



October 11, 2017

RECEIVED
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*Commission on
State Mandates*

Ms. Heather Halsey
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, California 95814

RE: Cal Grant: Grade Point Average and Graduation Certification Test Claim (16-TC-02)

Dear Ms. Halsey:

As requested in the Notice of Complete Test Claim Filing, Tentative Hearing Date, and Schedule for Comments for the Cal Grant: Grade Point Average and Graduation Certification Test Claim (16-TC-02), the Department of Finance (Finance) has reviewed the test claim submitted by the Fairfield-Suisun School District. This letter describes Finance's analysis of the claim and related laws. Based on the analysis, Finance recommends that the claim be denied.

The requirement for school districts to report grade point averages is not new. Prior to the enactment of Chapter 679, Statutes of 2014, subdivision (c) of Education Code section 69432.9 specified the following:

“(c) The commission shall require that a grade point average be submitted for all Cal Grant A and B applicants, except for those permitted to provide test scores in lieu of a grade point average. **The commission shall require that each report of a grade point average include a certification, executed under penalty of perjury, by a school official, that the grade point average reported is accurately reported. The certification shall include a statement that it is subject to review by the commission or its designee.** The commission shall adopt regulations that establish a grace period for receipt of the grade point average and any appropriate corrections, and that set forth the circumstances under which a student may submit a specified test score designated by the commission, by regulation, in lieu of submitting a qualifying grade point average. It is the intent of the Legislature that high schools and institutions of higher education certify the grade point averages of their students in time to meet the application deadlines imposed by this chapter.” [emphasis added]

Specifically, if asked by any student, the existing law would have required a school district or a county office of education to do all of the following (using the language in the written narrative of the claim):

- Prepare for, provide, and attend training in order to instruct the employees in the existing requirements as referenced in (A)(1) of the written narrative.

- Review records, correct, update, and submit grade point averages to the Student Aid Commission pursuant to the existing requirements as referenced in (A)(2) of the written narrative.
- Include a certification to the Student Aid Commission, execute under penalty of perjury by a school official, that the grade point average is accurately reported as referenced in (A)(5) of the written narrative.

Therefore, Chapter 679, Statutes of 2014, does not represent a new program or higher level of service. To constitute a higher level of service there must be an increase in the level or quality of government services provided. The test claim statutes merely implement some changes that may increase the cost of providing services that were already required to be performed, but that does not result in a reimbursable state mandate.

The claim does not indicate what time and costs are incurred by school districts, county offices of education to ensure the grade point average certification is submitted to the Student Aid Commission in time to meet the application deadline. Without that information, it is unclear how the Commission on State Mandates would make a determination about the activities alleged in (A)(6) of the written narrative.

The claimant provides no evidence that a submittal of grade point averages by October 1 increases the cost of the alleged mandate. The claimant asserts in (A)(8) of the written narrative that there are time and costs incurred by school districts, county offices of education, and charter schools to submit the grade point averages by October 1. These asserted activities are apparently separate from any time and costs associated with the submittal referenced in (A)(3) of the written narrative. The claimant provides no evidence to suggest that additional time and costs are incurred to submit the information by October 1. Finance does not believe these represent new activities.

The statute imposes no requirements related to the verification of high school graduation or its equivalent. The claimant asserts in (A)(10) and (A)(11) of the written narrative that there are time and costs incurred by school districts, county offices of education, and charter schools to provide verification of high school graduation or its equivalent and to electronically submit the graduate data for all former grade 12 pupils, including charter schools, in the prior academic year, except for pupils who have opted out, when required by the Student Aid Commission. The language in subdivision (a) of Education Code section 69432.92, which is cited by the claimant, only provides specific authorization to the Student Aid Commission. It does not impose a mandate on local agencies.

Commission decisions make clear that any activities imposed on charter schools are not a state mandate. The Commission has determined that charter schools are not eligible claimants subject to Article XIII B, section 6, of the California Constitution. Therefore, the references to time and costs incurred by charter schools in section (A) are irrelevant.

The claimant's statement in (F)(iv) of the written narrative, that "none" of "the local agency's general purpose funds" are "available for this program" is inaccurate. Funds apportioned to school districts through the Local Control Funding Formula (LCFF) pursuant to Article 2 (commencing with Section 42238) of Chapter 7 of Part 24 of Division 3 of Title 2 of the Education Code are available for these purposes and should offset any costs claimed by school districts. Similarly, funds apportioned to county offices of education through the County Local Control Funding Formula pursuant to Chapter 12.5 (commencing with Section 2574) of Part 2 of

Division 1 of Title 1 of the Education Code are available for these purposes and should offset any costs claimed by county offices of education. Further, other state funds, including funds apportioned in the 2016-17 fiscal year through the College Readiness Block Grant, established in Chapter 29, Statutes of 2016, have been available for this program. Those funds also should offset any claims. The total of all of these funds exceeds the actual or estimated costs alleged by the claimant and the statewide cost estimate alleged in the claim.

As indicated above, for these reasons, Finance recommends that the Commission deny this test claim.

If you have any questions regarding this letter, please contact Christian Osmena, Principal Program Budget Analyst at (916) 445-0328.

Sincerely,

A handwritten signature in blue ink that reads "Erika L." with a stylized flourish at the end.

rw Jeff Bell
Program Budget Manager

DECLARATION OF SERVICE BY EMAIL

I, the undersigned, declare as follows:

I am a resident of the County of Sacramento and I am over the age of 18 years, and not a party to the within action. My place of employment is 980 Ninth Street, Suite 300, Sacramento, California 95814.

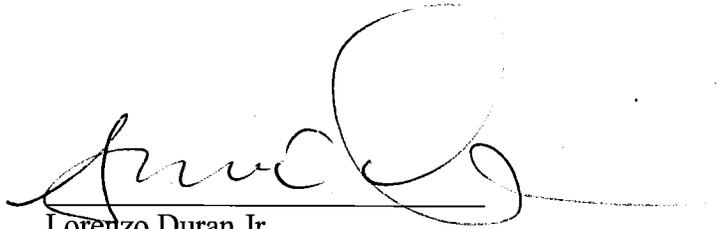
On October 12, 2017, I served the:

- **Department of Finance (Finance) Comments on the Test Claim filed October 11, 2017**

Cal Grant: Grade Point Average and Graduation Certification, 16-TC-02
Education Code Sections 69432.9(c)(2), 69432.9(c)(3), 69432.9(c)(5),
69432.9(d)(1)(d)(2)(A); Statutes 2014, Chapter 679 (AB 2160); Education Code Sections
69432.92(a) and 69432.92(b); Statutes 2015, Chapter 637 (AB 1091); and Education
Code Sections 69432.9(c)(2) and (d)(1); Statutes 2016, Chapter 82 (AB 2908)
Fairfield-Suisun Unified School District, Claimant

By making it available on the Commission's website and providing notice of how to locate it to the email addresses provided on the attached mailing list.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on October 12, 2017 at Sacramento, California.



Lorenzo Duran Jr.
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COMMISSION ON STATE MANDATES

Mailing List

Last Updated: 10/3/17

Claim Number: 16-TC-02

Matter: Cal Grant: Grade Point Average and Graduation Certification

Claimant: Fairfield-Suisun Unified School District

TO ALL PARTIES, INTERESTED PARTIES, AND INTERESTED PERSONS:

Each commission mailing list is continuously updated as requests are received to include or remove any party or person on the mailing list. A current mailing list is provided with commission correspondence, and a copy of the current mailing list is available upon request at any time. Except as provided otherwise by commission rule, when a party or interested party files any written material with the commission concerning a claim, it shall simultaneously serve a copy of the written material on the parties and interested parties to the claim identified on the mailing list provided by the commission. (Cal. Code Regs., tit. 2, § 1181.3.)

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