (4) A listing and description of expenditures for the county
19 office of education and each school for the fiscal year that will
20 serve the pupils to whom one or more of the definitions in Section
21 42238.01 apply and pupils redesignated as fluent English proficient.

22 (b) The expenditures identified in subdivision (a) of this section
23 and subdivision (c) of Section 52066 shall be classified using the
24 California School Accounting Manual pursuant to Section 41010.

25 SEC. 11. Section 52069 of the Education Code is amended to
26 read:

27 52069. (a) (1) A county superintendent of schools shall
28 establish a parent advisory committee to provide advice to the
29 county board of education and the county superintendent of schools
30 regarding the requirements of this article.

31 (2) A parent advisory committee shall include parents or legal
32 guardians of pupils to whom one or more of the definitions in
33 Section 42238.01 apply.

34 (3) This subdivision shall not require the county superintendent
35 of schools to establish a new parent advisory committee if the
36 county superintendent of schools already has established a parent
37 advisory committee that meets the requirements of this subdivision,
38 including any committee established to meet the requirements of
39 the federal No Child Left Behind Act of 2001 (Public Law

1 107-110) pursuant to Section 1112 of Subpart 1 of Part A of Title
2 I of that act.

3 (b) (1) A county superintendent of schools shall establish an
4 English learner parent advisory committee if the enrollment of the
5 pupils in the schools and programs operated by the county
6 superintendent of schools includes at least 15 percent English
7 learners or the schools and programs operated by the county
8 superintendent of schools enroll at least 50 pupils who are English
9 learners.

10 (2) This subdivision shall not require the county superintendent
11 of schools to establish a new English learner parent advisory
12 committee if the county superintendent of schools already has
13 established a committee that meets the requirements of this
14 subdivision.

15 (3) A representative of the English learner parent advisory
16 committee shall be a member of the parent advisory committee
17 established pursuant to paragraph (1) of subdivision (a).

18 SEC. 12. Section 52071 of the Education Code is amended to
19 read:

20 52071. (a) If a county superintendent of schools does not
21 approve a local control and accountability plan or annual update
22 to the local control and accountability plan approved by a
23 governing board of a school district, or if the governing board of
24 a school district requests technical assistance, the county
25 superintendent of schools shall provide technical assistance,
26 including, among other things, any of the following:

27 (1) Identification of the school district's strengths and
28 weaknesses in regard to the state priorities described in subdivision
29 (d) of Section 52060, communicated in writing to the school
30 district. This identification shall include a review of effective,
31 evidence-based programs that apply to the school district's goals.

32 (2) Assignment of an academic expert or team of academic
33 experts to assist the school district in identifying and implementing
34 effective programs that are designed to improve the outcomes for
35 all pupil subgroups identified pursuant to Section 52052. The
36 county superintendent of schools may also solicit another school
37 district within the county to act as a partner to the school district
38 in need of technical assistance.

1 (3) Request that the Superintendent assign the California
2 Collaborative for Educational Excellence to provide advice and
3 assistance to the school district.

4 (b) Using an evaluation rubric adopted by the state board
5 pursuant to Section 52064.5, the county superintendent of schools
6 shall provide the technical assistance described in subdivision (a)
7 to any school district that fails to improve pupil achievement across
8 more than one state priority described in subdivision (d) of Section
9 52060 for one or more pupil subgroups identified pursuant to
10 Section 52052.

11 (c) Technical assistance provided pursuant to this section at the
12 request of a school district shall be paid for by the school district
13 requesting the assistance.

14 SEC. 13. Section 52071.5 of the Education Code is amended
15 to read:

16 52071.5. (a) If the Superintendent does not approve a local
17 control and accountability plan or annual update to the local control
18 and accountability plan approved by a county board of education,
19 or if the county board of education requests technical assistance,
20 the Superintendent shall provide technical assistance, including,
21 among other things, any of the following:

22 (1) Identification of the county board of education's strengths
23 and weaknesses in regard to the state priorities described in
24 subdivision (d) of Section 52066, communicated in writing to the
25 county board of education. This identification shall include a
26 review of effective, evidence-based programs that apply to the
27 board's goals.

28 (2) Assignment of an academic expert or team of academic
29 experts, or the California Collaborative for Educational Excellence
30 established pursuant to Section 52074, to assist the county board
31 of education in identifying and implementing effective programs
32 that are designed to improve the outcomes for all pupil subgroups
33 identified pursuant to Section 52052. The Superintendent may also
34 solicit another county office of education to act as a partner to the
35 county office of education in need of technical assistance.

36 (b) Using an evaluation rubric adopted by the state board
37 pursuant to Section 52064.5, the Superintendent shall provide the
38 technical assistance described in subdivision (a) to any county
39 office of education that fails to improve pupil achievement in
40 regard to more than one state priority described in subdivision (d)

1 of Section 52066 for any pupil subgroup identified pursuant to
2 Section 52052.

3 (c) Technical assistance provided pursuant to this section at the
4 request of a county board of education shall be paid for by the
5 county board of education receiving assistance.

6 SEC. 14. Section 54030 is added to the Education Code, to
7 read:

8 54030. A local educational agency shall expend unexpended
9 economic impact aid balances received pursuant to this part only
10 for purposes authorized in this part as it and adopted regulations
11 read on June 30, 2013.

12 SEC. 15. If the Commission on State Mandates determines
13 that this act contains costs mandated by the state, reimbursement
14 to local agencies and school districts for those costs shall be made
15 pursuant to Part 7 (commencing with Section 17500) of Division
16 4 of Title 2 of the Government Code.