



CSIS *California School Information Services*

Lassen County Office of Education

Management Review

July 12, 2012



Joel D. Montero
Chief Executive Officer





CSIS California School Information Services

July 12, 2012

Richard R. DuVarney, Superintendent
Lassen County Office of Education
472-013 Johnstonville Road North
Susanville, CA 96130

Dear Superintendent DuVarney,

In March 2012, the Lassen County Office of Education and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for FCMAT to provide a review of the county's special education programs and services and the Lassen County SELPA.

The Lassen County SELPA Governance Council unanimously agreed to request a FCMAT study and asked the Lassen County Superintendent of Schools to execute an agreement on the council's behalf. The study objectives were developed and approved by the county superintendent on behalf of the governance council.

Specifically, the agreement states that FCMAT will perform the following:

1. Review the current Special Education Local Plan Area (SELPA) structure with regard to the delivery of regionalized programs and services.
2. Review the local plan and procedural manual in accordance with legal compliance, effectiveness and status of how current policies and procedures are implemented and monitored and make recommendations for improvement, if necessary.
3. Review the criteria for development and implementation of a single program SELPA including operator and allocation formula descriptions and make recommendations that will include improved transparency, cost savings and a more efficient delivery system to provide a quality educational program for disabled students.
4. Review the COE-operated special education programs and determine whether some programs would be more cost effective if operated by participating districts. Evaluate the organizational capacity and timeline required for implementation for districts to operate additional programs (such as facilities, staffing, etc.).

FCMAT

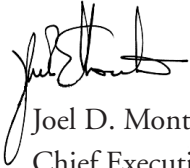
Joel D. Montero, Chief Executive Officer

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5. Review all current staffing levels for certificated and classified employees, including management level and caseloads per full time equivalent (FTE) position of all COE programs and make recommendations regarding efficiency and comparable costs.

This final report contains the study team's findings and recommendations in the above areas of review. We appreciate the opportunity to serve you and we extend our thanks to all the staff of the Lassen County Office of Education for their assistance during fieldwork .

Sincerely,

A handwritten signature in black ink, appearing to read 'Joel D. Montero', with a stylized, cursive script.

Joel D. Montero.
Chief Executive Officer

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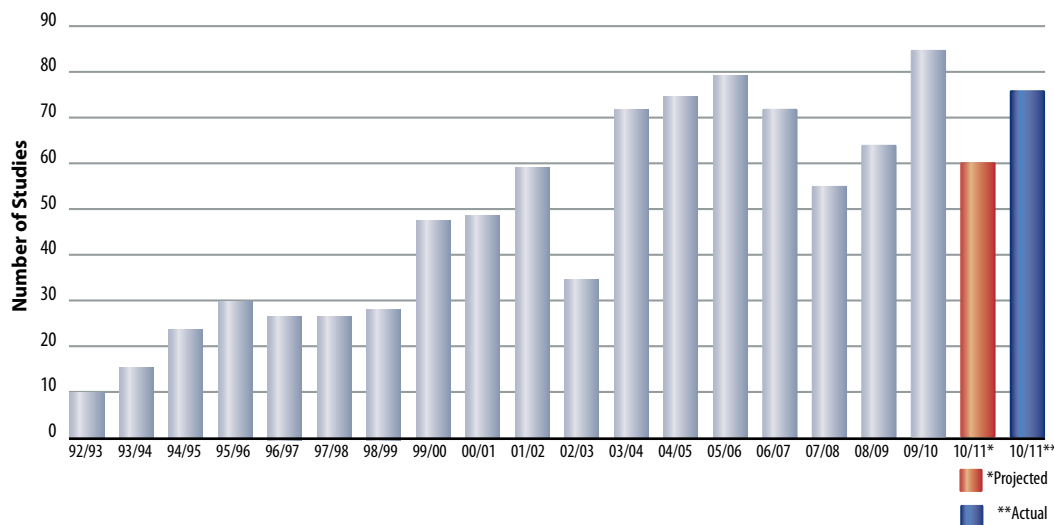
About FCMAT

FCMAT's primary mission is to assist California's local K-14 educational agencies to identify, prevent, and resolve financial and data management challenges. FCMAT provides fiscal and data management assistance, professional development training, product development and other related school business and data services. FCMAT's fiscal and management assistance services are used not just to help avert fiscal crisis, but to promote sound financial practices and efficient operations. FCMAT's data management services are used to help local educational agencies (LEAs) meet state reporting responsibilities, improve data quality, and share information.

FCMAT may be requested to provide fiscal crisis or management assistance by a school district, charter school, community college, county office of education, the state Superintendent of Public Instruction, or the Legislature.

When a request or assignment is received, FCMAT assembles a study team that works closely with the local education agency to define the scope of work, conduct on-site fieldwork and provide a written report with findings and recommendations to help resolve issues, overcome challenges and plan for the future.

Studies by Fiscal Year



FCMAT also develops and provides numerous publications, software tools, workshops and professional development opportunities to help local educational agencies operate more effectively and fulfill their fiscal oversight and data management responsibilities. The California School Information Services (CSIS) arm of FCMAT assists the California Department of Education with the implementation of the California Longitudinal Pupil Achievement Data System (CALPADS) and also maintains DataGate, the FCMAT/CSIS software LEAs use for CSIS services. FCMAT was created by Assembly Bill 1200 in 1992 to assist LEAs to meet and sustain their financial obligations. Assembly Bill 107 in 1997 charged FCMAT with responsibility for CSIS and its statewide data management work. Assembly Bill 1115 in 1999 codified CSIS' mission.

AB 1200 is also a statewide plan for county office of education and school districts to work together locally to improve fiscal procedures and accountability standards. Assembly Bill 2756 (2004) provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans.

In January 2006, SB 430 (charter schools) and AB 1366 (community colleges) became law and expanded FCMAT's services to those types of LEAs.

Since 1992, FCMAT has been engaged to perform nearly 850 reviews for LEAs, including school districts, county offices of education, charter schools and community colleges. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The team is led by Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

Introduction

Background

With a student enrollment of 4,802 students, the Lassen County Office of Education is the primary provider of special education and related services in the county. The Lassen County SELPA is comprised of 10 school districts and three charter schools, with the county office serving as the administrative unit for the SELPA. Under the SELPA's original allocation plan, the costs for county office-operated programs and services were covered before other funds were allocated (sometimes known as "off the top" funding); however, decreases in revenues and increases in expenditures have caused the SELPA and the county office to change to a fee-for-service model.

This FCMAT study was requested by the Lassen County Governance Council in cooperation with the county office to review the efficiency of the current structure of regional programs and services as well as the allocation of resources through the SELPA.

In March 2012, the Lassen County Office of Education requested FCMAT to assist the county office by reviewing the county office's special education programs and services. The study agreement specifies that FCMAT will perform the following:

1. Review the current Special Education Local Plan Area (SELPA) structure with regard to the delivery of Regionalized Programs and Services.
2. Review the local plan and procedural manual in accordance with legal compliance, effectiveness and status of how current policies and procedures are implemented and monitored and make recommendations for improvement, if necessary.
3. Review the criteria for development and implementation of a single program SELPA including operator and allocation formula descriptions and make recommendations that will include improved transparency, cost savings and a more efficient delivery system to provide a quality educational program for disabled students.
4. Review the COE-operated special education programs and determine whether some programs would be more cost effective if operated by participating districts. Evaluate the organizational capacity and timeline required for implementation for districts to operate additional programs (such as facilities, staffing, etc.).
5. Review all current staffing levels for certificated and classified employees, including management level and caseloads per full time equivalent (FTE) position of all COE programs and make recommendations regarding efficiency and comparable costs.

Study Guidelines

FCMAT visited the county office on May 8-10, 2012 to conduct interviews, collect data and review documents. This report is the result of those activities and is divided into the following sections:

- Executive Summary
- SELPA Administration, Local Plan and Procedure Manual
- Programs and Services
- Staffing and Caseloads
- Program Operations and Transfer Options

Study Team

The study team was composed of the following members:

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*As a member of this study team, this consultant was not representing her employer but was working solely as an independent contractor for FCMAT.

Executive Summary

The Lassen County Special Education Local Plan Area's (SELPA's) director also serves as the Lassen County Office of Education (county office) special education director. The roles of these two positions are not clear to all SELPA member districts.

Because the two roles of SELPA director and special education director are combined into one position, the reporting, administration and funding allocations, as well as program provision, are the responsibility of the same person. This does not easily lend itself to the level of oversight and assurance found in most SELPAs that programs are operated within legal mandates. However, because of the small number of special education students it serves, the most efficient system for Lassen County is to continue to combine the two roles of county office special education director and SELPA director in one position, with the county office serving as the administrative unit (AU), but to also clarify the distinctiveness of the two roles.

A local plan is designed to ensure that a SELPA has addressed all required components of California Education Code section 56205 and to clearly delineate how special education is delivered in a SELPA. The current Local Plan is under revision, but the single program operator allocation model in use (under which the county office provides nearly all special education programs and services for the districts) has not been approved by the SELPA's governance council. FCMAT provides several recommendations to add clarity and openness to the some sections of the local plan. The SELPA does not have an updated procedural manual for special education programs and services, which is required for both compliance and efficient operation.

The percentage of K-12 students in the county identified as having disabilities has decreased over the past three years, from 12% in 2009 to 11% in 2010 and 10% in 2011. However, FCMAT did not find an associated decrease in special education staffing during this period. The county's current identification rate is consistent with the statewide average.

As the county begins to implement a fee-for-service model for special education, it is critical to carefully review the staffing structure and reduce costs whenever possible. Every school district and county office struggles with interpreting which services for students with disabilities are considered mandated under federal and state law, and how that interpretation is applied and how it affects staffing.

The county office exceeds statewide averages and statutory requirements for services and staffing in a number of areas, including the psychologist-to-student ratio, the provision of speech aides for speech therapists, and a speech coordinator. This results in an additional annual cost of \$456,896. The level of instructional aide support also far exceeds operational guidelines and the SELPA guidelines across all school sites, and as a result is costing the county an additional \$171,078 annually.

There is a lack of openness and information sharing regarding the details of programs, staffing and actual costs of county office-operated programs. Member districts have expressed concerns about the equitability of the distribution of resources and do not always feel included in decisions regarding program development. Proposals for improved communication and decision making processes are provided for the SELPA's consideration. The general consensus of the member districts and charter schools is that the single program operator allocation model is outdated and needs revision to meet the current needs of a fee-for-service model.

Limited accountability for county office staff hampers effective follow-through in the use of adopted curriculum, integration of staff at school sites to which they are assigned, lesson plans,

and achievement outcomes. The certificated staff have not been evaluated in several years, and there is no system for monitoring the scheduling and delivery of related services to students.

Following an extensive review of program operation, FCMAT has provided the SELPA, the county office and member districts and charter schools with a detailed analysis of potential program transfers that includes potential fiscal and program consequences. This analysis was completed by both program and school site, and will benefit the governance council as it considers the equitable distribution of resources.

Findings and Recommendations

SELPA Administration, Local Plan and Procedure Manual

Administration

The Lassen Special Education Local Plan Area's (SELPA's) director also serves as the Lassen County Office of Education (county office) special education director. Fresno and several other county SELPAs also have such an arrangement. The major difference for Lassen County is that the county office is the primary provider (known as a single program operator) of all special education services to all the districts in Lassen County, except for one class at Lassen High School District and some programs at Susanville Elementary School District.

Neither district nor county office staff clearly understand the role of the SELPA director versus the role of the county office special education director. The role is defined in Education Code (EC) section 56836.01, which states that the responsibilities of the SELPA director include the following:

- (a) The fiscal administration of the annual budget plan pursuant to paragraph (1) of subdivision (b) of Section 56205 and annual allocation plan for multidistrict special education local plan areas pursuant to Section 56836.05 for special education programs of school districts and county superintendents of schools composing the special education local plan area. (b) The allocation of state and federal funds allocated to the special education local plan area for the provision of special education and related services by those entities. (c) The reporting and accounting requirements prescribed by this part.

Because the two roles of SELPA director and special education director are combined into one position, the same person is responsible for reporting, administration and funding allocations, as well as for program provision. This does not easily lend itself to the level of oversight and assurance of legal compliance that are found in most other SELPAs. However, because of the small number of special education students it serves, the most efficient system for Lassen County is to continue to combine the two roles of county office special education director and SELPA director in one position, with the county office serving as the administrative unit (AU), but to also clarify the distinctiveness of the two roles.

The two roles of SELPA director and county office special education director are not clearly delineated in the current local plan, the proposed revised local plan, or the county office procedure manual. In fact, the local plan language implies that there are two separate positions.

The duties of the Responsible Local Agency (RLA), which in Lassen County is the Lassen County Office of Education, are defined in Section 12-13 D 1-5 of the local plan. This section includes the responsibilities of the SELPA but does not include county office special education administration duties. The job description for the SELPA director is also included in the local plan, but it does not include county office special education director's duties.

Section 12-14 E 1 of the local plan includes the program operator's responsibilities and states, "any district can request to become a program operator." However, this section does not state that the county office is the primary provider of all special education services.

The language in section 12-13 D 6 of the local plan implies that the SELPA has program specialist positions. This section states that the county office, as the RLA for the SELPA, is responsible for hiring and supervising program specialists. However, there are no program specialists in the SELPA.

The duties of program specialists are specified as follows in EC section 56368:

- (b) A program specialist may do all the following:
 - (1) Observe, consult with, and assist resource specialists, designated instruction and services instructors, and special class teachers.
 - (2) Plan programs, coordinate curricular resources, and evaluate effectiveness of programs for individuals with exceptional needs.
 - (3) Participate in each school's staff development, program development, and innovation of special methods and approaches.
 - (4) Provide coordination, consultation and program development primarily in one specialized area or areas of his or her expertise.
 - (5) Be responsible for assuring that pupils have full educational opportunity regardless of the district of residence.
- (c) For purposes of Section 41403, a program specialist shall be considered a pupil services employee, as defined in subdivision (c) of Section 41401.

The need for this type of position in the SELPA is readily evident from the difficulty that exists in having the SELPA director be responsible for both providing programs and overseeing programs; the need for additional monitoring and accountability to ensure compliance in program delivery as discussed later in this report; and the need for written policies and procedures to meet legal requirements as discussed later in this report. In many SELPAs, program specialists fulfill all of these duties but are not responsible for employee performance evaluation, though they may be on the administrative pay scale.

Recommendations

The SELPA should:

1. Ensure that the revised local plan clearly delineates the dual and unique roles and responsibilities of the position that acts as both the Lassen SELPA director and the county office of education special education director.
2. Consider hiring a program specialist whose job description includes and clearly defines the responsibility to support all special education staff in Lassen County with training, curriculum, monitoring, accountability and other services, but that does not include employee performance evaluation.

Local Plan and Procedure Manual

Although many sections of the local plan are identical in many SELPAs, some sections are intended to be specific to a particular SELPA. This individuality is not evident in the Lassen County SELPA's current local plan except in the section that discusses the combination of resource specialist/special day classes that the county office operates (section 12-13 G). The current local plan does not clearly indicate that almost all special education programs and services are delivered by the county office or that the same individual acts as both the SELPA director and the county office special education director.

The local plan's table of contents does not contain all the components of a local plan required by EC section 56205. It is not required that all sections of the local plan be revised, but those that were either not included in the most recently approved plan or that are no longer accurate will need revision.

Draft revisions of several sections of the local plan that the SELPA is developing were also not included in the local plan's table of contents. Therefore it is reasonable to assume that after it is updated, the local plan will include all required revised sections as well as sections in the current plan that do not need to be revised. The final local plan must have all the sections specified in Education Code.

The following six sections of the current local plan include forms but not the required policies and procedures:

- Performance Goals and Indicators
- Participation in Assessments
- Supplementation of State and Local and Other Funds
- Maintenance of Financial Effort
- Suspension/Expulsion
- Annual Budget and Service Plans

For example, the Annual Budget Plan section does not include an explanation of when and how the annual budget plan is adopted, the approval process for funding allocation plans, or guidelines for decision-making and funding sources.

Examples of the sections of the local plan that need to be developed or revised can be found on several different SELPA websites, such as the Poway Unified School District SELPA and Fresno County SELPA, though as indicated earlier these would need to be tailored to the processes and circumstances of the Lassen County Office of Education.

When revising the local plan it is also important to develop a table of contents that enables readers to readily locate specific sections and topics. The current local plan's table of contents does not provide this.

The SELPA's procedure manual was developed in 2009, and the SELPA has since added a section on additional aide support and how to make referrals to the Steps to Success class. Staff indicated that both of these sections were needed and have helped staff make decisions regarding these areas. The procedure manual was reviewed with special education staff when first distributed, and it is included in the computerized individualized education program (IEP) system's document library.

Although the procedure manual contains many important sections, staff indicated that many sections need clarification. There is confusion regarding the initial process of referring a student for special education services. Some school sites operate student study teams that carefully determine the interventions a student has received prior to a referral, while in other cases students are assessed with little or no prior intervention. Students at one site are found eligible for special education, while at another site a student with a similar profile is found ineligible. This is not an unusual situation and occurs in many SELPAs. What makes it unusual in the Lassen County SELPA is that it is occurring when a single entity, the county office, is the main provider of assessors and special education services.

Staff also indicated that the reason for this lack of consistency is that there has been minimal evaluation of staff and little monitoring of staff and programs. This is being addressed by the county office's human resources and special education departments but, in accord with the contract with the certificated bargaining unit, it will take five years before all staff are evaluated; therefore, inequities in the referral and eligibility process may continue if training and ongoing monitoring are not provided to staff.

Clear procedures are also lacking in several other areas. Better efficiency and compliance will be achieved when written procedures and appropriate training is provided to the staff. Written procedures are needed for the following:

- a. When and how to use the Prior Written Notice form
- b. Requirements for general education teachers to attend preschool IEP meetings
- c. Including explanations to parents regarding student assessment and grading as part of the IEP process
- d. Recordkeeping
- e. Process to refer a student for additional related services such as occupational therapy
- f. Revised referral process for counseling
- g. Identification and assessment of English language learners
- h. Linguistically and culturally appropriate goals
- i. How and when interpreters are required
- j. Funding for services to students with low-incidence disabilities, and the process for acquiring equipment to serve these students.

A committee made up of district and county office staff would enable the SELPA to determine what topics to include in the procedure manual and the level of specificity for each topic. As indicated previously, examples of procedures manuals are available on the websites of many of the SELPAs in California and can be used as a template for developing the specifics of how special education operates in Lassen County.

Although the Lassen County SELPA's procedure manual is available in the computerized IEP system's document library, it is not widely used. This may be because of its lack of clarity, but there is also reportedly insufficient training in how to use the document. Therefore, there is

confusion about whom to call for direction. The staff call the special education director, the special education secretary, or each other to determine the correct processes and procedures.

It will be important for staff to receive regular training in the use of the procedure manual and for the procedure manual to be easily accessible online, with both a table of contents and an index. This will enable staff to access the topics they need more efficiently. If staff cannot access the topics easily, the document will continue to see little use.

The bylaws for the SELPA's administrative council reiterate items from the current local plan. After the local plan has been revised and accepted by the California Department of Education, the bylaws will need to be similarly revised.

Some of the items found to be out of compliance during the SELPA's special education self-review were nonetheless included in the local plan or the procedure manual, which is an indicator of the difficulty and lack of monitoring staff who provide services and complete the required IEP documents. Examples of these items include a statement regarding the present levels of performance in the IEP, IEP timelines and participants, the requirement that the IEP be implemented as soon as possible following the IEP meeting, and reasons a student would be eligible for alternative state assessments.

Other items that were out of compliance are addressed in the computerized IEP system but do not have policies or procedures in the local plan or procedure manual. Following are examples of these items:

- The procedure for informing parents regarding their child's progress and how that information will be recorded in the IEP
- The fact that IEPs did not contain statements of the present level of performance for students who are classified as Other Health Impaired (OHI) and how that disability affects the student's involvement in the general curriculum
- Information about how preschool students were to participate in appropriate activities was missing in the IEP documentation
- Information about how and when to provide a Prior Written Notice and how general education teachers are informed of their responsibilities for any special education students in their class and the accommodations, modifications and supports that the student requires based on the IEP

In 2009 School Services of California (SSC) produced a report on the SELPA and county office that contained recommendations for improvement in the following four areas:

- Adding charter schools that are local educational agencies (LEAs) to the governance council in the same way as other LEAs
- Including updated interagency agreements in the local plan
- Developing procedures for the SELPA to monitor compliance in district- and county office-operated special education programs and services
- Developing a separate plan for long-term training in districts and for the county office staff

The 2009 SSC report also stated that the SELPA's local plan lacked sufficient details or follow-through to ensure that participants follow a consistent referral process, including pre-referral actions by districts and/or schools.

The SELPA and the county office have implemented few of these recommendations. Charter school LEAs are now members of the SELPA's governance council in the same way as any other LEA, as recommended in the 2009 SSC report. However, the SELPA and the county office have not included updated interagency agreements in the local plan; do not have sufficient monitoring and compliance in the local plan for district and county special education programs and services; and lack a separate plan for long-term training in districts and for county office staff. The local plan and procedure manual contain the details required for a consistent referral process, but the process is lacking sufficient follow-through to ensure that it is implemented by districts and/or the county office.

Implementing the recommendations in the SSC report would help maximize consistency among member districts and charter schools.

The SELPA also has no procedure manual for instructional aides and no specific trainings for instructional aides in disability awareness, instructional methods, behavior techniques and tips for working in both the special education and general education classrooms.

Recommendations

The SELPA should:

1. Revise and/or develop the sections of the local plan that are either not accurate or not included in the current local plan to meet the requirements of EC section 56205.
2. Ensure that the section of the local plan regarding the roles and responsibilities of the SELPA director includes the roles and responsibilities of the dual-role position of Lassen County SELPA director and county special education director.
3. Ensure that the local plan clearly defines the special education delivery system so that it is easily apparent which programs and services districts provide and which the county office operates.
4. Ensure that the local plan's table of contents and index enable the user to easily find and access the information they need.
5. Ensure that the governance council, special education staff, site administrators, appropriate general education teachers, and parents are trained in all relevant sections of the local plan.
6. Convene a committee comprised of district and county office staff to determine the topics that should be included in the procedure manual and to revise the procedure manual so that it provides the specificity and clarity needed to ensure efficient, consistent and compliant special education operations.
7. Train site administrators, special education staff and general education staff on relevant sections of the procedure manual.

8. Develop policies and procedures to ensure the accountability of special education programs by monitoring all special education classes, IEP development and IEP implementation, including items identified in the special education self-review.
9. Revise the governance council's bylaws as needed.
10. Develop a long-term training structure to ensure that all staff are up-to-date on best practices, changes in laws and regulations, curriculum and special education procedures.
11. Develop a procedure manual for instructional aides.
12. Develop and provide training to meet the needs of both new and returning instructional aides.

Programs and Services

Single Program SELPA Operator

The Lassen County Office of Education is a single program operator, which means that the county office operates all special education programs and services on behalf of the districts, with the exception of four teachers, four paraeducators, one speech therapist, one speech assistant and one clerk in the Lassen Union High, Susanville Unified and Janesville Union Elementary school districts. This is unusual in California.

The *Single Program Operator and Allocation Formula Descriptions* is a plan that addresses the way all special education staff will eventually become employees of the county office. The California Department of Education (CDE) has approved the county office's combining of resource specialist (RSP) and special day class (SDC) programs because of the county's rural location, acknowledging that the county is sparsely populated. Some schools in the county are as far as 128 miles apart; eight of the 19 schools are 40 miles or farther from Susanville, the county's largest population center, where the county office is located.

Because of these long distances and because winter weather conditions make transportation difficult and sometimes dangerous, it is not feasible to provide a program for students who require less than half a day in special education RSP separate from those who require a half day or more of SDC. Because the number of RSP and SDC students is very low in some districts, it is neither programmatically nor fiscally feasible to have separate classes, teachers and facilities. The CDE determined that transporting students significant distances away from their homes and communities is not in the students' best interest unless absolutely necessary; such long distance transport would also be contrary to the requirement of providing services in the least restrictive environment (LRE) (United States Code, Title 20, Section 1412(a)(5)).

Openness and Information Sharing

The districts shared that they would like to be provided with recommendations for ways to increase openness and sharing of information. Ineffective communication between the county office and some member districts is exacerbated by the fact that the county office does not regularly provide members of the SELPA administrative council with breakdowns of program and staff costs for programs operated on the districts' behalf. Regularly receiving clear, concise and understandable fiscal information would benefit the administrative council.

Because the county office receives all special education revenues that the districts generate, it is important that the districts are aware of all operating costs of programs and services to build trust among the SELPA members.

The SELPA also does not provide the administrative council with a treasurer's report from the SELPA annually. California K-12 education is in a fiscal crisis, and thus it is crucial for the SELPA's local educational agencies to know the exact operating costs of county office programs and services to ensure cost efficiency.

It is the SELPA's responsibility to ensure that all programs and services are available to meet students' needs and to ensure the equitable distribution of resources. Districts do not always feel as though they are included in decisions regarding the programs operated by the county office in their districts. The Lassen County SELPA administrative council meets four times per year; many

administrative councils in California meet six or more times per school year. In the ever-changing field of special education, members may want to consider meeting more frequently to increase communication and openness and to build trust.

The *Single Program Operator and Allocation Formula Descriptions* document creates some confusion among districts and the county office and is not well received by all of the SELPA's represented members. This document was developed and approved in June 2008, amended and approved in September 2009, and amended again but not approved in January 2012. Although this document may have once served a purpose, this can no longer be demonstrated. A concern expressed by districts is that under the *Single Program Operator and Allocation Formula Descriptions*, districts are not reimbursed for their actual costs when they hire special education staff. A section of this document states the following:

1. All certificated and classified staff, with the Janesville, Lassen High, or Susanville school districts, will continue as employees of that district until such time as the employee leaves the position (resignation, retirement, transfer to non-special education position, lawful termination or release, death, etc.). For clarification purposes, a special education position is not "vacated" if a staff person, whose position is/has been eliminated, has bumping rights into a special education position. The LCOE will maintain a list of the affected positions/staff. (This information was not readily available during the study)
2. When a special education certificated position has become "vacant," the employing District must then determine if that position will be retained by the District, or if the position will be transferred to the LCOE, as Program Operator. Should the employing District decide to retain the certificated position, the employing District will be reimbursed, for an entry level salary (LCOE salary schedule) and fringe benefits (LCOE fixed cost rate and health benefits cap). For a retained special education classified position, the employing District will be reimbursed using the LCOE classified salary schedule. The District would receive this rate, or its actual costs (not including any stipends), whichever is less. The reimbursement rates and placement would be "frozen" at these levels and re-calculated each year, using the same methodology, and no change in steps will occur. The rates will change only as a result of a COLA to the LCOE salary schedule or benefit increase.

If a district is interested in hiring its own staff, it should be permitted to do so if the district can demonstrate that programs and services to students will be provided at a high standard and that fiscal solvency can be maintained. This is especially true for programs and services for non-severely disabled students. Many districts in California serve their non-severely disabled students with RSP, SDC or similar programs. The districts also indicated that hiring their own staff would enable them to operate more cost-effectively. However, the data provided indicates that some of the salaries and benefits provided by districts are higher than those paid by the county office (see Tables 2A through 2O below).

The *Single Program Operator and Allocation Formula Descriptions* is the only document that addresses the special education funding for the Lassen County SELPA. In most SELPAs, the

funding allocation plan is a policy within the local plan. Some revisions to the *Single Program Operator and Allocation Formula Descriptions* document may be warranted.

Recommendations

The county office should:

1. Ensure that members of the SELPA administrative council are regularly provided with breakdowns of the costs of program operations and staff provided on the district's behalf.
2. Ensure that members of the administrative council are provided with clear, concise and understandable fiscal data, including but not limited to the exact operating costs of county office-operated programs and services.
3. Ensure that the administrative council is provided with an annual treasurer's report from the SELPA.
4. Consider meeting with the administrative council more frequently than four times per year.
5. Consider amending the *Single Program Operator and Allocation Formula Descriptions*.
6. Consider permitting districts to hire their own special education staff and reimbursing them for their actual costs.
7. Consider including the *Single Program Operator and Allocation Formula Descriptions* in the local plan as a policy.

Cost Savings

Because of reductions in state funding over the past five years, school district superintendents in Lassen County, like many others across California, are recommending that their governing boards make significant reductions to their operating budgets. The Lassen County Office of Education will need to make similar reductions because of a loss of revenue at the district level.

School psychologists in the county are contracted for 197 days per year, even though the traditional school year for the majority of districts is 175 days. A small number of districts have 180 school days. This means that school psychologists work a minimum of 17 more days than students are present in school, and most of the psychologists work 22 more days than students are present in school. School psychologists' main role is to provide direct support to students, consultation and collaboration with teachers, and engage in tasks that are related to activities that occur while school is in session. These main services do not typically extend beyond the instructional year. Contracting for psychologists' services for 17 to 22 days, in addition to the instructional year is a major inefficiency and excess cost to the county office, which is passed on to the districts. Based on the psychologists' current average salary of \$88,726.00 per year and daily rate of \$450.38, reducing seven psychologist positions to 180 days per year and providing one psychologist for an additional 17 days to meet extended school year needs would result in an ongoing annual salary savings of \$53,595.00, plus the associated costs of statutory benefits.

The county office operates both the Workability and the Transition Partnership Program (TPP). Workability is a state grant provided to SELPAs to support transition activities for students working to complete high school and develop work preparedness skills. The funds are intended to be spent to subsidize paid temporary employment for high school students. Some indirect costs are also allowable; however, the majority of Workability funds are intended to subsidize paid work experience.

The Workability grant requires that county offices meet annual goals for the number of students they serve and place through the Workability program. These goals are measured using a data reporting system that monitors the activities of participating students. SELPAs are also required to submit an annual budget report to the SELPA governing council and the California Department of Education with an accounting of how the Workability funds for the prior year were spent. Grant funds are awarded annually, and SELPAs that do not meet the prior year's goals and budget requirements may be in jeopardy of losing funding for the subsequent year(s).

There has been a lack of timely annual data and budget reporting for the Workability program. The SELPA has been overextending the Workability budget and using a disproportionate amount of grant funds for non-student-related expenses such as a coordinator position. As a consequence, the SELPA has had to provide funding to cover the costs. Not all SELPAs in California receive the Workability grant, and it is important for the Lassen County SELPA to meet all the requirements of this grant to remain eligible to receive the funds in the future.

The TPP is designed to provide support to students transitioning from high school to the work force. The goal of TPP is to help students obtain direct employment or employment following a short-term training or educational program. The TPP is provided to county offices based on a contract with the California Department of Rehabilitation (DOR). Continuation of the contract and associated funding depends on meeting the terms of the contract, which has specific criteria regarding the amount of funds to be spent on staff, materials, equipment, and indirect costs. The DOR also sets goals for the number of students county offices must successfully place in employment. There are a number of requirements for reporting student data and budget expenditures throughout the year; the county office must submit these reports to the DOR as part of the TPP contract. The county office is also required to submit invoices to the DOR regularly to receive the contracted amount of funding. The county office has not submitted invoices regularly, and consequently the DOR has not made payments to the county office on time.

The district administrators expressed concern that they are reducing employees' salaries and benefits, instructional materials and supplies, and capital outlay to operate more efficiently and lower costs but that the county office does not do the same. District administrators and staff stressed that the economic crisis makes it crucial for the county office to operate as cost-effectively as possible. FCMAT determined that there are areas in which the county office can operate with greater cost efficiency, and further information regarding this is provided in the staffing section of this report. The county office provided Table 1 below, which indicates the number of positions that have been eliminated by the county office during the 2009-10, 2010-11 and 2011-12 school years for a savings of \$218,528.70, which is significant.

Table 1: County Office Special Education Positions Eliminated from 2009-10 through 2011-12

Fiscal Year	Title	Site	Hrs/ Day	Gross Salary	Fixed Costs	Total
2009/10	Paraeducator	Lassen High School	5.1	\$11,838.82	\$654.75	\$12,493.57
2009/10	Paraeducator	Fletcher Walker	3.9	\$7,749.74	\$909.08	\$8,658.82
2009/10	Paraeducator	Fletcher Walker	6.0	\$13,405.42	\$3,317.91	\$16,723.33
2009/10	Paraeducator	Big Valley	4.0	\$10,693.95	\$2,646.81	\$13,340.76
2009/10	Paraeducator	Lassen High School	4.75	\$9,438.79	\$2,336.15	\$11,774.94
2009/10	Paraeducator	Johnstonville	6.0	\$11,922.68	\$2,950.92	\$14,873.60
2009/10	Paraeducator	Shaffer	3.9	\$8,485.10	\$995.34	\$9,480.44
2009/10	Paraeducator	Shaffer	3.9	\$8,815.89	\$2,181.98	\$10,997.87
2009/10	Paraeducator	McKinley	6.0	\$15,070.46	\$3,730.01	\$18,800.47
2010/11	Paraeducator	Janesville	6.0	\$12,545.10	\$3,104.97	\$15,650.07
2010/11	Paraeducator	Big Valley	3.0	\$6,041.77	\$1,495.37	\$7,537.14
2010/11	Paraeducator	Fletcher Walker	3.9	\$7,749.74	\$909.08	\$8,658.82
2010/11	Paraeducator-Speech	Long Valley Charter	3.9	\$13,411.83	\$1,573.27	\$14,985.10
2010/11	Paraeducator	Big Valley	3.0	\$6,041.77	\$1,495.37	\$7,537.14
2010/11	Paraeducator-Speech	Shaffer	3.9	\$12,817.40	\$3,172.37	\$15,989.77
2010/11	Paraeducator-Speech	Diamond View	3.9	\$11,817.11	\$2,924.79	\$14,741.90
2011/12	Paraeducator	Fletcher Walker	6.0	\$13,054.01	\$3,230.93	\$16,284.94
Total				\$180,899.58	\$37,629.12	\$218,528.70

When hiring new staff, the request for personnel form is not being routed to the business department first to determine if there are sufficient funds and to ensure proper position control. This can reduce cost efficiency if the department does not first determine whether it has the funds to support the addition of staff.

Staff reported that the county office lacks a formal system to ensure that county office staff absences are always reported to the employee's supervisor, or their district or program site. Itinerant staff do not all have formal schedules that indicate the days on which and the length of time for which they are scheduled to be at each of their assigned sites. Without a monitoring system, staff are not held accountable for their absences. This can reduce cost efficiency.

Recommendations

The county office should:

1. Consider reducing the number of contracted days for seven school psychologists to 180 to align with the school year, and hire one school psychologist for the additional 17 days to cover extended school year needs.
2. Develop a policy to ensure that staff report all absences.
3. Ensure that the Workability program is operated within the allowable budget set forth by the CDE and that data and budget reporting for this program are completed and submitted in a timely manner.
4. Ensure that the invoicing for the TPP is submitted to the DOR regularly and on time.
5. Develop a procedure in collaboration with the finance department to determine if there are funds to support new staff before beginning the hiring process.

Delivery System

The county office has no system to help integrate county office staff with their assigned districts and help them become a part of the team at the school sites and districts where they work.

County office staff do not always attend staff meetings and trainings provided by the district where they are assigned, or immerse themselves in the school where they are assigned. Staff accountability is a concern for some districts; there is no formal system for soliciting superintendents' feedback regarding the staff assigned to their school sites, including evaluations of the staff. In many cases the district's mission and vision is not maintained because the county office staff do not consider themselves part of the district.

Because calendars and schedules are not always maintained by all the itinerant county office staff, the school sites often do not know when and for how long staff are assigned to be at their sites. The county office does not maintain a printed schedule for every itinerant staff member, and shared Microsoft Outlook calendars are not used. In addition to calendars, districts need the staff assignment schedule and any updates made to it. If districts do not know when and for how long staff are scheduled to be at their assigned locations and programs, services to students may be affected. This lack of information and accountability may also lead to reduced cost efficiency.

Not all teachers use state-adopted curricula and materials in their county office classrooms. Staff reported that some curricula and materials are outdated. Educational agencies are required to provide special education students with access to the core curriculum either in the form of state-adopted grade level curricula or state-adopted supplemental curricula and materials that are aligned with the core curriculum.

Teachers are required to teach to the state standards in both general education and special education settings, even when students are performing below grade level and require intervention. Teachers who provide instruction to moderate to severely disabled students also need access to state-adopted curricula and materials that are designed to meet these students' educational needs. This may mean using the district-adopted curricula and materials. Teachers indicated that they do not always know how to obtain the curricula and materials they need.

Teachers do not always develop lesson plans. Best practice is to ensure that lesson plans are submitted to county and site administrators weekly. Lesson plans guide instruction and provide organization for teaching to the standards and for individualizing instruction for each student in accord with their IEP.

IEP team members do not enter their information into the special education information system (SEIS) before scheduled IEP meetings. Each provider on the IEP has the ability to enter the student's present levels, services, progress reports, assessment results and draft goals into the SEIS prior to the IEP meeting. Without this information, case managers lack the information needed to prepare and produce a draft copy of the IEP at the meeting, and they are not prepared to anticipate changes that may be needed in the IEP. In addition, case managers cannot proofread IEPs for errors or omissions ahead of time but must correct these during IEP meetings. This is an inefficient use of parents' and staff members' time and shifts the focus of IEP meetings away from the student. A lack of preparation also does not convey unity to the parent.

Administrators are not conducting frequent observations in teachers' classrooms. Many staff reported they had not been evaluated in several years. During FCMAT's study, the county office was conducting evaluation training for teachers. In this training, teachers were told that they would be evaluated based on the state standards and that an evaluation would occur at least every five years. FCMAT has found that a common best practice is to evaluate teachers every two years. Classroom observations need to be conducted to obtain information for evaluations and to provide teachers and staff with feedback on teaching, classroom management, and work performance.

The county office special education department does not provide adequate written and oral communication to all the districts in the SELPA. Telephone calls and e-mails are not always answered in a timely manner. As a result, the districts reported that they sometimes make decisions independently without county office guidance. Districts and staff do not always understand their roles because they are in geographically isolated locations.

The county office lacks a formal system for determining whether special education students need transportation, providing it, and determining when it is no longer needed. A system for determining transportation needs and services is necessary to ensure that students are scheduled for a transportation route and provided service in a timely manner, and removed when the service is no longer needed.

District administrators' level of involvement varies throughout the county. In some districts it is minimal and they are not always present at IEP meetings, but instead send a designee. It is important that district administrators attend IEP meetings, and because most districts are small it is reasonable for them to do so. Although the number of students identified as needing special education services has decreased over the past several years, staff report that unnecessary referrals to special education continue. This increases both immediate costs and the costs to all districts in the SELPA. District administrators need additional training to reduce the number of unnecessary special education assessments.

Recommendations

The county office should:

1. Consider creating a system to ensure coordination and collaboration with district staff to help integrate county staff at the sites where they serve. Develop a method that enables superintendents to ensure that county office staff are accountable and included as part of the campus and in daily activities and in staff meetings and trainings.

2. Ensure that a schedule that includes assigned days and times is created and maintained for each itinerant staff member; that the schedule is shared with the district or districts that each staff member serves; and that districts are provided with updates when any changes are made.
3. Create a system for superintendents to provide feedback regarding the county office special education staff assigned to their sites, including input for employee evaluations.
4. Ensure that all staff use state-adopted core curricula, supplemental curricula, or curricula for the severely disabled as appropriate. Ensure that staff know how to obtain the appropriate curricula and materials.
5. Consider having teachers create weekly lesson plans and submit them to county and site administrators. Consider using a software system such as Microsoft SharePoint to allow teachers to upload lesson plans regularly.
6. Ensure that service providers enter information into the SEIS a few days before IEP meetings.
7. Ensure that administrators conduct frequent classroom observations of teachers and other classroom staff.
8. Consider increasing the frequency of staff evaluations to every two years.
9. Improve written and oral communication and responsiveness to district and county office staff at district sites. Ensure that staff receive responses to inquiries in a timely manner.
10. Develop a procedure for determining need and providing transportation to special education students, and for determining when transportation is no longer needed and discontinuing this service. Train staff and administrators in this procedure.

The districts should:

11. Increase site administrators' attendance at IEP meetings.

Assessments

The SELPA and county office have no structure or system for determining which students should be referred and assessed for their eligibility for special education services.

The SELPA and county office do not use a formal procedure such as a pre-referral checklist before requesting assessment. Using an instrument such as a pre-referral checklist helps staff determine which students need a special education referral, which students need intervention and follow-up, and which students may not need a special education assessment. In the absence of a structure in place to help make referral decisions, there is a tendency to over-refer students for special education. Referring and assessing more students than necessary for special education is costly, time-consuming and an inefficient use of staff time and resources.

Staff reported that school psychologists, speech therapists, nurses, teachers and other professionals often perform assessments of preschool students separately and on different days and times rather than working together collaboratively to assess preschoolers as a team on the same day. This often requires travel to distant locations, and the amount of travel required and the lack of coordination under this arrangement are time-consuming, costly and inefficient.

Recommendations

The county office should:

1. Consider developing a formal procedure such as a pre-referral checklist to be completed before a request for assessment for special education. Train all staff and administrators in the use of the checklist.
2. Consider developing a system among the preschool/infant team for coordinating the scheduling of assessments.

Paraeducators and One-to-One Aides

The SELPA has no procedural manual for paraeducators, nor are paraeducators given guidelines regarding common countywide practices and procedures. Establishing policies and procedures is important to help staff know expectations, how to carry out job duties, and work efficiently and effectively. A lack of standard procedures results in a lack of consistency across special education programs. Staff are also not provided with a formal orientation at the start of employment with the county office. Formal orientation provides a way to communicate clear expectations and, coupled with a procedural manual, can provide staff with initial and ongoing guidance and structure to promote clear expectations for work performance.

Some staff and districts are not familiar with the county office's packet of materials for referring students for one-to-one aide services, and the county office does not have a consistent procedure for using this packet. There is inconsistency in the rationale for approving or disapproving these requests; some are approved and some are not approved, but there is no logical explanation regarding the decision.

Procedural guidelines can increase consistency in the referral and approval process. They can also help when parents and advocates challenge the district for services because they help determine if the need for additional aide support is a program issue.

It is best practice to ensure that the development and implementation of guidelines is followed by extensive mandatory training for administrators and for general and special education staff.

Guidelines can help staff determine the following:

- The need for additional paraeducators
- Dependence factors
- Measurable outcomes
- Descriptors of success
- Alternatives to paraeducators

- Whether existing resources are being used optimally
- The need to continue services
- The need to increase or decrease paraeducator hours

California Education Code sections 56300 through 56320 contain the requirement for educators to include goals for independence and transitioning a student away from aide services when developing an IEP that includes additional aide support. In most cases a transition plan for decreasing and eventually eliminating the support (known as fading) is included in the IEP in addition to the goals. This ensures that all staff, the family and the student are working toward the same goal of independence and student success. The county office does not have a policy regarding fading.

When a student needs increased support such as a one-to-one paraeducator, or when the number of students with IEPs increases during a school year, there have been delays in filling these paraeducator positions in the districts even though the county office has recommended the hiring and the previous year's IEP supports it. When this occurs, sites start the new academic year understaffed and there is not adequate support to meet students' needs and provide the services enumerated in their IEPs. This may leave students without adequate supervision and support. It can also place the district in a position of legal liability. When a need for increased staff is established and determined through the IEP process, it is important to act in a timely manner so that schools can be prepared to provide required services.

Recommendations

The county office should:

1. Develop a procedure manual for paraeducators that includes guidelines for common practices and procedures.
2. Consider providing paraeducators with formal orientation at the start of their employment.
3. Develop procedural guidelines for using the one-to-one referral packet and for making decisions related to approval and denial of requests for one-to-one aide support. Include goals for independence and fading of one-to-one support services. Train staff and administrators in these procedures and guidelines.
4. Ensure that staff fill positions in a timely manner when a need for increased staff is determined through the IEP process.

Student Success Teams

Staff and administrators reported that although every district has a student success team (SST) process, not all of them are effective. The delivery model is fragmented and inconsistent across some districts. At some sites the SST process is used as a direct referral for a special education assessment rather than as a problem-solving process that helps identify student needs and develops strategies to support those needs.

It is a best practice to use a SST procedural handbook. The California School Boards Association (CSBA) offers guidance regarding SSTs and what policies and procedures school boards should adopt. This is both a delivery system issue and an area that may result in cost reductions.

Effective SSTs serve to accomplish the following:

- Identify student needs and assist students
- Help teachers solve problems with students using the collective expertise of other professionals
- Help parents when they have concerns
- Help students who request additional support
- Improve communication among staff members and between school and home
- Increase staff commitment to students and to the educational program
- Help facilitate referrals to the general education programs at a school site
- Coordinate the services a student receives
- Attempt to document all reasonable interventions before referring a student for assessment for possible special education eligibility and placement
- Ensure and document the use of scientifically based interventions
- Explain the response to intervention 2 (RtI2) model, if used, and review progress under this model

Staff and administrators reported interventions are lacking in the districts. Some students need remediation in basic skills; however, this type of intervention is not available to them. Some districts use intervention strategies more effectively than others, but many districts are not formally implementing interventions. Although some school sites implement some interventions, others do not have adequate interventions for the SST to recommend for students. Some interventions are fragmented and inconsistent, and some school sites do not have adequate interventions before a student is assessed for special education eligibility.

A student who struggles does not necessarily need special education services; they may need some additional support through interventions. However, if interventions are not available, districts may refer that student to special education because there are no alternatives. Special education should not be a district's only option for intervention; general education also needs to play a role in schoolwide interventions. A collaborative effort between special and general education will serve students best.

Recommendations

The county office should:

1. Consider developing an SST procedural handbook and training all staff in the processes.

The districts should:

2. Consider developing formal interventions at each school to provide additional support for students who need it instead of referring them to special education.

Extended School Year (ESY)

Extended School Year (ESY) is a program provided to students with IEPs when school is not in session, such as during summer break, school holidays (depending on the length), and when students in a school that uses multiple-track scheduling year-round to accommodate high enrollment are not in session (known as being off track). ESY differs from general education summer school because its intent is to stop or reverse regression (the loss of critical skills) and help ensure recoupment (the recovery of critical skills in a reasonable time after returning to school) for students with special needs. The county office has no regression and recoupment standards in relation to ESY. This increases costs and reduces program efficiency and is an area in which there is potential for greater efficiency and cost savings.

ESY should be available to students with IEPs if they exhibit a need for these services. However, the county office provides ESY services to students based on the assumption that every student with an IEP needs the service; regression or recoupment factors are not formally considered. The county office also has no policies or procedures to help IEP teams determine the appropriateness of ESY services for individual students. ESY services are costly. It is best practice to evaluate the need for them on an individual basis annually and to provide them only when IEP teams have determined that they are necessary and appropriate.

Recommendations

The county office should:

1. Develop a regression and recoupment matrix to help determine the need for ESY services for individual students.
2. Develop a policy and procedure for determining the need for ESY services for individual students that includes the following factors:
 - Nature and severity of disability
 - Current IEP goals and objectives
 - Emerging skills and breakthrough opportunities
 - Interfering behaviors
 - Severe regression during the extended break
 - Rare and unusual circumstances
3. Provide special education staff and school site administrators with extensive mandatory training regarding regression and recoupment.
4. Clearly define the roles of the special education director, special education staff and school site staff with regard to regression and recoupment.

Staffing and Caseloads

The percentage of K-12 students in the SELPA who are identified as having disabilities that necessitate special education services has declined over the past three years, from 12% in 2009 to 11% in 2010 and 10% (the statewide average) in 2011. However, FCMAT did not find a decrease in special education staffing during that time.

Designated Instruction Caseloads

Using the SEIS to verify caseloads, FCMAT found that the average caseload of 40 students in county office-operated speech and language programs complies with the statutory requirements for students ages 3-5 in Education Code (EC) section 56441.7. The caseloads for speech therapists serving K-12 students averages 45.2, which is less than the maximum of 55 specified in EC section 56363.3

The county office provides five more speech therapy assistant positions than needed, at an additional annual cost of \$156,446. In addition, the county office employs a 0.5 full-time equivalent (FTE) speech coordinator at an annual cost of \$34,252.

There is no restriction in federal or state law regarding exceeding the mandated level of services, but there is also no statutory requirement to provide this specialized administrative support to the 7.0 FTE speech therapists that serve districts through county office-operated programs. As the districts in the Lassen County SELPA move to a fee-for-service model for county programs, the total additional cost of these services (\$190,698 annually) will need to be evaluated.

The average caseload for adaptive physical education specialists in the SELPA averages 42. This is within the statewide guidelines established by School Services of California, Inc.

Health Services Staffing

The Lassen County Office of Education employs one nurse who is primarily responsible for providing health services to students in its 10 school districts and three charter schools. The nurse's salary is fully funded by the county office general fund; however, 50% of the nurse's time is spent in services related to special education, including assessment and supervision of specialized health care.

Under the current arrangement the districts hire licensed vocational nurses (LVNs) to meet health and first aid needs at their schools, technically under the supervision of the county office nurse. Supervisory issues are inherent in any situation in which the supervisor is from a separate entity, including uncertainty about which entity has the authority to set direction and hold staff accountable.

Staff indicated that the health assessments required as part of the initial and triennial assessments of special education students are not being completed in compliance with statutory requirements.

Section 504 of the Rehabilitation Act and the Americans with Disabilities Act require accommodation plans to ensure that individuals with disabilities have adequate accommodations for their disabilities so that they can participate in the educational setting. These are known as 504 plans. Many 504 plans in the SELPA are not implemented, and there is no system in place for oversight.

The level of health services staffing needs to be increased so that it is sufficient to ensure legal compliance. This could be accomplished if special education funded a 0.5 FTE nursing position,

which would allow the full-time nurse to fully support all of the districts and charter schools in the Lassen County SELPA.

Psychologists

The statewide average ratio of psychologists to K-12 general education students, as published in *California Education Facts* (CalEdFacts) 2010-11, is one-to-1,466. The ratio in the Lassen County SELPA is one-to-686.

Thus, in comparison to the statewide ratio, the county office is overstaffed by three full-time positions at an annual cost of \$266,178. This analysis does not take into account travel time. It would benefit the SELPA to have its governance council review the need for travel time, balance that with the mandated level of service in this area, and consider possible reductions. See also the findings and recommendations in the Programs and Services, Cost Savings section of this report regarding psychologists' working more days per year than school is in session.

Instructional Aides

The Lassen County SELPA has established guidelines for staffing levels for instructional aide support to special education classrooms, regardless of whether staff are employed by the county office, the Janesville School District, the Lassen Union High School District or the Susanville School District (SELPA local plan single program operator and allocation formula, section 7).

FCMAT reviewed instructional aide support staffing at every school site in every district throughout the SELPA and found that the staffing formula is not being followed and that the programs are overstaffed based on the formula. The staffing plan for 2011-12 has an excess cost of \$171,078 for the additional aide support. It would benefit the SELPA to have the governance council review the staffing formula to determine if it is appropriate and either hold districts accountable for adherence to it or make an adjustment if it is inadequate to meet program needs.

Recommendations

The county office should:

1. Maintain the identification rate for K-12 students with disabilities at or below the statewide average of 10%.
2. Consider reducing the number of special education staff to better align staffing with the number of special education students receiving services, including the specific recommendations provided here.
3. Consider reducing speech and language therapy staffing to make it consistent with the services designated as mandatory in statutory regulations.
4. Consider eliminating the speech coordinator position to reduce excess costs.
5. Align its school psychologist staffing with statewide practice.
6. Redesign staffing to address travel time in and between rural districts that encompass a large geographic area.
7. Maintain adaptive physical education staffing at its current level.

8. Consider creating a 0.5 FTE nursing position to provide the specialized services and health assessments required for initial and triennial evaluations of students with disabilities.
9. Review the staffing formula for instructional aides and make adjustments if necessary.
10. Ensure that all districts adhere to the staffing formula for instructional aides to control excess costs that affect all districts in the SELPA.

Program Operations and Transfer Options

FCMAT was asked to review the county office programs to determine whether some programs would be more cost effective if operated by participating districts. The main reason for this request is that 2011-12 is the first year for which the districts will be billed by the county office for the excess costs of special education programs and services (known as billbacks). The need for billbacks to districts has led some districts to question the program and fiscal efficiency of the county office services.

Many factors must be considered when making recommendations regarding transfer options and cost effectiveness because the fiscal and programmatic consequences of program transfers can be serious. Districts need to be provided with all information about the programs and services, average daily attendance (ADA) trends, major funding sources, revenues and expenditures, and district-generated funding allocations.

County Office and District Programs

The Lassen County SELPA is made up of 10 school districts and three independent charter schools (Long Valley Charter School, New Day Academy, and Westwood), with all three charters being local educational agencies (LEAs) under the SELPA. There are also three dependent charter schools authorized by districts. The number of school days per year varies from 174 to 180, though the majority of districts have 175 school days. The districts' and charter schools' first principal apportionment period (P-1) ADA varies from 68 to 970 students. According to the SEIS, there are approximately 540 students in special education SELPAwide, and approximately 24 of those students are in programs for students with moderate to severe disabilities.

All special education classes and services in all districts are staffed with county office employees, with the exception of the following: the Janesville School District employs one paraeducator and one speech assistant; the Lassen Union High School District employs one teacher, two paraeducators and one clerk; and the Susanville School District employs three teachers, one paraeducator, one speech therapist and one speech assistant.

The remaining special education staff are provided by the county office and include teachers, paraeducators, school psychologists, speech pathologists, speech assistants, nurse/paraeducators, one-to-one paraeducators, occupational therapists, adaptive physical education teachers, physical therapists, a Workability coordinator, clerks, bus drivers and custodians. The majority of staff are county office employees, though some are contracted part time from other counties and nonpublic agencies.

All districts house county office-operated programs for non-severely disabled students, and Johnstonville Elementary, Lassen Union High and Susanville Elementary school districts have county office-operated classes for students with severe disabilities.

The county office operates and provides occupational therapy (OT) and physical therapy (PT) services to districts for students who have these services on their IEP. The cost of these services is covered by the county office. Approximately 47 students receive either direct OT service or OT consultation, but only 18 of these students' IEPs indicate this service. Based on the information provided to FCMAT, the current estimated annual cost for OT is \$91,739.88. This figure includes the cost to serve all districts in the SELPA, but not the cost of OT services to the three independent charter schools which is \$4,725 per year.

Approximately seven students receive PT services. Four of these students are being transported to Reno, Nevada for PT services. The estimated annual cost for PT, including transportation, is \$24,506.10. This does not include the cost of \$2,042 per year to serve three independent charters. Not all districts have students with OT and/or PT on their IEP's and so not all require these services. If the districts were to provide these services, the cost would need to be divided equitably among the districts, keeping in mind that costs will fluctuate from year to year because of the changing nature of special education and changing student needs.

Assignment schedules for school psychologists and speech therapists were not available from the county office at the time of FCMAT's fieldwork, but estimated schedules were provided later. The county office does not maintain a daily schedule of assignments for these staff, and districts reported that they do not all know what days the staff are assigned to their site and for how much time. The information provided indicates that the majority of school psychologists and speech therapists are not assigned to a district or county program site on all of their working days. This is an area that may warrant further attention to improve program delivery, cost efficiency and accountability for these and other itinerant staff.

Tables 2A through 2O use information provided by the county office and the SELPA to show each district and charter schools' enrollment, school days per year, number of special education students, and special education staffing costs (salaries and benefits, for both district staff and county office staff serving the district). If districts decide to operate any programs now operated by the county office, it will be important for them to be aware of the current costs and total full-time equivalent (FTE) staffing. In some instances, district staff are provided at a higher cost than county office staff. Most county office classified staff do not receive benefits, which is a considerable cost savings to the county office. Most district staff receive benefits, which contributes to the higher costs associated with some of these staff. The county office certificated staff salary scale does not have a maximum. As long as certificated staff are employed by the county office, they continue to receive an increase in salary each year. This is also an important consideration when reviewing long-term staff costs.

Tables 2A through 2O are only a snapshot in time; many factors may cause costs and FTEs to change. The table does not include all the costs associated with providing special education programs, such as core and supplemental curriculum and materials, supplies, travel and mileage, staff development, technology, substitutes, assessment tools, testing protocols, and student transportation. The list provided in the section following Tables 2A through 2O titled Additional Necessary Special Education-Related Services provides additional special education items and services that will have associated costs.

Tables 2A through 2O: County Office and District Staffing and FTEs

Table 2A: County Office Staffing, Big Valley Joint Unified School District

Big Valley Joint Unified School District		Staff	FTE/ Hrs. Per Week	Salary/ Benefits
Number of School Days	175	Teacher	1.00 FTE	\$70,854.20
2011-12 Total Enrollment	211	Paraeducator	28.35 Hrs.	\$15,720.44
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	25	Psychologist	0.20 FTE	\$15,218.30
No. of Moderate to Severely Disabled Students	0	Speech	0.20 FTE	\$14,205.20
		Speech Asst.	20 Hrs.	\$29,222.64
		County Cost Total		\$145,220.78

Table 2B: County Office Staffing, Fort Sage Unified School District, including Mt. Lassen Charter School

Fort Sage Unified School District Mt. Lassen Charter		Staff	FTE/ Hrs. Per Week	Salary/ Benefits
Number of School Days	180	Teachers	2.00 FTE	\$176,101.96
2011-12 Total Enrollment (Includes Mt. Lassen Charter)	334	Paraeducators (2)	37 Hrs.	\$19,399.48
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	47	Psychologist	0.20 FTE	\$17,889.94
No. of Moderate to Severely Disabled Students	0	Speech	0.40 FTE	\$38,326.60
		Speech Assistant	24 Hrs.	\$33,433.45
		County Cost Total		\$285,151.43

Table 2C: County Office and District Staffing, Janesville Union Elementary School District

Janesville Union Elementary School District		Staff	FTE/ Hrs. Per Week	Salary/ Benefits
Number of School Days	175	Teacher	1.00 FTE	\$75,455.48
2011-12 Total Enrollment	340	Paraeducator	30 Hrs.	\$16,635.38
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	41	I:I Paraeducators (2)	57.5 Hrs.	\$29,497.81
No. of Moderate to Severely Disabled Students	3	Paraeducator (District) (1)	27.5 Hrs.	\$39,145.56
		Psychologist	0.40 FTE	\$35,779.88
		Speech	0.30 FTE	\$26,351.81
		Speech Assist. (District)	31.25 Hrs.	\$47,418.48
		District Cost Total		\$86,564.04
		County Cost Total		\$183,720.36
		Total Cost		\$270,284.40

Table 2D: County Office Staffing, Johnstonville Elementary School District

Johnstonville Elementary School District		Staff	FTE/ Hrs. Per Week	Salary/ Benefits
Number of School Days	180	Teacher	0.50 FTE	\$53,481.79
		Paraeducator	10 Hrs	\$1929.09
2011-12 Total Enrollment	200	1:1 Paraeducator	10 Hrs	\$4,440.43
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	19	Psychologist	0.10 FTE	\$8,945.00
No. of Moderate to Severely Disabled Students	1	Speech	0.20 FTE	\$14,025.20
		County Cost Total		\$82,821.51

Table 2E: County Office and District Staffing, Lassen Union High School District

Lassen Union High School District		Staff	FTE/ Hrs Per Week	Salary/ Benefits
Number of School Days	175	Teachers	4.00 FTE	\$273,784.13
2011-12 Total Enrollment	981	Teacher (District)	1.00 FTE	\$77,680.99
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	94	Paraeducators (2)	60 Hrs (10 Open)	\$39,748.65
No. of Moderate to Severely Disabled Students	0	Paraeducators (District) (2)	61.25 Hrs (17.5 Open-Position Resigned 1-31-12)	\$60,890.09
		1:1 Paraeducator	30 Hrs	\$18,725.69
		Clerk (District)	30 Hrs	\$41,255.85
		SEP Career Asst.	19.5 Hrs	\$12,476.53
		Psychologist	1.00 FTE	\$107,274.68
		Speech	0.60 FTE	\$42,915.75
			District Cost Total	\$179,826.93
			County Cost Total	\$494,925.43
			Total Cost	\$674,752.36

Table 2F: County Office Staffing, Ravendale-Termo Elementary School District

Ravendale-Termo Elementary School District Juniper Ridge Virtual Academy		Staff	FTE/ Hrs Per Week	Salary/ Benefits
Number of School Days	180	Teacher	0.05 FTE	\$3,261.16
2011-12 Total Enrollment	37	Psychologist	0.10 FTE	\$10,290.49
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	9	Speech	0.10 FTE	\$9,581.65
No. of Moderate to Severely Disabled Students	0	Speech Assistant /Paraeducator	4.66 Hrs	\$1,558.27
		County Cost Total		\$24,691.57

Table 2G: County Office Staffing, Richmond Elementary School District

Richmond Elementary School District		Staff	FTE/ Hrs Per Week	Salary/ Benefits
Number of School Days	175	Teacher	0.60 FTE	\$53,721.49
2011-12 Total Enrollment	218	Paraeducator	19.5 Hrs	\$11,699.93
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	20	Psychologist	0.20 FTE	\$15,218.02
No. of Moderate to Severely Disabled Students	0	Speech	0.40 FTE	\$29,010.71
		Speech Asst./ Paraeducator	2 Hrs	\$1,199.99
		County Cost Total		\$110,850.14

Table 2H: County Office Staffing, Shaffer Elementary School District

Shaffer Elementary School District		Staff	FTE/ Hrs Per Week	Salary/ Benefits
Number of School Days	175	Teacher	0.95 FTE	\$61,962.04
2011-12 Total Enrollment	230	Paraeducators (2)	60 Hrs	\$58,978.93
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	19	Psychologist	0.20 FTE	\$20,580.98
No. of Moderate to Severely Disabled Students	1	Speech	0.40 FTE	\$28,410.40
		County Cost Total		\$169,932.35

Table 2I: County Office and District Staffing, Susanville Elementary School District

Susanville Unified School District		Staff	FTE/ Hrs Per Week	Salary/ Benefits
Number of School Days	175	Teachers (District)	3.00 FTE	\$241,568.18
2011-12 Total Enrollment	1018	Paraeducators (2)	39 Hrs (2 @ 19.5 Hrs Each Opening)	\$19,957.34
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	44	Paraeducator (District)	25.50 Hrs	\$15,000.20
No. of Moderate to Severely Disabled Students	1	1:1 Paraeducator	15 Hrs	\$6,750.50
		Psychologist	0.80 FTE	\$83,727.57
		Speech (District)	1.00 FTE	\$100,103.02
		Speech Assist. (District)	19.5 Hrs	\$29,070.01
		Speech Assist.	30 Hrs	\$17,303.12
		Nurse/ Paraeducator	30 Hrs	\$26,146.27
		Custodian	7.5 Hrs	\$4,099.22
		District Cost Total		\$385,741.41
		County Cost Total		\$157,984.02
		Total Cost		\$543,725.43

Table 2J: County Office Staffing, Westwood Unified School District

Westwood Unified School District		Staff	FTE/ Hrs Per Week	Salary/ Benefits
Number of School Days	175	Teachers	2.00 FTE	\$137,363.11
2011-12 Total Enrollment	225	Paraeducators (2)	49.5 Hrs	\$26,067.91
No. of Sp. Ed. Students (Dec 2011 CASEMIS)	44	1:1 Paraeducators (2)	30 Hrs 30 Hrs (Layoff)	\$28,241.87
No. of Moderate to Severely Disabled Students	1	Psychologist (Covers Westwood Charter)	0.60 FTE	\$42,877.04
		Speech	0.40 FTE	\$28,410.40
County Cost Total				\$262,960.33

Table 2K: Lassen County Office of Education and SELPA Enrollment and Staffing by Program

Lassen County Office of Education and SELPA				
Number of School Days	Matched to District of Location			
Program	No. of Students	Staff	FTE/ Hrs Per Week	Salary/Benefits
Infant/Preschool (Susanville)	52	Teachers	3.00 FTE	\$223,245.81
		Paraeducators (5)	90.50 Hrs	\$89,528.28
		Psychologist	0.70 FTE	\$82,238.64
		Speech	0.60 FTE	\$51,258.38
County Cost Total				\$446,271.11

Program	No. of Students	Staff	FTE/ Hrs Per Week	Salary/Benefits
K-8 Behavior (Johnstonville)	6	Teacher	1.00 FTE	\$80,613.15
Susanville ESD	5	Paraeducators 1 LOA 57 days (2)	60 Hrs	\$40,203.46
Westwood USD	1	Psychologist	0.40 FTE	\$36,931.44
		Speech	0.10 FTE	\$7,102.60
		Custodian (Covers two classes)	7.5 Hrs	\$5,387.22
County Cost Total				\$170,237.87

Program	No. of Students	Staff	FTE/ Hrs Per Week	Salary/Benefits
High School Behavior (Lassen UHSD)	7 (DOR all Lassen High)	Teacher	1.00 FTE	\$66,579.46
		Paraeducators (2)	30 Hrs	\$19,480.53
		Psychologist	0.20 FTE	\$15,218.30
		Speech	0.10 FTE	\$7,102.60
County Cost Total				\$108,380.89

Program	No. of Students	Staff	FTE/ Hrs Per Week	Salary/Benefits
K-8 Moderate/Severe (Johnstonville ESD)	6	Teacher	1.00 FTE	\$82,353.99
Janesville UESD	3	Paraeducators	60 Hrs	\$28,446.85
Shaffer ESD	1	Psychologist	0.10 FTE	\$8,944.97
Johnstonville ESD	1	Speech	0.10 FTE	\$7,102.60
Susanville ESD	1	County Cost Total		\$126,848.41

Program	No. of Students	Staff	FTE/ Hrs Per Week	Salary/Benefits
High School Moderate/Severe (Lassen UHSD)	5 (district of residence all Lassen High)	Teacher	1.00 FTE	\$48,268.77
		Paraeducators (2)	60 Hrs	\$40,155.34
		Psychologist	0.10 FTE	\$11,748.38
		Speech	0.10 FTE	\$7,252.67
		County Cost Total		\$107,425.16

Program	No. of Students	Staff	FTE/ Hrs Per Week	Salary/Benefits
Juvenile Hall	18	Teacher	0.05 FTE	\$5,331.68
		County Cost Total		\$5,331.68

Table 2L: Lassen County Office and SELPA Staffing

Staff	FTE/ Hrs Per Week	Total Cost
Assistant Superintendent - Special Education and SELPA	1.00 FTE	\$132,551.68
Administrative Assistant	37.5 Hrs	\$58,360.56
Speech Therapist Lead	0.74 FTE	\$34,252.17
2 Bus Drivers	4-8 Hrs each	\$95,044.02
Stipends	3	\$4,775.62
County/SELPA Cost Total		\$324,984.05

Table 2M: Lassen County Independent Charter School Special Education Costs

Long Valley Charter, New Day Academy, and Westwood Charter					
Service	Provider	Site	Direct Service Cost	Expenses	Total
RSP	Hourly county employee	All 3 charters	\$86,140.00	\$10,129.93	\$96,269.93
	Contract w/Modoc COE	New Day Academy	\$22,290.00	\$0.00	\$22,290.00
	LCOE employee	All 3 charters	\$91,375.43	\$0.00	\$91,375.43
Paraeducators	Hourly county employee	New Day Academy & Long Valley Charter	\$2870.24	\$479.95	\$3,350.19
	LCOE Permanent	Long Valley Charter	\$8775.65	\$0.00	\$8775.65
Speech Therapists	Hourly county employee	All 3 charters	\$21,265.20	\$51.63	\$21,316.83
LCOE Permanent		All 3 charters	\$27,412.33	\$0.00	\$27,412.33

School Psychologists	Hourly county employee	All 3 charters	\$1,776.00	\$296.00	\$2,072.00
	Contract w/Modoc COE	New Day Academy	\$5,852.50	\$0.00	\$5,852.50
	LCOE Permanent	All 3 charters	\$23,496.00	\$0.00	\$23,496.00
Physical Therapy	Contract w/Modoc COE	New Day Academy	\$2,042.50	\$0.00	\$2,042.00
Occupational Therapy	Hourly county employee	New Day Academy	\$5,625.00	\$0.00	\$5,625.00
Nurse	Contract w/ Modoc COE	New Day Academy	\$2,280.00	\$0.00	\$2,280.00
	LCOE Permanent	All 3 charters	\$4,350.00	\$0.00	\$4,350.00
Total			\$305,550.85	\$10,957.51	\$316,508.36

Table 2N: District Special Education Staff

District	Staff	FTE/ Hrs Per Week	Salary/ Benefits	
Janesville UESD	I Paraeducator	27.5 Hrs	\$39,145.56	
	Speech Assistant	31.25 Hrs	\$47,418.48	
	Janesville UESD Total			\$86,563.64
Lassen UHSD	Teacher	1.00 FTE	\$77,680.99	
	2 Paraeducators I Open Position	61.25 Hrs	\$60,890.09	
	Clerk	30 Hrs	\$41,255.85	
	Lassen UHSD Total			\$179,826.93
Susanville ESD	Teachers	3.00 FTE	\$241,568.18	
	I Paraeducator	25.5 Hrs	\$15,000.20	
	Speech Therapist	1.00 FTE	\$100,103.02	
	Speech Assistant	19.5 Hrs	\$29,070.01	
			Susanville ESD Total	\$385,741.41
Total for All Three Districts				\$651,131.98

Table 2O: Occupational Therapy and Physical Therapy Staffing, Coverage, Caseload and Costs

Provider	FTE/Hrs.	Coverage Area	Caseload	Cost
OT	1.00 FTE	Serves all districts based on IEP time.	35 Total 18 Direct 17 Consult	\$87,014.88
OT	3 Hours/Month	Charter Schools	2	\$525.00 per month \$4,725.00 per year (est.)
			Total	\$91,739.88
PT	45 Min/Week	Modoc County	3	\$301.90 per month \$2,717.10 per year (est.)
PT	8 Hours/Month	Serves based on IEP time. Transport to Reno.	4	\$2,421.00 per month (including service & mileage) \$21,789.00 per year (est.)
			Total	\$24,506.10

The above information can help determine the costs and benefits of the districts operating programs that are now operated by the county office.

Charter Schools

There are three independent and three dependent charter schools in the Lassen County SELPA. The SELPA memorandum of understanding (MOU) indicates that Westwood Charter School is the only charter school designated as a local educational agency (LEA) under the SELPA; however, the CDE has not been notified to separate Westwood's ADA and funding allocation from that of the Westwood Unified School District.

Table 3 lists the charter schools in the Lassen County SELPA.

Table 3: Lassen County Charter Schools

Charter School	Authorizing District	Type
Westwood Charter	Westwood Unified - SELPA LEA	Independent LEA
New Day Academy	Ravendale-Termo Elementary	Independent LEA
Juniper Ridge Virtual Academy**	Ravendale-Termo Elementary	Dependent
Diamond Mountain Charter School	Lassen Union High School	Dependent
Long Valley Charter	Fort Sage Unified	Independent LEA
Mount Lassen Charter	Fort Sage Unified	Dependent

*Began operating in 2010-11

** Began operating in 2011-12

The Lassen County SELPA has MOUs with all the charter schools, which state that all special education revenues generated by enrollment and all responsibility for serving the special education needs of students enrolled will be assigned to the SELPA. The county office contracts with outside providers for some of these services. Some of the charter schools also serve students who live outside of Lassen County.

The charter schools are represented at the administrative council by either their authorizing district or, in the case of the independent charter schools, by the charter school representative. The districts have asked whether the independent charter schools generate revenues that are commensurate with the costs of providing special education programs and services to their students. Some of the programs and services provided to the independent charter schools are contracted at an hourly rate. The independent charter schools do not currently have any students in the classes for students with moderate to severe disabilities that are operated by the county office; however, this could change at any time. The purpose of a SELPA is to have programs and services for all students in the SELPA who have identified special education needs. Table 2M above includes the reported costs associated with the independent charter schools.

Additional Necessary Special Education-Related Services

Before making a decision to operate programs now operated by the county office, districts must bear in mind the many and varied services and items associated with operating special education programs, and the fact that the fiscal impact of operating their own special education programs and services extends far beyond salary and benefit costs.

Special education services may include, but are not limited to, the following:

- Teachers' salaries and benefits
- Paraprofessionals
- School psychologists
- Speech therapists
- Speech aides
- Nurses
- Occupational therapists
- Adaptive physical education services
- Physical therapists
- Licensed vocational nurses
- Deaf and hard of hearing services
- Services for visually impaired students
- Operations and maintenance
- Audiological services
- Interpreters
- Administration
- Clerical staff
- Human resources services
- Fiscal staff and services
- Payroll staff and services
- California Basic Educational Data System (CBEDS) and California School Information Services (CSIS) data reporting
- Student attendance accounting
- Materials and supplies
- Student transportation
- Staff development
- Legal fees
- Equipment
- Mileage
- Printing
- Specialized trainings such as nonviolent crisis intervention (NCI), cardiopulmonary resuscitation (CPR) and first aid

Recommendations

The county office should:

1. Consider using the staffing information above to conduct an analysis of the fiscal effects if the districts were to operate programs that are now operated by the county office.
2. Consider additional non-staffing-related costs when determining the feasibility of districts operating programs now operated by the county office.
3. Consider the administrative duties and responsibilities associated with supervising additional staff, including hiring, supervising and payroll when evaluating the feasibility of the districts operating special education programs.
4. Consider using a sign-in sheet for school psychologists and other itinerant staff at each work location.
5. Consider the following when determining the feasibility of districts operating charter school special education programs and services now operated by the county office and SELPA:
 - The cost of the services provided to the charter schools and the effect that these costs will have on the districts.
 - The administrative duties and responsibilities associated with supervising additional staff, including hiring staff, supervising staff, developing and overseeing contracts with outside providers, and payroll.
 - The fact that although no charter school students are currently placed in classes for severely disabled students, they could be at any time in the future.

Average Daily Attendance (ADA) and AB 602 Certifications

The school districts in the county have had declining ADA, which has reduced their special education funding. As the ADA declines, the SELPA's special education revenue limit funding, funding based on AB 602 and IDEA funding are reduced proportionally. Reductions in staffing need to correspond to the reductions in ADA each year. The county office has reduced staffing as indicated in Table 1 above; however, the reductions have not been commensurate with the decline in ADA.

Table 4 shows the districts' ADA from 2004-05 through the first principal apportionment period (P-1) of fiscal year 2011-12.

Table 4: Districts' Assembly Bill (AB) 602 ADA, 2004-05 through P-1 2011-12

Fiscal Year	ADA
2004-05 Annual R3	5,485.60
2005-06 Annual R3	5,321.15
2006-07 Annual R3	4,837.24
2007-08 Annual R3	4,813.38
2008-09 Annual R3	4,702.79
2009-10 Annual R2	4,810.88
2010-11 Annual	4,581.08
2011-12 P-1	4,569.28
Average	4,890.18

As Table 4 shows, the countywide ADA has declined from 5,485.60 in 2004-05 to 4,569.28 in 2011-12, with yearly declines each year during that time, except for 2009-10.

Assembly Bill (AB) 602 ADA goes through six certifications over the course of three years. Data from fiscal year 2010-11 can provide more accurate information on which to base funding and allocation decisions because that year has closed and second principal apportionment period (P-2) data is available. Fiscal year 2011-12 is not yet closed and is still subject to certifications, but is used for cost projections. Table 5 shows when the AB 602 annual certifications (AR) and recertifications 1, 2 and 3 (R1, R2, R3) occur over three years.

Table 5: Time of AB 602 Certifications

Fiscal Year	Month	AB602 Certifications		
2011-12	February	11-12 P-1	10-11 AR	09-10 R2
2011-12	June	11-12 P-2	10-11 R1	09-10 R3
2012-13	February	12-13 P-1	11-12 AR	10-11 R2
2012-13	June	12-13 P-2	11-12 R1	10-11 R3
2013-14	February	13-14 P-1	12-13 AR	11-12 R2
2013-14	June	13-14 P-2	12-13 R1	11-12 R3

Recommendations

The county office should:

1. Consider reducing the number of special education staff to align staffing with the number of special education students receiving services, keeping in mind the likelihood of continued declining ADA and the potential need for continued staffing decreases if this should occur.
2. Consider using the 2010-11 fiscal year as a basis for decisions about issues affected by ADA.

Revenues and Expenditures

There is a perception within the SELPA that because of their size the larger districts are supporting the smaller districts financially. The districts indicated that they do not receive information from the county office and the SELPA that would clarify this issue. The districts do not know the SELPA's revenues and expenditures.

In 2011-12, the projected SELPA revenues totaled \$5,145,389, and expenditures totaled \$5,496,384. The SELPA had a beginning balance of \$111,549. Thus expenditures exceeded revenues and the beginning balance by \$239,446, which is the amount that the county will bill back to the districts.

Table 6 shows the SELPA's 2011-12 revenues and expenditures using information provided by the county office.

Table 6: 2011-12 Lassen County SELPA Revenue and Expenditures

Resource	Title	Begin. Balance	Revenue	% of Total Revenue	Transfer In	Contrib.	Expenses	Transfer Out	Difference
3310	IDEA	0	841,056	16.86%		0	841,056	0	0
3311	IDEA - Private School ISPs	0	1,513	0.03%		0	1,513	0	0
3313	ARRA - Balance Remaining	0	119,860	2.40%		(45,039)	74,821	0	
3315	Federal Preschool Grant	0	43,622	0.87%		0	43,622	0	0
3320	Federal Preschool Entitlement	0	49,864	1.00%		0	49,864	0	0
3322	ARRA - Early Intervening	0	0	0.00%		45,039	45,039	0	0
3327	Federal Mental Health	0	68,858	1.38%		0	68,858	0	0
3345	Pre-K Staff Development	0	1,000	0.02%		0	1,000	0	0
3385	Early Intervention Grant	0	31,736	0.64%		0	31,736	0	0
3410	Transition Partnership Program	0	26,180	0.52%		0	26,180	0	0
6500	State Sp Ed and Prop Tax*	40,000	3,209,703	64.33%	126,672	0	3,500,546	0	(124,171)
6501	SB 70 Mental Health	40,329	40,328	0.81%		0	80,657	0	
6510	State Early Intervention	31,220	177,063	3.55%		(20,000)	188,283	0	0
6512	State Mental Health	0	189,742	3.80%		0	189,742	0	0
6515	Infant Discretionary	0	1,535	0.03%		0	1,535	0	0
6520	WorkAbility	0	110,828	2.22%		0	110,828	0	0
6530	Low Incidence Materials	0	2,427	0.05%		0	2,427	0	0

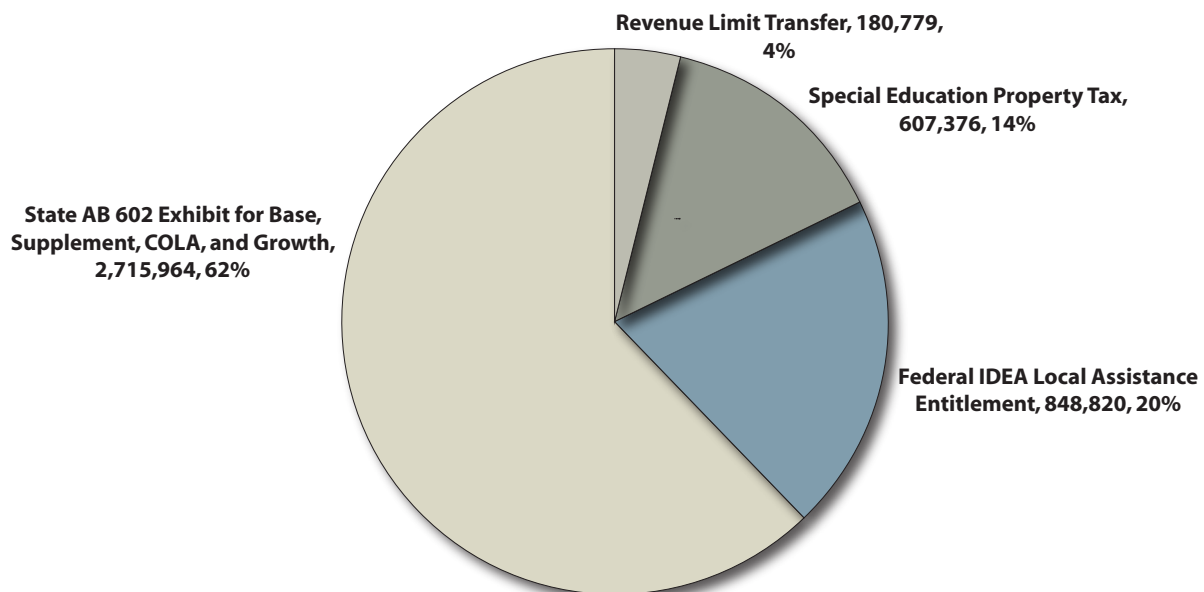
6531	Low Incidence Services	0	32,160	0.64%		0	32,160	0	0
6535	Staff Development for SELPA	0	7,666	0.15%		0	7,666	0	0
7240	Transportation	0	34,364	0.69%	19,212	30,000	198,851	0	(115,275)
	Totals	111,549	4,989,505		145,884	10,000	5,496,384	0	(239,446)

As indicated in Table 6, the SELPA had its largest losses in Resource 6500 - State Special Education and Property Taxes, and Resource 7240 - Transportation. This is not unusual in California because many county offices and districts operate special education programs and services at a loss.

The districts do not know how much special education revenue each of them generates from the four major revenue sources for these funds. Table 7 below uses information from the CDE to show the amount of special education revenue each district and charter school generates from the four major revenue sources, including the annual AB 602 ADA, revenue limit funding, local property taxes, and IDEA Federal funds, and reflects the total allocations for districts and charter schools. AB 602 funding, revenue limit funding and property taxes are generated based on each district's ADA. Federal funding is generated as follows: 85% of funding based on the district's enrollment compared to the rest of the state as indicated by the California Basic Educational Data System (CBEDS), and 15% of funding based on the district's relative rate of poverty compared to the rest of the state. Because fiscal year 2010-11 is closed, data from that year provides a more accurate indicator for analysis.

Allocating funds based on ADA may not seem equitable to all the districts within the SELPA because needs may vary from district to district. To accommodate districts with unusual circumstances or needs, it is common practice to set aside a pool of funds to cover extraordinary costs and allow districts to access these funds. To provide clarity and prevent abuses, it is best practice to explicitly define an extraordinary cost pool and create specific and clearly communicated criteria for accessing the funds.

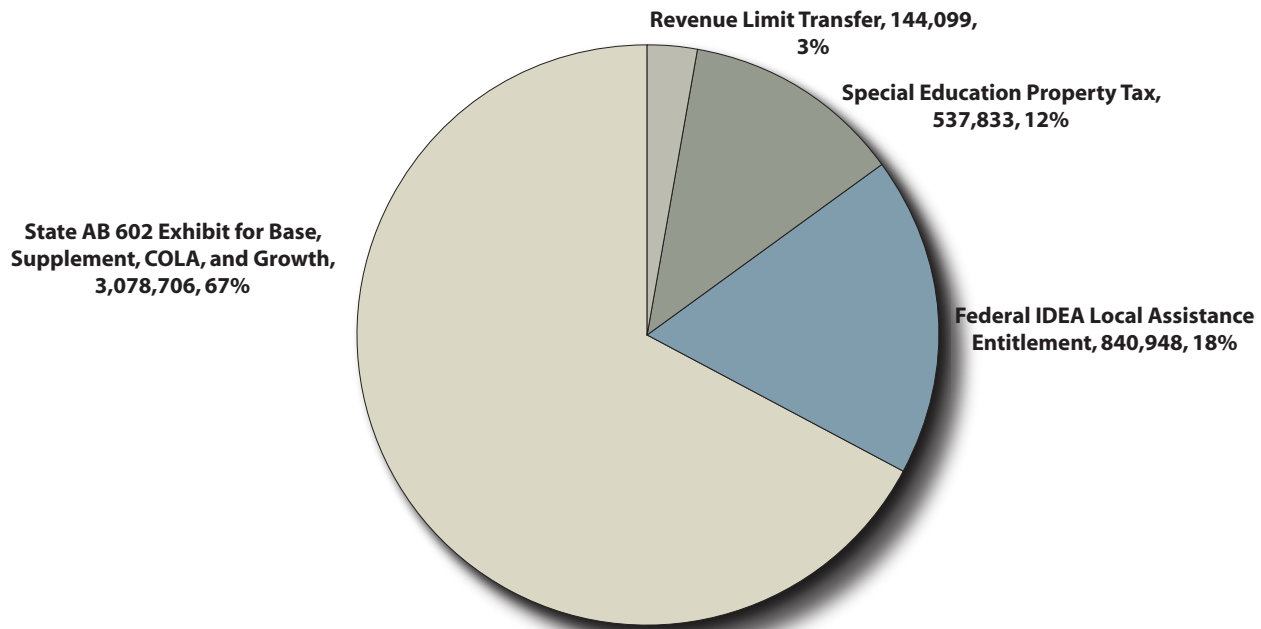
Table 7: Major 2010-11 Funding Sources and Allocation by ADA



Major Funding Sources						
Revenue Limit Transfer		180,779				
Special Education Property Tax			607,376			
Federal IDEA Local Assistance Entitlement				848,820		
State AB602 Exhibit for Base, Supplement, COLA, and Growth					2,715,964	
Total						\$4,352,939
Allocations by ADA						
Member	2010-11 Annual AB602 ADA	Rev Limit	Prop Tax	IDEA	AB602	Total
Lassen COE	76.54	3,020	10,148	14,182	45,378	72,728
Big Valley Joint Unified	202.15	7,977	26,802	37,456	119,848	192,083
Janesville Union Elementary	380.31	15,008	50,423	70,467	225,473	361,370
Johnstonville Elementary	200.43	7,909	26,574	37,137	118,828	190,448
Lassen Union High	856.76	33,810	113,592	158,748	507,943	814,093
Diamond Mountain Charter High	45.86	1,810	6,080	8,497	27,189	43,576
Ravendale-Termo Elementary	7.70	304	1,021	1,427	4,565	7,317
New Day Academy	209.85	8,281	27,823	38,883	124,413	199,399
Ravendale-Termo Charter	81.15	3,202	10,759	15,036	48,111	77,109
Juniper Ridge Virtual Academy*						
Richmond Elementary	212.47	8,385	28,170	39,368	125,966	201,889
Shaffer Union Elementary	235.43	9,291	31,214	43,622	139,578	223,705
Soldier Bridge Charter	0.26	10	34	48	154	247
Susanville Elementary	996.06	39,307	132,061	184,558	590,530	946,456
Westwood Unified	216.31	8,536	28,679	40,080	128,243	205,538
Westwood Charter	298.71	11,788	39,604	55,347	177,095	283,834
Fort Sage Unified	165.33	6,524	21,920	30,634	98,018	157,096
Long Valley Charter (SBE)	318.36	12,563	42,209	58,988	188,745	302,505
Mount Lassen Charter	77.40	3,054	10,262	14,341	45,888	73,545
Total	4,581.08	180,779	607,376	848,820	2,715,964	\$4,352,939
Amount per AB602 ADA		39,462.09	132,583.58	185,288.19	592,865.44	
*Opened in 2011-12.						

Table 8 indicates the amounts the SELPA received from its four major funding sources for 2011-12 based on information provided by the CDE; however, these allocations are subject to change as the certifications are applied. The table includes the annual AB 602 ADA, revenue limit, local property taxes, IDEA Federal funds, AB 602 funds, and total allocations for districts and charter schools.

Table 8: Major 2011-12 Funding Sources and Allocation by ADA



Major Funding Sources						
Revenue Limit Transfer		144,099				
Special Education Property Tax			537,833			
Federal IDEA Local Assistance Entitlement				840,948		
State AB602 Exhibit for Base, Supplement, COLA, and Growth					3,078,706	
Total						\$4,601,586

Allocations by ADA						
Member	2011-12 P-1 AB602 ADA	Rev Limit	Prop Tax	IDEA	AB602	Total
Lassen COE	51.69	1,630	6,084	9,513	34,827	52,054
Big Valley Joint Unified	199.80	6,301	23,517	36,771	134,619	201,208
Janesville Union Elementary	349.32	11,016	41,116	64,289	235,361	351,782
Johnstonville Elementary	192.03	6,056	22,603	35,341	129,384	193,383
Lassen Union High	873.10	27,534	102,767	160,685	588,268	879,254
<i>Diamond Mountain Charter High</i>	53.25	1,679	6,268	9,800	35,878	53,625
Ravendale-Termo Elementary	7.60	240	895	1,399	5,121	7,654
<i>New Day Academy</i>	261.30	8,240	30,756	48,090	176,056	263,142
<i>Juniper Ridge Virtual Academy</i>	61.75	1,947	7,268	11,364	41,605	62,185
Richmond Elementary	214.00	6,749	25,189	39,385	144,187	215,508
Shaffer Union Elementary	210.86	6,650	24,819	38,807	142,071	212,346
Susanville Elementary	970.27	30,598	114,204	178,568	653,738	977,109
Westwood Unified	214.80	6,774	25,283	39,532	144,726	216,314
<i>Westwood Charter</i>	164.20	5,178	19,327	30,219	110,633	165,357
Fort Sage Unified	182.51	5,756	21,482	33,589	122,970	183,796
<i>Long Valley Charter (SBE)</i>	445.27	14,042	52,410	81,947	300,009	448,408
<i>Mount Lassen Charter</i>	117.63	3,710	13,845	21,649	79,255	118,459
Total	4,569.38	144,099	537,833	840,948	3,078,706	\$4,601,586
Amount per AB602 ADA		31.53579	117.70371	184.03985	673.76887	

Table 9 shows the four major funding sources and includes other funding sources and grant awards the SELPA received in 2010-11, including federal preschool, mental health, staff development, early intervention, Transition Partnership Program (TPP), low-incidence, and transportation.

Table 9: 2010-11 Allocations

Resource	Grant or Entitlement	Amount ¹
3310	IDEA	848,820
3311	IDEA - Private School ISPs ²	Local Decision
3315	Federal Preschool Grant	43,177
3320	Federal Preschool Entitlement	50,241
3327	Federal Mental Health	45,892
3345	Pre-K Staff Development	1,000
3385	Early Intervention Grant	31,736
3410	Transition Partnership Program ³	25,000
6500	State AB602 Sp Ed and Prop Tax ⁴	3,773,603
6510	State Early Intervention	177,063
6515	Infant Discretionary	1,535
6520	WorkAbility	105,016

6530	Low-Incidence Services	2,517
6535	Staff Development for SELPA	6,744
7240	Transportation	53,916
	Total	5,166,260

¹Amounts extracted from CDE Website

²Calculation completed at Lassen County Office of Education

³Estimate using 2011-12 Award

⁴Includes Program Specialist/Regionalized Services, Low Incidence Materials and Equipment, Out of Home Care, and NPS/LCI ECP.

Table 10 indicates the four major funding sources as well as other funding sources and grant awards the SELPA was projected to receive in 2011-12, including federal preschool, mental health, staff development, early intervention, TPP, low-incidence, and transportation. These allocations are subject to change as the recertifications are applied.

Table 10: 2011-12 Allocations

Resource	Grant or Entitlement	Amount ¹
3310	IDEA	842,450
3311	IDEA - Private School ISPs ²	Local Decision
3315	Federal Preschool Grant	43,622
3320	Federal Preschool Entitlement	49,864
3327	Federal Mental Health	68,858
3345	Pre-K Staff Development	1,000
3385	Early Intervention Grant	31,736
3410	Transition Partnership Program ³	25,000
6500	State AB602 Sp Ed and Prop Tax ⁴	3,616,539
6510	State Early Intervention	177,063
6512	State Mental Health	189,742
6515	Infant Discretionary	0
6520	WorkAbility	110,828
6530	Low Incidence Services	2,427
6535	Staff Development for SELPA	6,563
7240	Transportation	54,437
	Total	5,220,129

¹ Amounts extracted from CDE Website

² Calculation completed at Lassen County Office of Education

³ Estimate using 2011-12 Award

⁴ Includes Program Specialist/Regionalized Services, Low Incidence Materials and Equipment, Out of Home Care, and NPS/LCI ECP.

Some of the 2011-12 revenue information differs from that provided by the county office and included in Table 6. FCMAT examined the county office's budgets and found that some funds were coded as placeholders and some lines had high balances remaining in the budget even though the review took place near the end of the fiscal budget year. This can be an indicator that the budgets are overstated. The county office will need to carefully examine the budgets to determine if they are overstated because overstating budgets makes the county costs look higher, which can increase costs to districts. Eliminating any overstatements may reduce billbacks to the districts.

Recommendations

The county office should:

1. Consider sharing all revenue and expenditure information with the districts regularly.
2. Ensure that the special education budget is not overstated.
3. Consider keeping the districts informed regularly regarding what each district and charter school generates in special education funds from the four major revenue sources.
4. Determine if any districts have any extraordinary costs that are unique, and if so, consider developing an extraordinary cost pool for districts to access.

Billbacks

As indicated earlier, fiscal year 2011-12 is the first year for which the districts will receive billbacks from the county office for the excess costs of providing special education programs and services. Because of a previous reserve, the districts have not experienced the need for an unrestricted general fund contribution to special education costs, except in the case of districts that hire their own staff and are not reimbursed for the full cost of their salaries and benefits because of the guidelines set forth in the single program operator and allocation formula descriptions document.

According to information provided by the county office, the Lassen County SELPA's maintenance of effort (MOE) indicates that the unrestricted general fund contributions for fiscal year 2010-11 were \$2,992.12 for Janesville Elementary, \$88,110.74 for Lassen Union High, and \$89,311.52 for Susanville Elementary school districts.

The single program operator and allocation formula descriptions document also states that every SELPA member district and LEA charter is to be charged a minimum billback of \$1,000 and that anything in excess of that is based on ADA. The \$1,000 minimum is designed to ensure that every district receives a billback regardless of its size. Many districts in California have contributions from their unrestricted general fund for special education costs, but based on the information provided by the Lassen County SELPA, this is not the case in Lassen County. Table 11 shows the SELPA's projections of billbacks to districts for fiscal years 2011-12 through 2014-15. If the county office is able to operate more cost efficiently, these projections may be reduced.

Table 11: Billback Projections

	Fiscal Year	2011-12	2012-13	2013-14	2014-15	Total
	Reported Deficit Amount	239,446	432,172	588,569	952,055	2,212,242
		Contributions based on ADA				
Member	2010-11 Annual AB602 ADA	2011-12	2012-13	2013-14	2014-15	Total
Lassen COE	76.54	4,001	7,221	9,834	15,907	36,962
Big Valley Joint Unified	202.15	10,566	19,071	25,972	42,011	97,620
Janesville Union Elementary	380.31	19,878	35,878	48,862	79,037	183,655
Johnstonville Elementary	200.43	10,476	18,908	25,751	41,654	96,789
Lassen Union High	856.76	44,782	80,825	110,075	178,055	413,737
Diamond Mountain Charter High	45.86	2,397	4,326	5,892	9,531	22,146
Ravendale-Termo Elementary	7.70	402	726	989	1,600	3,718
New Day Academy	209.85	10,969	19,797	26,961	43,612	101,338
Ravendale-Termo Charter	81.15	4,242	7,656	10,426	16,865	39,188
Richmond Elementary	212.47	11,105	20,044	27,298	44,156	102,604
Shaffer Union Elementary	235.43	12,306	22,210	30,248	48,928	113,691
Soldier Bridge Charter	0.26	14	25	33	54	126
Susanville Elementary	996.06	52,063	93,967	127,972	207,004	481,006
Westwood Unified	216.31	11,306	20,406	27,791	44,954	104,458
Westwood Charter	298.71	15,613	28,180	38,378	62,079	144,250
Fort Sage Unified	165.33	8,642	15,597	21,241	34,359	79,839
Long Valley Charter (SBE)	318.36	16,640	30,034	40,902	66,163	153,739
Mount Lassen Charter	77.40	4,046	7,302	9,944	16,086	37,377
Total	4,581.08	239,446	432,172	588,569	952,055	\$2,212,242

*Charter schools are italicized.

Data in Table 11 provided by the Lassen COE.

The onset of billbacks has provided a financial incentive for districts to take an interest in special education oversight and the delivery of services. Billbacks will require every member district to provide a contribution from its unrestricted general fund for the first time, except for the Janesville Elementary, Lassen Union High and Susanville Elementary school districts, which have not been fully reimbursed for the staff they hire.

Most California school districts have a contribution from their unrestricted general fund to special education because revenues for special education are not sufficient to cover the rising costs of providing services. In many cases, these contributions are ongoing and significant, sometimes as high as 30% of special education expenses.

Because of the onset of billbacks, some districts in the SELPA and the county are considering operating their own special education programs and services in the hope of reducing costs, increasing efficiency and gaining a greater sense of local ownership of the programs and services.

The SELPA local plan states that any school district can request to become a program operator. A district that wishes to do so is required to submit a written agenda item to have the SELPA's administrative council consider their request. Any designation or change in a program operator that triggers a program transfer must meet the state requirements under EC section 56207(a), which states that the district must develop a transfer plan that addresses, at a minimum, the following:

1. Pupil needs.
2. The availability of the full continuum of services to affected pupils.
3. The functional continuation of the current individualized education programs of all affected pupils.
4. The provision of services in the least restrictive environment from which affected pupils can benefit.
5. The maintenance of all appropriate support services.
6. The assurance that there will be compliance with all federal and state laws and regulations and special education local plan area policies.
7. The means through which parents and staff were represented in the planning process.

To transfer special education programs to its own operation, a district must also meet at least the following local SELPA requirements:

1. Any request must be received by the SELPA director prior to January 1 of any year in order for any approved change to take place by July 1 of the next fiscal year. The process under Education Code Section 56207 states that the date the program transfer would typically take place is at the beginning of the second fiscal year after the request is made. The administrative council may unanimously approve a transfer taking effect on the first day of the first fiscal year.
2. The SELPA director shall place the item on the agenda of the next regularly scheduled meeting for the administrative council's consideration.
3. The administrative council shall take action to approve the request by March 1. A lack of action prior to March 1 is the same as disapproval.

Source: Lassen County Local Plan

Recommendations

The county office should:

1. Consider the recommended cost saving measures suggested in this report, including reducing the number of psychologists' work days and reducing staff to reduce the projected billbacks from the SELPA to the districts.

The districts should:

2. Develop a greater awareness of special education revenues and expenditures, including how billbacks will affect them, and understand that many California school districts have a significant unrestricted general fund contribution to special education.
3. Ensure that if any of the districts decide to become a program operator, they follow the state requirements under EC section 56207 and the local SELPA requirements.

Fiscal Considerations of Program Transfers

FCMAT was asked to determine the amount each district and charter school generates in funding and whether the charter schools generate funds that are commensurate with the programs and services they receive from the county office.

Table 12 shows the 2011-12 estimated special education revenue generated by each district's ADA from the four major funding sources, using data from the CDE Website, and the total cost of special education salaries and benefits based on information from the Lassen County Office of Education. Table 12 only shows the total salary and benefit costs, not the other costs associated with special education programs and services.

Table 12: Revenue Generated by District ADA, and Total Special Education Salaries and Benefits, 2011-12

District/Charter Name	Revenue Generated by District ADA (4 Major Sources)	Total Salaries/ Benefits	Provided by District or County
Big Valley Jt. Unified School District	\$201,208.00	\$145,220.78	County
Fort Sage Unified School District (Includes Mt. Lassen Charter School)	\$302,255.00	\$285,151.43	County
Janesville Union Elementary School District	\$351,782.00	\$86,564.04	District
Janesville Union Elementary School District		\$183,720.36	County
Janesville Union Elementary School District Total (District and County)		\$270,284.40	
Johnstonville Elementary School District	\$193,383.00	\$82,821.51	County
Lassen Union High School District (Includes Diamond Mountain Charter School)	\$932,879.00	\$179,826.93	District
Lassen Union High School District (Includes Diamond Mountain Charter School)		\$494,925.43	County
Lassen Union High School District Total (District and County)		\$674,752.36	
Ravendale-Termo Elementary School District (Includes Juniper Ridge Charter School)	\$69,839.00	\$24,691.57	County

Richmond Elementary School District	\$215,508.00	\$110,850.14	County
Shaffer Elementary School District	\$212,346.00	\$169,932.35	County
Susanville Elementary School District	\$977,109.00	\$385,741.41	District
Susanville Elementary School District		\$157,984.02	County
Susanville Elementary School District Total (District and County)		\$543,725.43	
Westwood Unified School District	\$216,314.00	\$262,960.33	County
Long Valley Charter	\$448,408.00		County
New Day Academy	\$263,142.00		County
Westwood Charter	\$165,357.00		County
Long Valley Charter, New Day Academy, Westwood Charter		\$316,508.36	
Staff Hired by Susanville Elementary School District		\$381,786.45	
Lassen County Office of Education	\$52,054.00		County
Programs/Services		\$964,594.12	
Administrative Costs		\$409,468.37	
Total County Office Programs/Services and Administrative Costs		\$1,374,062.49	

This table is based on information provided by the Lassen County Office of Education

Assuming the responsibility for operating special education programs and services may have a significant fiscal impact on districts. Several districts in California have decided to take back special education programs from county offices in an attempt to save money, only to find a year or two later that they have a much larger contribution from the unrestricted general fund due to unanticipated costs. It is crucial for districts in Lassen County to conduct a cost analysis to determine whether it would be cost effective to operate any special education programs now operated by the county office. The significant increase in cash outflow and the deferrals of funding allocations from the state are major considerations for districts that provide special education programs and services. These factors may cause cash shortages for districts that begin operating special education programs and services currently operated by the county office.

Recommendations

The districts should:

1. Consider the revenue they generate and all costs associated with operating special education programs before deciding whether it is feasible and cost effective for them to operate any programs and services now operated by the county office.

2. Consider the significant increase in cash outflow, cash deferrals from the state, and the potential for cash shortages before assuming responsibility for special education programs and services.

Options for Program Transfer

There are three general program transfer options for the districts and the county office to consider when determining the cost effectiveness of districts operating special education programs and services.

The first option is for the county office to continue operating programs and services. Districts indicated that they would prefer this option if the county office works to operate more cost efficiently by reducing staffing costs, becomes more open and shares more information, and improves the delivery of special education services. If the county office is able to address inefficiencies, this option would be the most seamless for students, staff and districts. The districts desire county office staff to be more involved at their school sites, including participation in staff meetings, trainings, activities and daily site events and operations. The districts and county office may decide to meet and determine how to operate more cost effectively while maintaining quality programs and services for students with special needs.

The second option is for districts to operate some special education programs and services (e.g. for non-severely disabled students) and to contract with the county office for the remaining programs and services using a fee-for-service model. Itinerant staff may also be provided on a fee-for-service basis. This option would need to be considered carefully, and the county office would need to bill these districts for the students the county office continues to serve so it can recoup all of its costs, using a fee-for-service model to prevent a negative impact on the other districts in the SELPA.

The third option is for a district to operate all special education programs and services. It may be difficult for some of the smaller isolated districts to operate special education programs and to hire staff, especially if they only need a particular position part time to provide services. However, the smaller districts may be able to partner with other small districts to share staff costs.

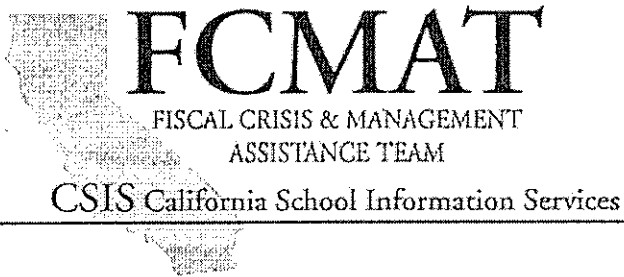
Recommendations

The districts should:

1. Carefully consider the options available for a program transfer.
2. Determine if any of the options provided above for program transfers would be cost effective.

Appendix

Appendix A - Study Agreement



**FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
March 12, 2012**

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Lassen County Office of Education hereinafter referred to as the COE, mutually agree as follows:

1. BASIS OF AGREEMENT

The Team provides a variety of services to school districts and county offices of education upon request. The COE has requested that the Team provide for the assignment of professionals to study specific aspects of the County operations. These professionals may include staff of the Team, County Offices of Education, the California State Department of Education, school districts, or private contractors. All work shall be performed in accordance with the terms and conditions of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

1. Review the current Special Education Local Plan Area (SELPA) structure with regard to the delivery of Regionalized Programs and Services.
2. Review the local plan and procedural manual in accordance with legal compliance, effectiveness, and status of how current policies and procedures are implemented and monitored, and make recommendation for improvement, if necessary.
3. Review the criteria for development and implementation of a single program SELPA including operator & allocation formula descriptions and make recommendations that will include improved transparency, cost savings and a more efficient delivery system to provide a quality educational program for disabled students.

4. Reviews the COE special education operated programs and determine whether some programs would be more cost-effective if operated by participating districts. Evaluate the organizational capacity and time line required for implementation for districts to operate additional programs (such as facilities, staffing etc.)
5. Review all current staffing levels for certificated and classified employees, including management level and caseloads per full time equivalent (FTE) position of all COE programs and make recommendations regarding efficiency and comparable costs.

B. Services and Products to be Provided

1. Orientation Meeting - The Team will conduct an orientation session at the COE to brief COE management and supervisory personnel on the procedures of the Team and on the purpose and schedule of the study.
2. On-site Review - The Team will conduct an on-site review at the COE office and at school sites if necessary.
3. Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site review to inform the COE of significant findings and recommendations to that point.
4. Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
5. Draft Reports - Electronic copies of a preliminary draft report will be delivered to the COE administration for review and comment.
6. Final Report - Electronic copies of the final study report will be delivered to the COE following completion of the review. The final report will be published on the FCMAT website. Written copies are available upon request by contacting the FCMAT office.
7. Follow-Up Support – Six months after the completion of the study, FCMAT will return to the COE, if requested, to confirm the COE's progress in implementing the recommendations included in the report, at no cost. Status of the recommendations will be documented to the COE in a FCMAT Management Letter.

3. PROJECT PERSONNEL

The study team will be supervised by Anthony L. Bridges, CFE, Deputy Executive Officer Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

- | | | |
|-----------|--------------------------|--|
| <i>A.</i> | <i>William Gillaspie</i> | <i>FCMAT Deputy Administrative Officer</i> |
| <i>B.</i> | <i>JoAnn Murphy</i> | <i>FCMAT Consultant</i> |
| <i>C.</i> | <i>Trina Frazier</i> | <i>FCMAT Consultant</i> |
| <i>D.</i> | <i>Anne Stone</i> | <i>FCMAT Consultant</i> |

Other equally qualified consultants will be substituted in the event one of the above noted individuals is unable to participate in the study.

4. PROJECT COSTS

The cost for studies requested pursuant to E.C. 42127.8(d)(1) shall be:

- A. \$500.00 per day for each Team Member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. The COE will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the COE.

5 **Based on the scope of work identified in section 2 A, estimated total cost is \$18,200.**

- C. Any change to the scope will affect the estimate of total cost.

Payments for FCMAT services are payable to Kern County Superintendent of Schools - Administrative Agent.

5. RESPONSIBILITIES OF THE COE

- A. The COE will provide office and conference room space while on-site reviews are in progress.
- B. The COE will provide the following (if requested):
 - 1. A map of the local area
 - 2. Existing policies, regulations and prior reports addressing the study request
 - 3. Current or proposed organizational charts
 - 4. Current and two (2) prior years' audit reports
 - 5. Any documents requested on a supplemental listing
 - 6. Any documents requested on the supplemental listing should be provided to FCMAT in electronic format when possible.
 - 7. Documents that are only available in hard copy should be scanned by the district and sent to FCMAT in an electronic format.
 - 8. All documents should be provided in advance of field work and any delay in the receipt of the requested documentation may affect the start date of the project.
- C. The COE Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report. The final report will be posted on the FCMAT website.

Pursuant to EC 45125.1(c), representatives of FCMAT will have limited contact with pupils. The COE shall take appropriate steps to comply with EC 45125.1(c).

6. PROJECT SCHEDULE

The following schedule outlines the planned completion dates for key study milestones:


<i>Orientation:</i>	<i>May 8, 2012</i>
<i>Staff Interviews:</i>	<i>to be determined</i>
<i>Exit Interviews:</i>	<i>to be determined</i>
<i>Preliminary Report Submitted:</i>	<i>to be determined</i>
<i>Final Report Submitted:</i>	<i>to be determined</i>
<i>Board Presentation:</i>	<i>to be determined</i>
<i>Follow-Up Support:</i>	<i>If requested</i>

7. CONTACT PERSON

Name of contact person: Richard DuVarney, Superintendent


Telephone: (530) 257-2197 FAX: (530) 257-2518

E-mail: rduvarney@lcoe.org.

3/12/12

Richard Duvarney, Superintendent
Lassen County Office of Education

Date

March 12, 2012

Anthony Bridges, CFE
Deputy Executive Officer
Fiscal Crisis and Management Assistance Team

Date