

**Office of Christine Lizardi Frazier  
Kern County Superintendent of Schools  
Administration and Finance  
The District Advisor  
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- 1. Controller Distributed More Than \$1 Billion to Schools from Lottery for the 2008-09 Fiscal Year**  
Lewis Wiley, Jr. - SSC

On October 1, 2009, State Controller John Chiang announced that \$1.04 billion from the Lottery Education Fund was paid to school districts, educational institutions, and state agencies for the fiscal year 2008-09. K-12 education's share of the Lottery funds was \$818 million.

The State Controller's Office makes quarterly payments based on Lottery income and unclaimed online prizes. Proposition 20, which voters passed in March 2000, requires that a certain percentage of any increase in Lottery funds over the base 1997-98 fiscal year be used to purchase instructional materials.

The distribution of the money for the fiscal year ending June 30, 2009, is as follows:

	Non-Proposition 20	Proposition 20
K-12	\$726,758,831	\$91,018,486
Community Colleges	138,205,077	17,380,987
California State University	41,771,601	
University of California	24,946,710	
Hastings College of the Law	137,006	
Department of Youth Authority	123,188	
Department of Education- State Special Schools	101,441	
Department of Education- Department of Developmental Services	142,592	
Total	\$932,186,446	\$108,399,473

Go to [http://www.sco.ca.gov/ard\\_payments\\_lottery\\_2009.html](http://www.sco.ca.gov/ard_payments_lottery_2009.html) for a breakdown of your local educational agency's quarterly payments.

## **2. By the Way . . . State Superintendent Announces Online Resource Kit to Combat the Achievement Gap – SSC Article**

Today, October 7, 2009, State Superintendent of Public Instruction Jack O'Connell announced the release of a new online tool called the "Resource Kit for Developing Partnerships to Close the Achievement Gap." This tool is a result of a key recommendation by O'Connell's California P-16 Council, which was formed in 2004 to examine ways to improve student achievement and create a comprehensive, integrated system of student learning from preschool through higher education. The Resource Kit may be used by families, communities and organizations to develop partnerships with schools that can help narrow the academic achievement gap that exists between higher-performing and lower-performing students. The P-16 Council found that "Connecting schools with education organizations, city and county agencies, faith-based organizations, parent groups, and businesses is necessary to foster partnerships that will support a well-defined student support system. Such partnerships recognize that students have needs outside the classroom that, if unmet, can significantly and adversely affect their ability to learn. Breaking down barriers and creating partnerships throughout California is an important step toward implementing a consistent approach to a high-quality and inclusive educational program."

The Resource Kit is available online through the California Department of Education's Closing the Achievement Gap Website at [www.closingtheachievementgap.org/partnerships](http://www.closingtheachievementgap.org/partnerships).

## **3. Administration assures districts QEIA fix will be sought Allen Young – SI&A**

Public school leaders said Wednesday they've received assurances from Gov. Arnold Schwarzenegger's Department of Finance that the administration has a plan to backfill \$400 million in reductions made in the July budget agreement to districts participating in the Quality Education Investment Act.

Representatives of the governor, however, were far more circumspect in characterizing talks surrounding the QEIA fix and would confirm only that they are working on a plan to make districts whole.

Still, district administrators that came to the Capitol Wednesday for both closed door meetings and a public rally said they were pleased with progress.

"We're cautiously optimistic," said Grant Schimelpfening, business manager for Farmersville Unified.

He said the Department of Finance was "very cooperative" and told the delegation of visiting administrators from Washington Unified, Santa Ana Unified, Twin Rivers Unified, and Farmersville Unified that an amendment could be made to the 2009-10 state budget agreement to restore the QEIA-related cuts.

One possible solution could be unused revenue limit dollars, such as those left over from the class size reduction program, officials said.

While a spokesman for the finance department could not confirm that plan, he said that chances were good that the nearly \$400 million in cuts could be backfilled through unspent areas in education funding.

"If we didn't think we could get there, we wouldn't be expending the effort on doing this," said HD Palmer, department spokesman.

District representatives at the Capitol said they are relying on Schwarzenegger to replace the lost funding whether or not he signs SB 84, a bill by Senate President Pro Tem Darrell Steinberg that

would guarantee that the Department of Education would not carry out the QEIA cuts until an alternative funding solution was identified.

A press conference following the meetings inside the Capitol, rallied support for Steinberg's measure. The event included the four districts, representatives from several teachers union and education advocate groups, and was co-hosted by Sen. Steinberg and Assemblyman Kevin De Leon, D-Los Angeles.

De Leon told the *Cabinet Report* that while he would prefer that the governor sign SB 84, the bill may not be necessary in order to reach a funding compromise that satisfied all stakeholders.

"Having legislation gives folks a sense of comfort, but if the governor gives his word specifically, I think we can take the governor's word," De Leon said.

He continued, "I think the governor understands the seriousness of these dollars, and what it means for the most disadvantaged kids in the state."

The QEIA program provides added financial support to struggling schools and is the result of a lawsuit between the California Teachers Association and the governor. A settlement was reached in 2006 that extra funding would go to low-decile schools to help them retain staff and keep class sizes small.

The settlement fell apart last July as Legislators rewrote a state budget agreement that continued the QEIA program but cut an equivalent amount of funding from participating districts unrestricted revenue limit apportionments, a move that unfairly targeted black and Hispanic children, districts argued Wednesday.

The governor has until October 11 to sign or veto over 700 pending legislative bills.

A spokesman for the governor said his office does not take a position on bills before he has signed or vetoed them

#### **4. i3 grant invites LEAs and nonprofits to compete for ARRA funds** Tom Chorneau – SI&A

'Cutting edge' reform programs from local educational agencies and non-profit partners are being sought through a \$650 million federal stimulus grant program aimed at closing the achievement gap.

Draft guidelines for the Investing in Innovation Fund, or i3, were released this week governing the award of grants ranging from \$5 million to \$50 million. U.S. Education Secretary Arne Duncan said he wants to use the money to promote new ideas on how to help struggling students.

"We're making an unprecedented investment in cutting-edge ideas that will produce the next generation of school reforms," Duncan said in a statement. "The i3 competition will provide seed money for fresh ideas, help grow promising programs with a good track record and scale up programs with proven results to a national level."

While most of support for education from the American Recovery and Reinvestment Act has been directed at the state level, the innovation grants have been specifically designed so that individual school districts can compete for the funds. The competition is also open to non-profit organizations that join with districts on proposed projects. Colleges and universities as well as private companies can participate as supporters.

The criteria the department is proposing to use for determining winners is heavy on past success – such as work on closing the achievement gap, making gains in proficiency and graduation rates or efforts to retain quality teachers and principals.

Under the proposed priorities, grants would be awarded in three categories:

- **Scale-up Grants:** “The largest possible grant category is focused on programs and practices with the potential to reach hundreds of thousands of students. Applicants must have a strong base of evidence that their program has had a significant effect on improving student achievement.”
- **Validation Grants:** “Existing, promising programs that have good evidence of their impact and are ready to improve their evidence base while expanding in their own and other communities.”
- **Development Grants:** “The smallest grant level designed to support new and high-potential practices whose impact should be studied further.”

As proposed, grant recipients will be mandated to have dollars from other sources to match the federal award – either from the public or private sector. The idea, officials said, is to ensure that the programs would be sustainable after the innovation fund money runs out.

The public comment period on the draft guidelines will run for 30 days. Federal officials said they expect to have a final application ready by early 2010 and begin accepting proposals in the spring.

All of the innovation fund money will need to be obligated by Sept. 30, 2010.

## **5. Federal auditors sharpening pencils for their query of California LEAs** Tom Chorneau – SI&A

There’s growing concern in Washington D.C. that California school districts could be sitting on hundreds of millions of dollars in stimulus funding that Congress had hoped would have been spent by now.

A September report from the Government Accountability Office found that seven of the largest local educational agencies in California had not spent any Title I support from the stimulus package as of August 7.

Meanwhile, auditors from the U.S. Department of Education’s Office of the Inspector General conducted a review in July of the cash controls and reporting system at the San Diego Unified School District related specifically to funds the district had received out of the American Recovery and Reinvestment Act.

The scrutiny comes as the Oct. 10 deadline looms for states to report how they used the federal stimulus to create or project jobs and helped fuel economic recovery.

The Obama administration is under enormous political pressure to show that the tens of billions of dollars pushed into the economy over the past six months have been well spent.

California, as the largest recipient of the stimulus money nationally, is a clear target of federal review. And California’s LEAs, as one of the largest beneficiaries of the stimulus money in the state – are a natural target for federal oversight as well.

Officials at the California Department of Education, however, said the auditor’s report is based on circumstances they found in July – since then a lot has changed, much to the positive.

“The GAO is expected to return in the coming weeks and we think they will find a better picture,” said Kevin Chan, director of the CDE’s Audits and Investigations Division.

Chan noted that earlier in the summer, many districts were holding on to their stimulus money – largely waiting for federal guidance on how the money can be spent. Since July, federal and state officials have given spending direction and most districts are using their allocation as intended.

The state launched a web-based reporting system that opened in September for districts to report how their stimulus money was used.

Chan said that virtually every district that needed to report its stimulus spending experience met the state's Sept. 23 deadline for turning in details giving the CDE every expectation of meeting the Oct. 10 deadline.

"I think overall, California is in pretty good shape," he said.

That does not mean, however, that federal officials are likely to back away from close examination of stimulus dollars spent by California schools.

The issue is not only whether the ARRA dollars are being used to stimulate the economy, there's also an issue of districts improperly earning interest on dormant federal funds.

Federal law requires that interest earned above \$100 by LEAs on federal dollars must be returned to the U.S. Department of Education.

Those questions appear to have been the motivation for the Inspector General's visit to San Diego in July.

Debbi Foster, financial planning manager at San Diego Unified, said the audit team spent four days examining paperwork and talking to personnel. She said all indications are the district met or exceeded expectations but they were told a formal letter about the review will be coming in a few weeks.

## **6. Golden Valley crowding forces boundary changes** JEFF NACHTIGAL, Californian staff writer

Contact the KHSD board: [board@khsd.k12.ca.us](mailto:board@khsd.k12.ca.us)

Next board meeting with public comment session: 7 p.m. Nov. 2, 5801 Sundale Ave.

Golden Valley High School is bursting at the seams. Built to serve 2,100 students, the school is over-enrolled by 600 students this year.

To help reduce overcrowding, the Kern High School District board has reviewed boundary adjustment plans that would take effect next year.

Two boundary change proposals for "southern" schools would essentially shift 400 incoming freshman students over the next four years from Golden Valley to South and West high schools.

Now that the Fairfax overpass construction work is nearly complete, a smaller number of students who live south of Highway 178 would shift from Foothill to Highland next year.

The southern boundary changes would also impact 8th graders moving up to high school from Leon H. Ollivier Middle School, Greenfield Middle School and Fred L. Thompson Junior High School.

In 2005, the district anticipated it would build a new high school adjacent to Golden Valley by 2011.

The housing downturn has put those plans on hold. In the meantime, Golden Valley's enrollment has swelled, so the board requested the boundary changes study.

The KHSD board will take public comments before voting on the changes in November or December.

Any changes would go into effect next year and only future students would have a different school attendance area, said Scott Cole, director of research and planning for the district.

One plan would cost about \$30,000 in transportation costs. A supplemental southern plan that involves more busing would cost \$88,000 -- but those costs would be offset by savings recouped by operating fewer portable classrooms (at a cost of \$10,000 per portable) at Golden Valley, according to a district report.

One of the criteria for re-drawing boundaries is to not isolate lower socio-economic students in one school, an issue the district considered in the proposed changes, Cole said.

Cole also noted a district rule allows siblings to attend the same high school as their currently enrolled brother or sister (within four years).

Centennial High parent Dave Ewert is chair of the district parent advisory board, a group of about a dozen parents that represents individual high schools, and who examined and approved the boundary proposals.

He said the group was "buried" in data from the district as it looked at multiple options, each addressing a boundary shift that would affect a different number of kids.

The group's chief concerns were cost, mostly coming in the form of transportation; proximity of schools to students; and feeder schools not splitting up classes moving from middle to high school, Ewert said.

Parents can apply for an inter-district transfer to send their kids to their high school of choice.

"It's not a 'You will do this and you have no option B and C,'" Ewert said.

Unlike the most recent boundary change plans in 2006 that affected most high schools and drew heated response from the public, the need for boundary changes has slowed along with residential growth.

## **7. The Bakersfield Californian – Weather Forecast as of 3:40 am PDT on October 8, 2009**

### **Today**

Sunny. Highs 78 to 83. Light winds in the morning becoming west up to 10 mph in the afternoon.

### **Tonight**

Clear. Lows 45 to 55. Northwest winds up to 10 mph in the evening becoming light and variable after midnight.

### **Friday**

Sunny. Highs 80 to 85. Light winds in the morning becoming northwest up to 10 mph in the afternoon.

### **Friday Night**

Clear. Lows 46 to 56. Light winds in the evening becoming east up to 10 mph after midnight.

### **Saturday**

Sunny. Highs 82 to 87. Light winds.

**Saturday Night**

Clear. Lows 46 to 56.