

**ITEM 12**  
**PROPOSED STATEWIDE COST ESTIMATE**  
**STAFF ANALYSIS**

California Department of Education Standards-Based Accountability Memoranda  
Dated June 30, 1997 and April 15, 1996

*Standards-Based Accountability (98-TC-10)*

San Diego Unified School District, Claimant

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**EXECUTIVE SUMMARY**

The California Department of Education (CDE) memoranda dated June 30, 1997, and April 15, 1998, require the State Board of Education and the Superintendent of Public Instruction to design, implement, and adopt statewide academically rigorous content standards in reading, writing, and mathematics to serve as the basis for assessing the academic achievement of individual pupils and of schools, school districts, and the California education system. On August 29, 2002, the Commission on State Mandates (Commission) adopted the Statement of Decision determining that the above-named CDE memoranda constitute new programs or higher levels of service for school districts within the meaning of article XIII B, section 6, of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514, by imposing reporting requirements on designated school districts to address the above CDE requirements.

The claimant filed the test claim on December 10, 1998. The Commission adopted the Statement of Decision on August 29, 2002, and the parameters and guidelines on May 29, 2003. Eligible claimants were required to file initial reimbursement claims with the State Controller's Office (SCO) by December 9, 2003.

The SCO provided unaudited claims totals to the Commission on May 19, 2004. Staff reviewed this data and actual reimbursement claims to develop the proposed statewide cost estimate. The proposed statewide cost estimate includes two fiscal years for a total of \$578,224. This averages to \$289,112 annually in costs for the state.

**Staff Recommendation**

Staff recommends that the Commission adopt the proposed statewide cost estimate for costs incurred in complying with the *Standards-Based Accountability* program. If the statewide cost estimate is adopted, staff will report the estimate to the Legislature.

## STAFF ANALYSIS

### Background and Summary of the Mandate

The California Department of Education (CDE) memoranda dated June 30, 1997, and April 15, 1998, require the State Board of Education and the Superintendent of Public Instruction to design, implement, and adopt statewide academically rigorous content standards in reading, writing, and mathematics to serve as the basis for assessing the academic achievement of individual pupils and of schools, school districts, and the California education system. On August 29, 2002, the Commission on State Mandates (Commission) adopted the Statement of Decision determining that the above-named CDE memoranda constitute new programs or higher levels of service for school districts within the meaning of article XIII B, section 6, of the California Constitution, and impose costs mandated by the state pursuant to Government Code section 17514, by imposing reporting requirements on designated school districts to address the above CDE requirements.

The claimant, San Diego Unified School District, filed the test claim on December 10, 1998. The Commission adopted the Statement of Decision on August 29, 2002, and the parameters and guidelines on May 29, 2003. Eligible claimants were required to file initial reimbursement claims with the State Controller's Office (SCO) by December 9, 2003. The Commission uses these initial claims to develop the statewide cost estimate.

### Discussion

#### *Reimbursable Activities*

The Commission approved this test claim for the following activities:

*For those districts scheduled for a 1997-1998 Coordinated Compliance Review, or otherwise specifically required by the state to engage in these reporting activities:*

- Complete and submit to the state by November 1, 1997, the *District Assessment and Accountability System Description*, to explain the measures and methods used by the school district in assessing individual student achievement levels in reading/language arts and mathematics for the 1996-97 year.
- Complete and submit to the state by November 1, 1997, one form for each school in the district, the *1996-97 Student Achievement Summary School Report*, to report the percentage of all students in each school that meet or exceed the district-established grade-level standards in reading/language arts and mathematics, and separately for students served under each of the following specially-funded programs: Title I - Targeted Assistance, Migrant Education, Limited English Proficient, Special Education, and/or Gifted and Talented.

*For those districts scheduled for a 1998-1999 Coordinated Compliance Review:*

- Complete and submit to the state by November 1, 1998, *District Assessment and Accountability System Description*, to explain the measures and methods used by the school district in assessing individual student achievement levels in reading/language arts

and mathematics for the 1997-98 year. One of the measures used shall be the STAR program.<sup>1</sup>

- Complete and submit to the state by November 1, 1998, one form for each school in the district, *1997-98 Student Achievement Summary School Report*, to report the percentage of all students in each school that meet or exceed the district-established grade-level standards in reading/language arts and mathematics, and separately for students served under each of the following specially-funded programs: Title I - Targeted Assistance, Migrant Education, Limited English Proficient, Special Education, and/or Gifted and Talented.

*Exception to reimbursement for some activities by Title I funded schools within districts otherwise eligible for reimbursement above:*

For Title I funded schools completing the *Student Achievement Summary School Report* for Coordinated Compliance Review years 1997-1998 and/or 1998-1999, an exception to reimbursement exists under Government Code section 17556, subdivision (c). For Title I schools, reimbursement is allowed for disaggregating the results for Gifted and Talented Education students, and for reporting on assessments for more than one grade in each of the grade spans 3-5, 6-9, and 10-12, but not for any other activities.

### ***Statewide Cost Estimate***

Staff reviewed the claims data submitted by the claimants and compiled by the SCO. Staff made the following assumptions and used the following methodology to develop a statewide cost estimate of this program. If the Commission adopts this statewide cost estimate, the estimate, including staff's assumptions and methodology, will be reported to the Legislature.

#### Assumptions

Staff made the following assumptions:

- The statewide cost estimate is based on 43 claims filed by 41 school districts.<sup>2</sup> The claiming data is unaudited and may be inaccurate. Summerville Elementary School District (enrollment of 474) filed reimbursement claims for \$12,199 in 1997-1998, and \$12,692 in 1998-1999. However, a school district of comparative size filed a reimbursement claim of approximately \$1,400.<sup>3</sup> In fact, a school district with enrollment 20 times that of Summerville filed a smaller claim.<sup>4</sup>

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<sup>1</sup> The STAR parameters and guidelines provide reimbursement for activities related to reporting STAR program results. STAR activities shall not be reimbursed under the *Standards-Based Accountability* program.

<sup>2</sup> Claims data reported by the SCO as of May 19, 2004.

<sup>3</sup> Soulsbyville School district, with enrollment of 679, filed a reimbursement claim for \$1,447 for the 1998-1999 fiscal year.

<sup>4</sup> Palos Verdes Peninsula Unified School District, with enrollment of 9,543, filed a reimbursement claim for \$10,417 for the 1997-1998 fiscal year.

- The actual amount claimed could significantly increase if late or amended claims are filed, and could exceed the statewide cost estimate. Late claims may be filed for this program until December 2004. According to the California Department of Education, between 250-300 school districts were required to participate in this program for fiscal years 1997-1998 and 1998-1999. To date, only 41 of the 500-600 school districts have filed reimbursement claims.
- Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable. Therefore, the total amount of reimbursement for this program may be lower than the statewide cost estimate.

Methodology

- Staff reviewed the summary claims data provided by the SCO for fiscal years 1997-1998 and 1998-1999. Staff then reviewed the reimbursement claims to study claiming data and possible trends. No trends were identified for this program.
- The proposed statewide cost estimate was developed based on the 43 unaudited, actual reimbursement claims.
- For the reasons stated above, staff only included \$1,500 per fiscal year for Summerville Elementary School District.
- There is a \$1,000 minimum threshold for filing reimbursement claims. Beardsley Elementary School District filed a claim for \$956. Therefore, staff did not include this claims data in the statewide cost estimate.

The proposed statewide cost estimate includes two fiscal years for a total of \$578,224. This averages to \$289,112 annually in costs for the state.

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

<b>Fiscal Year</b>	<b>Number of Claims Filed with SCO</b>	<b>Claim Totals</b>
1997-1998	20	\$308,760
1998-1999	23	\$269,464
<b>Total</b>	43	<b>\$578,224</b>

**Staff Recommendation**

Staff recommends that the Commission adopt the proposed statewide cost estimate of **\$578,224** for costs incurred in complying with the *Standards-Based Accountability* program.