

**ITEM 13**  
**FINAL STAFF ANALYSIS**  
**PROPOSED STATEWIDE COST ESTIMATE**  
**\$906,456**

Education Code Section 52056, Subdivision (c)  
Statutes 1999, 1<sup>st</sup> Extraordinary Session, Chapter 3  
Statutes 2000, Chapter 695

*Academic Performance Index*  
01-TC-22

San Juan Unified School District, Claimant

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**STAFF ANALYSIS**

**Background and Summary of the Mandate**

This program requires a school district governing board to discuss the results of its annual Academic Performance Index (API) ranking at the next regularly scheduled meeting following the annual publication of the API and Superintendent of Public Instruction (SPI) school rankings.

The Commission on State Mandates (Commission) adopted a statement of decision concluding that Education Code section 52056, subdivision (c), as added and amended by the test claim statutes, imposes a partially reimbursable state-mandated program upon school districts within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514.

The claimant filed the test claim on June 28, 2002. The Commission adopted the statement of decision on July 31, 2009, and the parameters and guidelines on May 27, 2010.<sup>1</sup> Eligible claimants were required to file initial reimbursement claims with the State Controller's Office (SCO) by November 30, 2010, and late claims by November 30, 2011.

Eligible Claimants and Period of Reimbursement

School districts are eligible claimants. The reimbursement period for this new mandate began on July 1, 2000.

**Reimbursable Activities**

The Commission approved the following activities for reimbursement:

- For a school district governing board to discuss the results of its annual ranking at the next regularly scheduled meeting following the annual publication of the API and SPI school rankings (Ed. Code § 52056, subd. (c), Stats. 1999-2000 1st Ex. Sess., ch. 3, eff. Jun. 25, 1999, Stats. 2000, ch. 695).

Reimbursement is allowed for obtaining the annual API data from the state's website and preparing a staff report, including a PowerPoint presentation, for the governing board's discussion. (Ed. Code §, 52056, subd. (c), Stats. 1999-2000 1st Ex. Sess., ch. 3, eff. Jun. 25, 1999, Stats. 2000, ch. 695.)

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<sup>1</sup> Exhibit A.

However, districts discussing the results of the annual API and SPI rankings (in § 52056, subd. (c)) is not a reimbursable mandate for schools with fewer than 100 valid test scores, or schools in the alternative accountability system that are under the jurisdiction of a county board of education or a county superintendent of schools, community day schools, alternative schools, including continuation high schools and opportunity schools and independent study schools. (Ed. Code, § 52052, subd. (f)(1), Stats. 2001, ch. 887 & Cal. Code Regs., tit. 5, § 1032, subd. (b).)

Participation in the Intermediate Intervention/Underperforming Schools Program (II/USP) pursuant to section 52053, subdivisions (d) and (j), and all other test claim statutes and regulations pled in the test claim do not constitute a reimbursable state mandate.

### **Statewide Cost Estimate**

Staff reviewed the claims data submitted by 81 school districts and compiled by the SCO. The actual claims data showed that 445 claims were filed for 10 fiscal years for a total of \$906,456.<sup>2</sup> Based on this data, staff made the following assumptions and used the following methodology to develop a statewide cost estimate for this program.

#### Assumptions

1. *The actual amount claimed for reimbursement may increase if late or amended claims are filed.*

There are currently 1,047 school districts in California. Of those, only 81 filed reimbursement claims for this program between 2000 and 2010. If other eligible claimants file late or amended claims, the amount of reimbursement claims may exceed the statewide cost estimate. Late claims for this program may be filed until November 30, 2011.

2. *There may be several reasons that non-claiming school districts did not file for reimbursement, including but not limited to:*

- The Commission approved only a small portion of this program as a mandate. Therefore, most school districts cannot reach the \$1,000 threshold for filing reimbursement claims.
- They did not have supporting documentation to file a reimbursement claim.

3. *There is a wide variation in costs claimed for this program based on: (a) the hourly rate of the employee performing the reimbursable activities; and (b) the total number of hours worked to perform the reimbursable activities that appear to be eligible for reimbursement.*

Staff reviewed the claims data and found a wide variation in costs among claimants. The program generally allows for preparing and presenting the staff report on the API ranking to the governing board. The variation in costs is evident in the hourly rate of the employee performing the reimbursable activities.

For example, for fiscal year 2009-2010, Kelseyville Unified School District claimed the hourly rate of \$23.33 for the Director of Student Services. In comparison, Buena Park Elementary claimed the hourly rate of \$50.49 for the Secretary; Deserts Sands Unified claimed \$74.78 for the Assessment Administrator; and Glendale Unified claimed \$86.25 for the Administrator.

The variation in costs is also evident in the total number of hours worked to perform the reimbursable activities. For example, for fiscal year 2009-2010, Savanna School District

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<sup>2</sup> Claims data reported as of March 18, 2011.

claimed 67.5 total hours to prepare and present the staff report. In comparison, Desert Sands Unified claimed 17 total hours; Buena Park Elementary claimed 18 total hours; Colton Joint Unified claimed 20 total hours; and Glendale Unified claimed 52 total hours.

However, the parameters and guidelines do not require a specific classification of employee to perform the reimbursable activities, nor do they specify a maximum allowable number of hours to perform the reimbursable activities. Therefore, the costs appear to be eligible for reimbursement.

4. *The total amount of reimbursement for this program may be lower than the statewide cost estimate because the SCO may reduce any reimbursement claim for this program.*

The SCO is authorized to reduce any claims it deems excessive or unreasonable. While the costs claimed appear to be eligible for reimbursement, based on the wide variation, the SCO may decide to conduct an audit of the claims.

#### Methodology

*Fiscal Years 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-2007, 2007-2008, 2008-2009, and 2009-2010.*

The proposed statewide cost estimate for the above-named fiscal years was developed by totaling the 445 reimbursement claims filed with the SCO for these years.

The proposed statewide cost estimate includes 10 fiscal years for a total of \$906,456 for the *Academic Performance Index* program. This averages to \$90,645 annually in costs for the state for this 10-year period.

Following is a breakdown of estimated total costs per fiscal year:

<b>Fiscal Year</b>	<b>Number of School District Claims Filed with SCO</b>	<b>Estimated Cost</b>
2000-2001	28	\$49,030
2001-2002	29	\$55,132
2002-2003	31	\$58,673
2003-2004	36	\$71,784
2004-2005	43	\$80,946
2005-2006	43	\$88,536
2006-2007	54	\$107,498
2007-2008	54	\$114,802
2008-2009	58	\$122,147
2009-2010	69	\$157,908
<b>TOTAL</b>	<b>445</b>	<b>\$906,456</b>

#### **Comments on the Draft Staff Analysis and Proposed Statewide Cost Estimate**

On April 15, 2011, Commission staff issued the draft staff analysis and proposed statewide estimate for comment.<sup>3</sup> No comments were submitted.

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<sup>3</sup> Exhibit B.

**Staff Recommendation**

Staff recommends that the Commission adopt the proposed statewide cost estimate of **\$906,456** for costs incurred in complying with the *Academic Performance Index* program.