



# Oakland Unified School District

*Assessment and Recovery Plan  
Sixth Progress Report*

*December 5, 2008*

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*December 5, 2008*

*Submitted by the*

***Fiscal Crisis & Management Assistance Team***



# Executive Summary



## Introduction

This report, dated December 5, 2008, is the sixth progress report provided for the Oakland Unified School District by the Fiscal Crisis and Management Assistance Team (FCMAT), and reflects the continuing progress made by the Oakland USD in addressing the recommendations of the Oakland Unified School District Assessment and Recovery Plan first developed for the district by FCMAT in January 2000. This progress report provides data to the district, community and Legislature to assist the district in achieving fiscal solvency, building the necessary capacity to promote student learning, and returning to local governance.

Senate Bill 39, signed into law on May 30, 2003, required the Superintendent of Public Instruction to assume all the legal rights, duties and powers of the Governing Board of the Oakland Unified School District and to appoint an administrator to act on his behalf in the school district. The bill appropriated \$100 million as an emergency loan to the Oakland Unified School District to cover cash flow needs, the district's structural budget deficit, and to mitigate the impact of deficit spending.

The district requested \$65 million of the \$100 million on June 4, 2003 to make the June payroll and cover its severe negative cash position. The remainder of the \$100 million authorized by the legislation was requested by the district in late June 2006. Each of the requested draws on the loan is amortized over 20-year periods.

Senate Bill 39 also required that FCMAT prepare an improvement plan for the school district by July 1, 2003, by updating the Oakland USD Assessment and Recovery Plan developed by FCMAT for the district in January 2000. The bill required FCMAT to report on the implementation of the improvement plan beginning in September 2003 and continuing with six-month progress reports in March 2004 and September 2004.

On July 1, 2003, FCMAT reported to the Superintendent of Public Instruction that the January 2000 Oakland USD Assessment and Recovery Plan prepared for the district remained a viable improvement plan, but that the ratings for the professional and legal standards first reported in January 2000 needed to be updated to provide new baseline data to determine the progress made by the district over time.

On September 30, 2003, FCMAT issued the Oakland USD Assessment and Recovery Plan Update that provided updated ratings, based on an assessment of district operations in summer 2003, for each professional and legal standard first reported in January 2000. The Recovery Plan Update also included the assessment of several additional standards that reflected new laws or regulations that became effective subsequent to January 2000. The Recovery Plan Update also established criteria, developed in collaboration with the California Department of Education, for the district's eventual return to local governance and identified a priority subset of 136 standards from the total array of professional and legal standards for the district to focus on in its recovery.

In March 2004, FCMAT provided the First Six-Month Progress Report of the Oakland Unified School District's efforts to address the recommendations in the identified priority subset of 136 legal and professional standards. Ratings for the standards reflected the progress made by the district since the September 30, 2003 Recovery Plan Update was issued. In September 2004 FCMAT provided the Second Six-Month Progress Report assessing the district's progress since the March 30, 2004 First Six-Month Progress Report was issued.

Senate Bill 39 required FCMAT to conduct ongoing monitoring reports only through September 2004. Assembly Bill 2525, chaptered on September 29, 2004, provided authorization for FCMAT to utilize any of its 2003-04 unexpended funds to develop an annual progress report for the Oakland USD. The Third Progress Report was issued on September 30, 2005 and reflected the progress made by the district since the Second Six-Month Progress Report, which was issued by FCMAT a year previously on September 30, 2004.

Language in the 2006 State Budget Act provided authorization and flexibility for FCMAT to utilize any of its unexpended balances from prior appropriations to fund another progress report for three districts under state receivership, including the Oakland Unified School District. A Fourth Progress Report was issued for the Oakland USD on September 30, 2006.

The 2007-08 State Budget Act provided funding for progress reports for three districts under state receivership, including the Oakland Unified School District. A Fifth Progress Report was issued for the Oakland USD on November 28, 2007.

The 2008-09 state budget did not include funding for progress reports for any of the school districts under state receivership, so this Sixth Progress Report, which covers the areas of Financial Management and Pupil Achievement, is funded directly by the Oakland USD. It is anticipated that FCMAT will continue to monitor the district's progress until the district's full return to local governance.

The findings presented in this Sixth Progress Report represent a snapshot of the district at a specific period in time. The district has continued its work to address the recommendations in the Assessment and Recovery Plan since the data was gathered for this report.

## Study Guidelines

FCMAT's approach to implementing the statutory requirements of SB 39 was based on a commitment to a standards-based, independent and external review of the Oakland Unified School District's operations. FCMAT performed the initial assessment of the district in fall 1999 and developed the improvement plan in collaboration with five external providers, which were selected through a competitive process. The external providers consisted of professionals from throughout California who contributed their knowledge and applied the identified legal and professional standards to the specific local conditions found in the Oakland Unified School District. The initial assessment was reported to the district in a document entitled Oakland Unified School District Assessment and Recovery Plan, January 31, 2000.

The five external provider agencies continued to contribute their expertise in assisting FCMAT conduct all follow-up reviews of the district with the exception of this Sixth Progress Report. For the current review, the same external provider conducted the Pupil Achievement portion as in the past, and responsibility for the Financial Management portion transitioned from School Services of California to FCMAT. Those follow up reviews have included:

- The Assessment and Recovery Plan Update, September 30, 2003 identified the January 2000 Assessment and Recovery Plan as a still viable Recovery Plan for the district, and provided updated ratings of the standards first assessed in January 2000. This Recovery Plan Update also identified a subset of 136 standards of the more than 400 legal and professional standards for the district to address in order for the eventual return to local governance.
- The Assessment and Recovery Plan, First Six-Month Progress Report, March 30, 2004.
- The Assessment and Recovery Plan, Second Six-Month Progress Report, September 30, 2004.
- The Assessment and Recovery Plan, Third Progress Report, September 30, 2005.
- The Assessment and Recovery Plan, Fourth Progress Report, September 30, 2006.
- The Assessment and Recovery Plan, Fifth Progress Report, November 28, 2007.
- This Assessment and Recovery Plan, Sixth Progress Report, December 5, 2008, which reflects the district's progress since November 2007.

Prior to beginning work in the district in 1999, FCMAT adopted five basic tenets to be incorporated in the assessment and improvement plans. These tenets were based on previous assessments conducted by FCMAT in school districts throughout California as well as a review of data from other states implementing external reviews of troubled school districts. These tenets formed the basis of FCMAT's continuing work in the district. The five basic tenets are as follows:

### **1. Use of Professional and Legal Standards**

FCMAT's experience indicates that for schools and school districts to be successful in program improvement, the evaluation, design and implementation of improvement plans must be standards-driven. FCMAT has noted positive differences between an objective standards-based approach and a nonstandards-based approach. When standards are clearly defined, reachable, and communicated, there is a greater likelihood they will be measured and met.

To participate in the process of the Oakland Unified School District review, potential external providers responded to a Request for Applications (RFA) that identified these standards as the basis of assessment and improvement. Moreover, the potential providers were required to demonstrate how the FCMAT-identified standards would be incorporated into their work. The improvement plans for the Oakland Unified School District were based on these standards. The standards, while identified specifically for the Oakland Unified School District, are benchmarks that could be readily utilized as an indication of success for any school district in California.

Every standard was measured on a consistent rating format, and each standard was given a scaled score from zero to ten as to its relative status of completeness. The following represents a definition of terms and scaled scores. The single purpose of the scaled score is to establish a baseline of information by which the district's future gains and achievements in each of the standard areas can be measured.

#### **Not Implemented (Scaled Score of 0)**

0. There is no significant evidence that the standard is implemented.

#### **Partially Implemented (Scaled Score of 1 through 7)**

A partially implemented standard lacks completeness, and it is met in a limited degree. The degree of completeness varies as defined:

1. Some design or research regarding the standard is in place that supports preliminary development. (Scaled Score of 1)
2. Implementation of the standard is well into the development stage. Appropriate staff is engaged and there is a plan for implementation. (Scaled Score of 2)
3. A plan to address the standard is fully developed, and the standard is in the beginning phase of implementation. (Scaled Score of 3)
4. Staff is engaged in the implementation of most elements of the standard. (Scaled Score of 4)
5. Staff is engaged in the implementation of the standard. All standard elements are developed and are in the implementation phase. (Scaled Score of 5)
6. Elements of the standard are implemented, monitored and becoming systematic. (Scaled Score of 6)
7. All elements of the standard are fully implemented, are being monitored, and appropriate adjustments are taking place. (Scaled Score of 7)

#### **Fully Implemented (Scaled Score of 8-10)**

A fully implemented standard is complete relative to the following criteria:

8. All elements of the standard are fully and substantially implemented and are sustainable. (Scaled Score of 8)
9. All elements of the standard are fully and substantially implemented and have been sustained for a full school year. (Scaled Score of 9)
10. All elements of the standard are fully implemented, are being sustained with high quality, are being refined, and have a process for ongoing evaluation. (Scaled Score of 10)

## **2. Conduct an External and Independent Assessment**

FCMAT used an external and independent assessment process in the development of the Oakland Unified School District assessment and improvement plans. FCMAT's reports represent findings and improvement plans based on the external and independent assessments from various professional agencies as well as FCMAT's own assessments. These external and independent assessments serve as the primary basis for the reliability, integrity and credibility of the review. The following five external agencies assisted in the initial January 31, 2000 report, the September 30, 2003 update report, and each of the progress reports of March 2004, September 2004, September 2005, September 2006 and November 2007:

California School Boards Association (CSBA) – Community Relations and Governance  
Schromm and Associates – Personnel Management  
Curriculum Management Systems, Inc. (formerly CA Curriculum Management Audit Center) – Pupil Achievement  
MGT of America – Facilities Management  
School Services of California – Financial Management

For the December 2008 progress report, Curriculum Management Systems, Inc. continued with the Pupil Achievement portion and FCMAT completed the review of the Financial Management portion.

## **3. Utilize Multiple Measures of Assessment**

For a finding to be considered legitimate, multiple sources were utilized and needed to have revealed the same or consistent information. The assessments and improvement plans were based on multiple measures. Testing, personal interviews, group meetings, public hearings, observations, review and analysis of data all provided added value to the assessment process. The external providers were required to utilize multiple measures as they assessed the standards. This process allowed for a variety of ways to determine whether the standards were met. All school district operations with an impact on pupil achievement, including governance, community relations, financial, personnel, and facilities, were reviewed and included in the improvement plan.

## **4. Empower Staff and Community**

The development of a strong professional development plan for the board, staff and administration is a critical component of an effective school district. All FCMAT reports include the importance of a comprehensive professional development plan. The success of the improvement plans and their implementation are dependent on an effective professional and community development process. For this reason, the empowerment of staff and community is one of the highest priorities, and emphasizing this priority with each of the five external providers was critical. As a result, a strong training component for board, staff and administration is called for consistently throughout the report.

Of paramount importance is the community's role of local governance. The absence of parental involvement in education has been a growing concern nationally. A key to success in any school district is the re-engagement of parents, teachers, and support staff. Parents care deeply about their children's future, and most want to participate in improving the school district and enhancing student learning. The community relations section of the reports provide necessary recommendations for the community to have a more active and meaningful role in the education of its children.

## **5. Engage Local, State and National Agencies**

It is critical to involve various local, state and national agencies in the recovery of the district. This was emphasized through the Request for Applications (RFA) process, whereby state-recognized agencies were selected as partners to assist with the assessment and improvement process. City and county interests, professional organizations, and community-based organizations all have expressed and shown a desire to assist and participate in the improvement of the Oakland Unified School District.

## **STUDY TEAM**

The study team for this sixth progress report was composed of the following members:

### ***For the Fiscal Crisis & Management Assistance Team – Administration and Report Writing***

Michelle Plumbtree, Chief Management Analyst, FCMAT

Leonel Martínez, Public Information Specialist, FCMAT

### ***For the Curriculum Management Systems, Inc. – Pupil Achievement***

William Streshly, Ph.D., Lead Auditor and Emeritus Professor of Educational Leadership, San Diego State University

James Scott, Ph.D., Educational Consultant and President, AAFTON Research and Media, Inc.

Penny Gray, Ph.D., Educational Consultant and Director, California Curriculum Management Systems, Inc.

Olive McArdle Kulas, Ed.D., Educational Consultant and Director, California Curriculum Management Systems, Inc.

Eve Proffitt, Ph.D., Associate Professor and Program Director, Georgetown College, Georgetown, KY; former Director of Student Achievement and Disability Law, Kentucky School Boards Association

### ***For the Fiscal Crisis & Management Assistance Team – Financial Management***

Michelle Plumbtree, Chief Management Analyst, FCMAT

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Diane Branham, Fiscal Intervention Specialist, FCMAT

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## Summary of Principal Findings and Recommendations

This report provides an in-depth review of the current status of the Oakland Unified School District's progress in addressing the recommendations of the Pupil Achievement and Financial Management portions of the Assessment and Recovery Plan.

This December 2008 Assessment and Recovery Plan, Sixth Progress Report represents data collection and analysis at a specific point in time. FCMAT review teams visited the district in October 2008. This report was presented to the Oakland Unified School District and Superintendent of Public Instruction on December 10, 2008.

The Superintendent of Public Instruction returned the operational area of Community Relations and Governance to the district in a memorandum of understanding on July 9, 2007. In the fifth progress report issued in November 2007, two additional operational areas, Personnel Management and Facilities Management, met the established criteria of an average rating in the operational area of 6.0 on a scale of 1-10, with no individual standard rated less than a 4.0. FCMAT recommended that these two areas could be considered by the Superintendent of Public Instruction (SPI) for return to local governance, which was subsequently granted in April 2008.

In the current reporting period, the last two operational areas of Pupil Achievement and Financial Management have also met the established criteria, and FCMAT recommends that these areas be considered for return to local governance. The state may therefore reasonably reduce its oversight by appointing a State Trustee in lieu of a State Administrator and return authority of the remaining two operational areas to local governing control.

The district has commissioned FCMAT to conduct an independent multiyear financial projection (MYFP) and cashflow analysis, which will further validate the district's fiscal health and sustainability.

In the last year, the district has made significant progress in addressing the recommendations of the Assessment and Recovery Plan and is to be commended for that progress. The district clearly continues to improve, implementing prior recommendations and becoming more stable in its operations.

### GENERAL OVERVIEW

The Oakland Unified School District has been under state receivership since June 2003, and has been led by three appointed State Administrators during that time. Dr. Randolph Ward, appointed as State Administrator on June 16, 2003, stepped down from the position on August 11, 2006 to accept another position. Dr. Kimberly Statham, then Assistant Superintendent of Instruction, was appointed Interim State Administrator on August 14, 2006 and State Administrator on September 15, 2006. Dr. Statham stepped down from the position in September 2007 to accept another position, and Vincent Matthews, the district's Chief of Staff since May 1, 2007, was appointed interim State Administrator, effective September 24, 2007. Vincent Mathews serves as State Administrator in the areas of Financial Management and Pupil Achievement and as the State Trustee in the three areas that have been returned to local governance: Community Relations and Governance, Personnel Management and Facilities Management.

The Oakland Unified School District's Governing Board has regained local control of the district in three areas and has hired an Interim Superintendent, Dr. Roberta Mayor, who was named to the position in April 2008 and formally began her duties in July 2008.

The district has undertaken a number of educational reform initiatives since June 2003. In FCMAT's November 2007 progress report, the team noted that the district administration had responded to FCMAT's earlier recommendations by curtailing the initiation of new programs and taking steps to assess the effectiveness of programs that were earlier implemented. The market economy approach had been tempered with the understanding that all students must have equitable access to basic core services and programs. Parameters were established to guide the implementation of results-based budgeting to better ensure that site revenues were used to provide equitable services and core programs at all sites and for all students. Operational procedures were documented in writing, and operational handbooks had been developed and were being used by many staff. The team also noted that the district made a serious effort to implement the recommendations in the Assessment and Recovery Plan, paying greater attention to detailing and documenting its efforts than in previous assessment visits. All the improvements seen in the November 2007 report have continued to be expanded upon. The district is to be commended for continuing to move forward to implement past decisions rather than instituting additional changes. Initiatives that had been developed in many cases have been expanded in the areas of Pupil Achievement and Financial Management.

Stability in district leadership and programs is critical, and progress toward recovery is difficult if not impossible when plans constantly change. Because the district has experienced greater continuity in retaining administrators and other district personnel, it has been able to successfully implement plans that were previously initiated, resulting in measurable improvement in the areas reviewed by FCMAT.

The most recent change in leadership occurred with the hiring of the Interim Superintendent. The district has hired a new Chief Financial Officer (CFO). The previous CFO is on a consultant contract for the 2008-09 year to provide continuity and additional assistance throughout the year. The administration and board have made it clear that the district intends to continue improving stability, building capacity and proceeding with programs and past decisions that are already institutionalized. Administrators at all levels, including middle managers and directors, continue to implement the directions and plans initiated by the State Administrators. The newly hired Interim Superintendent has had previous interaction with the district, provides leadership and stability to the board, and will assist in the hiring of a permanent superintendent. The Interim Superintendent and the board are working closely with the State Administrator/Trustee to ensure that the district proceeds in a positive and proactive manner.

Progress toward implementing the recommendations of the recovery plan has been made in both of the operational areas reviewed by FCMAT in this progress report. A summary of the progress made in the areas of Pupil Achievement and Financial Management is provided in the next several pages. Details regarding the specific standards in each of these operational areas are available later in this report.

## **PUPIL ACHIEVEMENT**

From October 12 through 15, 2008, the Fiscal Crisis and Management Assistance Team (FCMAT) conducted an on-site assessment of the progress the Oakland Unified School District has made implementing the Pupil Achievement recommendations of the Oakland Unified School District Assessment and Recovery Plan of January 31, 2000. The team also assessed the extent to which the district's instructional operations have conformed to additional requirements introduced in September 2003, to reflect changes in the legal and professional circumstances confronting the district.

The primary goal of the Pupil Achievement portion of the original Assessment and Recovery Plan of 2000 was to improve student achievement through complete implementation of required programs and recommended strategies. To determine the district's progress, the FCMAT study team examined district documents and interviewed members of the administration, the faculty, and other key personnel directly involved with the design and delivery of curriculum in the district's schools. In addition, a sample of the district's classrooms were visited to observe certain aspects of implementation and to establish a context for all information gleaned from the documents and interviews. The visit was scheduled during the second month of regular instruction for the 2008-09 school year.

### **Status of District Progress**

In general, the district has made substantial gains over the past year toward implementing the Pupil Achievement recommendations of the Assessment and Recovery Plan of January 31, 2000. Over the past four years, the district's achievement scores have improved more than those of similar large urban districts in the state. However, overall scores are still low. In spite of the turnover of key leaders in the district, operational officers have been able to articulate successfully a clear and consistent vision of where the district is headed. As a rule, district faculty members and classified staff members are cognizant of this vision and appear willing to work toward improved operations. Another major step has been the advent of cohesive planning directed by board policy and targeting key outcomes throughout the district. The Governing Board and district leaders realize that this planning function is important to continued stability of service focusing on student achievement.

Systematic approaches now exist for curriculum development and evaluation linked to student achievement. Progress continues to be made toward instructional program management based on the systematic use of data. Databases are growing and becoming more refined. The results-based budgeting system is fully institutionalized and is being refined to include elements of cost-benefit analysis. As a consequence, budgeting of district resources is becoming results-based and increasingly curriculum-driven.

The following paragraphs summarize the district's major strengths and weaknesses. They have been grouped in five categories corresponding with the five major areas of the original review:

- Control of Resources, Programs, and Personnel
- Clear and Valid Objectives for Students
- Internal Consistency and Rational Equity in Program Development and Implementation
- Use of Assessment to Improve Programs
- Improved Organizational Productivity

### **Control of Resources, Programs, and Personnel**

The board-approved Curriculum, Instruction, and Assessment Management (CIAM) Plan is fully operational. In combination with board policies that clearly define the roles and responsibilities of the district and site staff relative to curriculum design and delivery, the plan provides a clear operational framework for the management of curriculum. Through its policies and adopted curriculum management plan, the board has firmly established an expectation for excellence in curriculum and a solid linkage between the professional development of personnel and improved student achievement. Board policies also provide direction for periodic review, assessment, and evaluation of student performance and program effectiveness.

The revised table of organization for the district presents clear relationships among roles within the organization. Reporting relationships provide clear connectivity among personnel and their roles in supporting teaching and learning.

The FCMAT study team continues to observe improvement in establishing goals as a result of sound planning. The high expectations for students established through the “Expect Success” initiative have been well communicated through comprehensive reports to business partners, community service organizations, parents, and the educational community. In addition, regular reports to the board help promote a collective focus on student achievement.

### **Clear and Valid Objectives for Students**

Five years ago, the district adopted several standards-based textbook series in lieu of developing formal curriculum guides in English language arts and mathematics. Initially, the district’s need to rapidly reform its instructional operations made the adoption of a textbook-based curriculum a sound strategy. At grades one through eight, the textbooks approved by the state were more or less adequately aligned with the state’s standards and the state’s assessment instruments. High school texts were less adequately aligned, but were considered adequate if they were accompanied by California Standards maps. The staff addressed the inherent lack of focus of a textbook-based curriculum by developing pacing guides to give teachers the necessary specificity and direction.

Last year, the district changed its position on formal curriculum guides. The district is now committed to developing stand-alone curriculum guides to be used by teachers to inform instruction for mathematics and English-language arts. Central office administrators now direct that the adopted textbooks for mathematics and English language arts should be used as resources, not as the curriculum. The study team evaluated all the new instructional guides and found them to be adequate overall.

The study team visited a cross-section sample of 199 classrooms in 20 schools throughout the district and observed that instruction continues to be increasingly focused on the California Standards. When the team compared English language arts and mathematics instruction in district classrooms to the California Standards, 73.36% of instruction was targeted at grade level, 23% was below grade level, and 2.51% was above grade level. Only 1.50% of instruction observed was not related to a California Standard (three of 199 classrooms). Outstanding teaching was observed, and few students were off task. However, little technology was used by teachers or students. The district's technology plan was approved by the California Department of Education in February 2008. Key components of the plan encompass the integration of technology in the district curriculum.

Teachers of English-language learners used sheltered strategies. Whole-group instruction with heavy reliance on the adopted textbook was still the most often observed classroom approach, with few regular classrooms engaged in small group activities; however, the focus and overall quality of the curriculum and instruction had substantially improved.

### **Program Development and Implementation**

Direction for the professional development of district certificated staff is provided in Board Policy 4131 and Administrative Regulation 4131, as well as in the Curriculum, Instruction, and Assessment Plan (CIAM) and the Certified Professional Development Plan 2006-11. These documents articulate clear linkages between teacher knowledge and skill and improved student performance. The plans specify that professional development decisions originate at the schools and are guided by district goals, districtwide strategic practices, and research on teacher development. Though not explicitly stated, these plans are complemented by powerful staff development activities built into professional learning community (PLC) collaboration and reinforced by linkages with administrator and teacher appraisal processes. Together, these plans and procedures constitute clear and coherent direction for programs of professional development for the district's teachers, administrators, supervisors, and support personnel.

The district is continuing its efforts to comply with the recommended action in the exit report from the Comité delivered in February 2005. At that time, an agreement was signed calling for the continued implementation and monitoring of programs to improve the education of English-language learners. Substantial progress has been made enforcing the provisions of this Voluntary Resolution Plan.

The leadership of the district's special education programs continues to address priority problems. The numbers of overdue IEPs and triennials have been reduced. The special education procedures manual has been revised and will be submitted to the Interim Superintendent for approval in November. Training for staff regarding compliance issues has been initiated. Progress has been made toward recovering dollars lost due to inaccurate accounting and reporting. Progress has also been made in addressing staffing in a definitive manner, as well as in reviewing nonpublic school placements and reviewing transportation costs. A master plan is in the process of being developed.

The New Teacher Support and Development service team continues to expand and improve its programs. These programs allow teachers to focus and reflect on the California Standards for the Teaching Profession with the goal of helping teachers improve their teaching practice. The district is expecting 320 Beginning Teacher Support and Assessment (BTSA) Induction participants in 2008-2009. A new training process for intern coaches based on the BTSA Induction Coach training model is being introduced in the district this year. The district expects 220 intern coaches for 2008-2009.

### **Use of Assessments to Improve Programs**

The districtwide monitoring of instruction, programs, and interventions has evolved into a systemic program evaluation structure that requires data to be provided at the conclusion of instructional programs. The Curriculum, Instruction, and Assessment Advisory Council is responsible for reviewing this data and making recommendations to the Chief Academic Officer and the cabinet on how to proceed with a given program. A new template has been developed for this purpose. The template and the accompanying process have been successfully utilized in the evaluation of several programs including Read 180, Swun Mathematics, and the After-School Program.

The district's approach for building a comprehensive assessment system in English-language arts and mathematics for grades pre-K to 12 includes comprehensive and focused instructional support, technology, and professional development. Network executive officers meet regularly with principals to discuss academic progress. The district continues to provide data disaggregated by race/ethnicity, gender, socioeconomic factors, and language. The data are available in usable form to gauge operational performance and to improve instructional programs and decision-making. The assessments, however, do not include all required subjects at all grade levels. The present focus is on reading/language arts and math.

Student achievement continues to be a major concern, especially at the secondary level. California Standards Test scores are up slightly again this year; however, the district ranks near the bottom when comparing its 2008 Academic Performance Index (API) score (674) with other large urban school districts in the state. The district ranks higher when comparing one-year (2007-2008) API growth with the other urban districts. When considering four years of API score growth (73 points), the district has the distinction of being the most improved large urban school district in California. Nonetheless, student achievement based on STAR 2008 results continues to remain below state and district expectations.

The staff has taken actions and deployed resources to prevent students from failing the California High School Exit Examination (CAHSEE) on their first attempt. Eighth-graders who are at risk of not passing are identified at the end of the eighth-grade year and provided with interventions in the ninth and tenth grades. Ninth-graders requiring acceleration are placed in strategic algebra and English courses that provide additional instructional time and appropriate interventions.

Tenth graders receive intensive reviews to prepare them to pass the CAHSEE on their first attempt. Extended sessions are provided for English-language learners and special education students. Summer acceleration and intervention programs are provided for academically at-risk ninth graders and for eleventh and twelfth-graders that have not passed one or both parts of the CAHSEE.

The district supports CAHSEE instruction with professional development, instructional resources, and communication with parents and the community. The High School Network communicated to all tenth-, eleventh- and twelfth-grade students and their parents about CAHSEE dates and the importance of passing. The efforts of the faculty, however, have not been entirely successful. The pass rate for all scheduled CAHSEE exams over the past three years has not improved substantially.

### **Improved Organizational Productivity**

In response to this year's severe budget shortfall, the cabinet engaged in a structured process of weighing the costs and benefits of various district programs and services to drastically reduce the budget. The purpose was to allocate the district's scarce financial resources based on program outcomes. At this point, no instructions have been developed specifically directing the staff to routinely gather and present data describing the costs and benefits of various district programs. However, significant movement has been made toward integrating cost-benefit analysis into the district's budget development process. Training in Coherent Governance, contracted by the board, supports the operational expectation that school expenditures are monitored "to assure their cost-effectiveness." This recent board initiative reinforces the efforts of the administration to allocate its resources wisely.

The Budget Planning Manual has been finalized and the results-based budgeting (RBB) system is fully operational. Principals have received training for their expanded role. Most have developed their third results-based budget. The Budget Narrative Template offers the district's managers a systematic method to align their goals with their activities and consider the trade-offs associated with changes in the budget. A column is provided requiring the manager to enter a justification. This encourages the manager who is building the budget to consider the benefits of the proposed budget item. However, the procedure must also include the more rigorous and defined processes that constitute cost-benefit analysis to achieve maximum educational productivity. The planning manual does not contain procedures for cost/benefits analysis, nor does it contain procedures and criteria for evaluating the consequences of eliminating programs.

### **In Summary**

The review of Pupil Achievement included the assessment of 30 selected professional and legal standards of performance. Of the 30 standards in this operational area, 25 standards are partially implemented with ratings between one and seven, and five are substantially or fully implemented with ratings of eight or better.

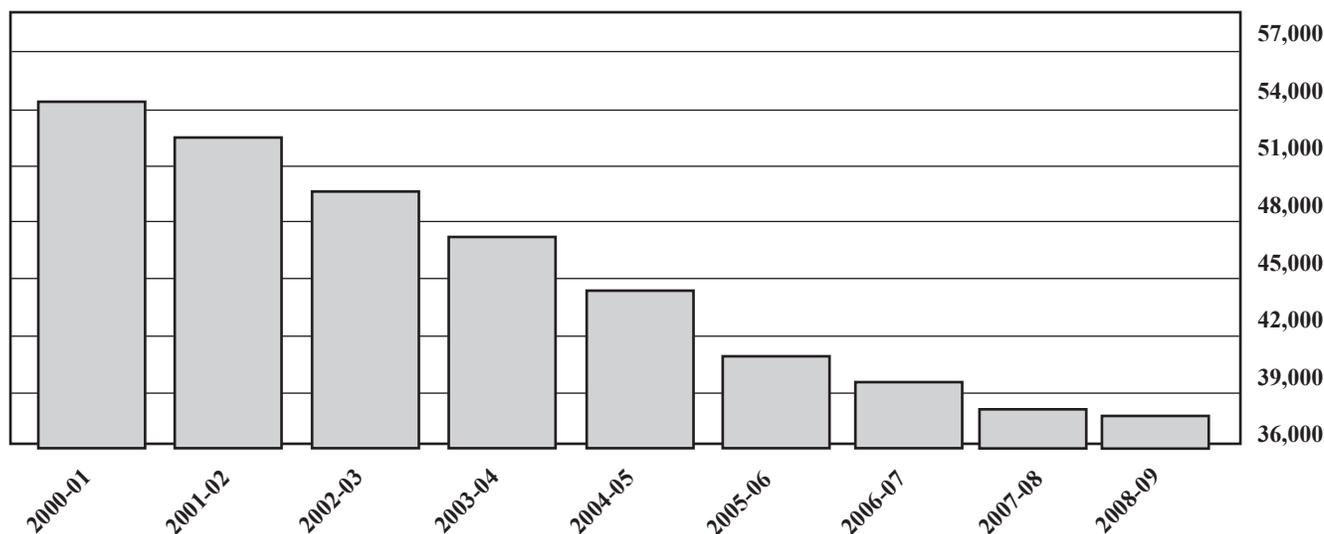
In September 2003, the average rating of the subset of 30 standards in this operational area was 2.47 on a scale of 1 to 10, with 10 being the highest score possible. The average rating in March 2004 was 3.40; in September 2004, 4.20; in September 2005, 4.57; in September 2006, 5.0 and in November 2007, 5.87. The average rating of the standards in this operational area as of this December 2008 progress report is 6.83. None of the 30 standards has a score less than four. This operational area has met the established criteria of an average of 6.0 or above and is recommended for return to local governance.

## FINANCIAL MANAGEMENT

The Oakland Unified School District continues to make steady improvement in addressing the financial management standards of the comprehensive study. FCMAT visited the district from October 1 through 3, 2008 to conduct an on-site assessment of progress in implementing the standards in the area of Financial Management. As with the prior review, the district continued to document its progress on each standard, allowing for a more comprehensive and interactive review by the FCMAT study team. Thorough documentation was provided on each standard, and interviewed staff members and board members were very knowledgeable and open about current activities and progress. The district continues to make progress in a variety of areas and has ensured that standards with ratings of less than a four were prioritized and addressed. As a result, the district no longer has any standard with a rating of less than a four.

Although the district's goal is to annually reduce expenditures, declining enrollment continues, making fiscal recovery challenging. The district was able to close the 2007-08 fiscal year with its required 2% reserve for economic uncertainties as it did in 2006-07. With the state budget facing its own crisis, educational agencies statewide will likely continue to experience revenue reductions. Although the district's enrollment decline from 2007-08 to 2008-09 was less than in recent years, as demonstrated by the following bar graph and table, ongoing decreases in enrollment continue to exacerbate these financial difficulties, requiring annual expenditure reductions to prevent a reoccurring structural deficit. In periods where enrollment and ADA are flat or declining, the district must exercise extreme caution regarding budgetary issues such as negotiations, staffing and deficit spending to ensure its fiscal solvency. Diligent planning will enable the district to more clearly understand its financial objectives and strategies to sustain financial solvency.

**Enrollment by Year, Oakland Unified School District**



<u>Year</u>	<u>Enrollment</u>
2000-01	54,024
2001-02	52,467
2002-03	50,424
2003-04	47,650
2004-05	44,925
2005-06	41,467
2006-07	39,854
2007-08	38,879
2008-09	38,634

*Source: Figures for 2000-2001 to 2007-08 are from Ed-Data (District enrollment does not include charter schools). Figures for 2008-09 are district reported.*

### **State Loan**

The district has two long-term debt schedules totaling \$100 million to repay over a 20-year period. The second and final drawdown of \$35 million of the original \$100 million authorized line of credit resides in a separate district account to be used for potential liabilities and will be repaid in full once those liabilities are resolved.

### **Budget Development and Monitoring**

The district's budget development process continues to be actively managed by the Budget and Finance departments. The district should strive to continue to improve the flow of information between department and budget managers during the budget development process.

The district utilized a revised results-based budgeting (RBB) module during 2008-09 budget development, including the spending plan element of the Single Plan for Student Achievement (SPSA), to focus attention on significant 2007-08 categorical carryover.

### **Budget Adoption and Reporting**

The district budget and interim reports were submitted to the county office within the required time lines, although the first and second interim reports were lacking certain supporting information in the initial submission.

The Alameda County Office of Education changed the district's 2007-08 first interim certification from positive to qualified status because of concern about the district's ability to sustain its long-term financial solvency. These concerns were driven by several years of declining enrollment as well as the unstable condition of the state budget. The county office also expressed concern about the lack of consistent supporting data included with the first financial interim report.

The district's 2007-08 unaudited actuals report reflects a surplus of more than the state-required 2% reserve for economic uncertainties. However, the district should continue to diligently monitor the budget given the projected continuance of declining enrollment and the dire condition of the state budget, which will likely include mid-year budget reductions.

As the county office continues its close review of the district's budget and interim reports, the district should use the information gleaned from these reviews to improve its presentation of financial information to the county office.

## **Budget Monitoring**

The district continues to monitor site and department expenditures, utilizing reports from the IFAS financial software system to determine whether budgeted amounts are exceeded. The hard control or system override feature in IFAS prevents purchase requisitions from being processed if adequate funds are not available in the appropriate budget. However, it appears that this feature is turned off towards the end of the school year to allow for faster processing. This practice should be eliminated as it has the potential to bypass spending and budgetary controls. The district should also ensure that the online purchasing system, E-Marketplace, encumbers funds as soon as an order is placed to further reduce the chances of overexpenditure.

The district should ensure that the position control module is kept up-to-date and used to revise the budget at each financial reporting period. All procedures for the position control system should be formalized and included in an employee desk manual.

The district updated its projected ending balance at all three interim financial reporting periods during the 2007-2008 fiscal year. The projection of the net ending fund balance was consistent throughout the interim report periods of the budget process, but increased significantly by 58% at year-end closing. Virtually the entire increased amount was driven by the restricted component of the budget. This indicates that the district is improving the monitoring and projection of the unrestricted budget through the interim reporting process, but still has significant restricted program carryover issues that must be addressed.

The district fiscal staff should continue to provide board members with in-house training and provide study sessions as necessary. Board members should also consider attending training sessions offered by the various organizations in the educational industry to enhance their working skills and increase their knowledge of school district finance.

The reported changes in revenues, expenditures, and the ending fund balance demonstrate that the district is actively monitoring the budget. In addition, the district developed 16 key indicators that help predict revenues and expenditures as well as providing valuable information about opportunities and constraints that could affect the district's financial condition.

## **Accounting Policies, Procedures, and Controls**

The district continues to develop written operating procedures and provide the staff with necessary training and professional development opportunities. The Business Department updated the Business Services Manual in October 2007. The manual includes a section for each major accounting function. Each section also has detailed information to supplement the California School Accounting Manual (CSAM). Other procedures, checklists and calendars have been developed so that time lines, expectations and processes can be better understood by the staff and customers of the various business-related departments, including Payroll, Accounts Payable and Budgeting.

The district reconciles the bank account and cash within each fund and updates the cash flow projection on a monthly basis. A formalized policy and administrative regulations should be established in this area, ensuring that revenue and expenditure projections are properly supported by current assumptions. The district should also ensure that revenue or expenditure projections affecting cash flow are incorporated into the monthly review process and reflected in the cash flow spreadsheet.

Enhancing customer service and problem resolution have been goals in various operational and financial departments, including Payroll. A tracking system has been developed and implemented to collect data on all payroll problems and errors reported either by employees or identified in the annual audit. Errors are logged using the Pay Resolution Form, which can be found online. The department contacts the affected employee within two business days and arrives at a resolution by the fifth business day. The Payroll Department notifies employees of any unresolved issues, explaining why they could not be resolved. Through a collaborative effort between Business, Human Resources and Information Technology departments, the process has been updated and placed online, utilizing a mapping feature that directs the form to the appropriate person for processing. The system has been tested and will be implemented in the near future.

### **Internal Control Environment**

The district has implemented an audit committee consisting of seven members who meet once a month. Among other things, the committee is active in reviewing all district financial reports. Most recently, the audit committee played an active role in hiring an Internal Auditor.

The district continues to stabilize staffing in the Financial Services Department as well as structuring itself to meet existing needs. Since the last review, open key manager positions have been filled, and other key positions have been restructured. The belief is that these strategic personnel moves will strengthen the district as a whole. The Chief Financial Officer position has been filled with a permanent, qualified individual who will begin December 1, 2008. The Interim Chief Financial Officer will continue to work in a consultant capacity to provide the new CFO with assistance and the district with continuity, as well as work on a number of projects throughout the year.

The district has implemented and maintained the recommendation to require all financial services staff members to be evaluated at least annually and ensure that these evaluations adequately measure job skill and performance related to each specific job. Updated job descriptions identify the criteria to be used to measure employee performance. Customer surveys and service-level agreements have also been developed, and data is being collected on the performance of departments and employees. The district shared the results of a survey called “2008 Use Your Voice – Service Organizations,” which included survey scores by service department, average performance rating, and specific comparisons to the previous two years where possible. Gains had been maintained in most surveyed areas.

As with all districts, efforts should continue to minimize the number of audit findings and related financial penalties in the annual independent audit. The district should utilize the Internal Auditor to manage corrective actions on audit findings and provide periodic status reports to both the audit committee and the Governing Board.

### **Internal Audit Function**

In September 2008, the district hired an Internal Auditor with more than eight years of school district audit experience. The auditor’s job description was revised so that the position reports to the Superintendent and the Governing Board instead of the CFO as was originally planned. This was a prudent decision that will allow the position to have greater accountability and independence.

The Internal Auditor immediately began reviewing various areas such as attendance and the associated student body. The auditor also made site visits to study district operations and internal controls. An annual work plan should be developed as soon as possible to identify areas of previous noncompliance that are considered high risk. Once developed, the plan should be submitted to the audit committee for approval so that a formalized audit plan can begin. All audit reviews should utilize professional and state accounting standards, laws and regulations, categorical program requirements, and the district's policies and procedures in identifying evaluative criteria and standards for internal audits.

The district adopted formal policies and procedures on how to report illegal acts, who to report them to, and provides a process for formal investigation. The Internal Auditor should develop and schedule staff training on fraud, including information on processes for employees to report suspicions of fraud.

The Internal Auditor should also be utilized to identify opportunities for fiscal efficiency throughout the district.

### **Investments**

The current financial crisis on Wall Street has resulted in market conditions that are causing substantial investment losses throughout the country, including declining returns for some California county treasurers' investment portfolios. Investment portfolios that contained holdings in bankrupt financial institutions such as Lehman Brothers, AIG and Washington Mutual, that have experienced losses will be redistributed to local educational agencies (LEAs) for the first quarter of the 2008-09 fiscal year. *While the Alameda County Treasurers Office has not reported any losses to principal or interest for this first quarter, the district will need to be more proactive in its approach to safeguarding its cash investments.* The district has implemented recommendations to adopt a formal policy requiring that quarterly investment reports be provided in accordance with Government Code Section 53646. The district initiated the submittal of investment reports in February of 2008, with a subsequent report for the months of May, June, July and August submitted at the September 24, 2008 board meeting. The district will need to be more diligent in reporting its cash investments for all funds.

### **Multiyear Financial Projections**

The district uses Microsoft's Excel application and spreadsheet software to prepare multiyear projections, but is in the process of transitioning to FCMAT's Budget Explorer multiyear projection software.

Excel is an excellent tool that can be used to perform multiyear financial projections, but because of the large number of variables related to revenue and expenditure projections in school finance, a more precise model should be utilized. The district has a unique challenge in transferring the nontraditional results-based budgeting model to the Budget Explorer software, but is developing a process that will allow the software to be used effectively. The fiscal leadership team has attended several training seminars hosted by the Alameda County Office of Education and the Fiscal Crisis and Management Assistance Team in an effort to use Budget Explorer as its multiyear financial projection software.

## **Multiyear Impact of Collective Bargaining Agreements**

The district has implemented the recommendation that any proposed settlements for collective bargaining should be analyzed by the implementers' team, including a financial advisor to provide financial impact analysis within a 24-hour period. For significant proposals, including but not limited to salaries or benefits, a full financial analysis is conducted to determine financial feasibility and to ensure that the district can fund the obligations in both the current year and on an ongoing basis.

## **Food Service Fiscal Controls**

According to the district's 2007-08 unaudited actuals, the cafeteria fund had \$489,857 in planned deficit spending. This spending was for new servers, vending programs, catering programs, uniforms and floating positions. For the 2008-09 fiscal year, the cafeteria fund is projected to increase revenues to \$3,934,072 and eliminate any projected deficit spending in the adoption budget. The Nutrition Services Program also includes strategies for increased participation and providing services to charter schools.

## **Special Education**

In September 2007, FCMAT issued a report on the district's special education program, identifying many areas of needed improvement. The district has made substantial progress in this area, developing processes and procedures to monitor the cost and level of service provided to special education students. A comparison of the district's 2007-08 unaudited actuals to costs for the 2008-09 fiscal year found that costs other than statutory costs for step-and-column movement, statutory benefits and health and welfare benefits, appear to have been contained. The current focus is to continue monitoring nonpublic agency placements and reduce inappropriate referrals in the area of speech and language.

## **In Summary**

The review of Financial Management included the assessment of 30 selected professional and legal standards of performance. Of the 30 standards in this operational area, 28 standards are partially implemented with ratings between 1 and 7, and two are substantially or fully implemented with ratings of 8 or better.

In September 2003, the average rating of the subset of 30 standards in this operational area was 0.73 on a scale of 1 to 10, with 10 the highest score possible. The average rating in March 2004 was 2.00; in September 2004, 2.83; in September 2005, 3.10; in September 2006, 4.0; and in November 2007, 5.30. As of this December 2008 progress report, the ratings of the standards in this operational area averaged 6.23. None of the 30 standards had a score less than 4.



## Returning the District to Local Governance

Several conditions need to be met for the district's eventual return to full local governance. Senate Bill 39, Perata, Statutes of 2003, provided clarity, conditions and intent regarding the return of the designated legal rights, duties and powers to the Governing Board. The authority of the Superintendent of Public Instruction (SPI) and his administrator designee shall continue until the SPI determines that the conditions of subdivision (e) of SB 39 are satisfied. The Superintendent of Public Instruction has sole authority to decide when the full return of legal rights, duties and powers to the Governing Board occurs.

SB 39 provides specific and direct responsibilities to FCMAT in assisting the Superintendent of Public Instruction and the Oakland Unified School District with recovery. These duties include the following:

1. FCMAT shall prepare an improvement plan for the Oakland Unified School District by updating the January 2000 comprehensive assessments and recovery plans of the district.
2. Based on the progress reports, FCMAT shall recommend to the Superintendent of Public Instruction those designated functional areas of school district operation that it determines are appropriate for the Governing Board of the school district to assume.
3. FCMAT shall file written status reports that reflect the progress the district is making in meeting the recommendations of the improvement plans.
4. FCMAT, after consultation with the State Administrator, determines that for at least the immediately previous 6 months the district made substantial and sustained progress in the following functional areas:
  - Community Relations and Governance
  - Pupil Achievement
  - Financial Management
  - Personnel Procedures
  - Facilities Management

As required by SB 39, FCMAT updated the ratings of all of the standards assessed in the Oakland Unified School District Assessment and Recovery Plan developed for the district in January 2000. The Assessment and Recovery Plan Update completed in September 2003 provided the updated ratings for all the standards and also included the assessment of several additional standards that became applicable subsequent to the initial assessment conducted in 2000.

FCMAT updated and assessed 416 professional and legal standards for the September 30, 2003 Recovery Plan Update, providing an in-depth review of 138 of these standards in five operational areas. Based on this work, a subset of standards in each operational area was identified to assist the district in successfully achieving recovery and return to local governance. This subset of standards has become the focus of the ongoing progress reviews conducted in the district. Although all professional and legal standards utilized in the comprehensive assessment process are important to any district's success, focusing on this identified subset of standards will enable the Oakland Unified School District to more quickly achieve a return to local governance.

FCMAT, in collaboration with the California Department of Education and the State Administrator, identified the following subset of standards in the 5 operational areas to be reviewed during each periodic progress review.

- 26 standards in Community Relations and Governance
- 25 standards in Personnel Management
- 30 standards in Pupil Achievement
- 30 standards in Financial Management
- 25 standards in Facilities Management

The September 2003 Assessment and Recovery Plan Update reported updated scaled scores for all the standards to provide an accurate measure of the district's status regarding recovery at that time. Each standard was measured for completeness and a relative scaled score from 0 (not met) to 10 (fully met) was applied. An average of the scores of the selected subset of standards in each operational area was determined. The averages of the scaled scores reported in September 2003 became the baseline of data against which the district's progress could be measured over time. Progress reports issued in March 2004, September 2004, September 2005, September 2006, November 2007 and this December 2008 report, indicated the district's progress in implementing the recommendations in the identified subset of standards.

The Oakland Unified School District is not required to reach a scaled score of 10 in every selected standard, but the district is expected to make steady progress that can be sustained, as substantial and sustained progress is a requirement of SB 39. It is reasonable to expect that the district can reach an average rating of at least a 6 in each of the 5 operational areas identified in SB 39. In collaboration with the California Department of Education, FCMAT established the following criteria to measure the district's progress. When the average score of the subset of standards in a functional area reaches a level of 6, and it is considered to be substantial and sustainable, and no individual standard in the subset is below a 4, FCMAT will recommend to the Superintendent of Public Instruction that this particular condition of SB 39 has been met and that this operational area could be returned to the Governing Board. The final authority to return governance authority to the district board lies with the Superintendent of Public Instruction.

Senate Bill 39 suggests an incremental return of powers to the district. Subject to progress, a functional area of school district operations may be recommended for return to the Governing Board of the school district by the SPI. The ultimate return of legal rights, duties and powers is based upon the SPI's concurrence with the assessment of his administrator designee and FCMAT that the future compliance by the district with the improvement plans and the multiyear financial recovery plan is probable.

## **Ratings to Date**

### **September 30, 2003 Assessment and Recovery Plan Update Report:**

Community Relations/Governance: average rating **3.92**, with **6** standards under a 4.

Personnel Management: average rating **2.64**, with **15** standards under a 4.

Pupil Achievement: average rating **2.47**, with **25** standards under a 4.

Financial Management: average rating **0.73**, with **29** standards under a 4.

Facilities Management: average rating **1.46**, with **23** standards under a 4.

**March 30, 2004 First Six-Month Progress Report:**

Community Relations/Governance: average rating **4.54**, with **3** standards under a 4.  
Personnel Management: average rating **2.80**, with **15** standards under a 4.  
Pupil Achievement: average rating **3.40**, with **17** standards under a 4.  
Financial Management: average rating **2.00**, with **29** standards under a 4.  
Facilities Management: average rating **2.96**, with **17** standards under a 4.

**September 30, 2004 Second Six-Month Progress Report:**

Community Relations/Governance: average rating **5.73**, with **1** standard under a 4.  
Personnel Management: average rating **3.96**, with **9** standards under a 4.  
Pupil Achievement: average rating **4.20**, with **6** standards under a 4.  
Financial Management: average rating **2.83**, with **25** standards under a 4.  
Facilities Management: average rating **3.58**, with **10** standards under a 4.

**September 30, 2005 Third Progress Report:**

Community Relations/Governance: average rating **6.42**, with **0** standards under a 4.  
Personnel Management: average rating **4.56**, with **5** standards under a 4.  
Pupil Achievement: average rating **4.57**, with **4** standards under a 4.  
Financial Management: average rating **3.10**, with **20** standards under a 4.  
Facilities Management: average rating **4.52**, with **4** standards under a 4.

**September 30, 2006 Fourth Progress Report:**

Community Relations/Governance: average rating **7.00**, with **0** standards under a 4.  
Personnel Management: average rating **5.20**, with **4** standards under a 4.  
Pupil Achievement: average rating **5.00**, with **2** standards under a 4.  
Financial Management: average rating **4.00**, with **7** standards under a 4.  
Facilities Management: average rating **5.80**, with **2** standards under a 4.

**November 28, 2007 Fifth Progress Report:**

Community Relations/Governance: average rating **7.27**, with **0** standards under a 4.  
Personnel Management: average rating **6.60**, with **0** standards under a 4.  
Pupil Achievement: average rating **5.87**, with **0** standards under a 4.  
Financial Management: average rating **5.30**, with **2** standards under a 4.  
Facilities Management: average rating **7.08**, with **0** standards under a 4.

The district continues to make progress in all five operational areas.

**December 5, 2008 Sixth Progress Report:**

For this Progress Report, only those areas not yet returned for local governance were reviewed, Pupil Achievement and Financial Management. The average of the subset of standards in these two operational areas as of this December 5, 2008 report is indicated below. These averages can be compared to the averages reported in the previous reports to determine the progress made by the district over time, and in the interval since the last report was issued in November 2007.

Pupil Achievement: average rating **6.83**, with **0** standards under a 4.  
Financial Management: average rating **6.23**, with **0** standards under a 4.

**AVERAGE OF RATINGS OVER TIME**

<b>Operational Area</b>	<b>Average Rating Sept 2003</b>	<b>Average Rating Mar 2004</b>	<b>Average Rating Sept 2004</b>	<b>Average Rating Sept 2005</b>	<b>Average Rating Sept 2006</b>	<b>Average Rating Nov 2007</b>	<b>Average Rating Nov 2008</b>
<b>Pupil Achievement</b>	2.47	3.40	4.20	4.57	5.00	5.87	<b>6.83</b>
<b>Financial Management</b>	0.73	2.00	2.83	3.10	4.00	5.30	<b>6.23</b>

**NUMBER OF STANDARDS SCORING LESS THAN 4 ON A 10-POINT SCALE**

<b>Operational Area</b>	<b>Stds &lt; 4 Sept 2003</b>	<b>Stds &lt; 4 Mar 2004</b>	<b>Stds &lt; 4 Sept 2004</b>	<b>Stds &lt;4 Sept 2005</b>	<b>Stds &lt;4 Sept 2006</b>	<b>Stds &lt;4 Nov 2007</b>	<b>Stds &lt;4 Nov 2008</b>
<b>Pupil Achievement</b>	25	17	6	4	2	0	<b>0</b>
<b>Financial Management</b>	29	29	25	20	7	2	<b>0</b>

**Incremental Return of Legal Rights, Duties and Powers to the Governing Board**

The operational areas of Pupil Achievement and Financial Management have met the criteria of an average of 6.0 or greater with no individual standard less than a 4. FCMAT has determined that both areas of school district operation have made sufficient progress for return to the Governing Board of the Oakland Unified School District. Therefore, FCMAT recommends that the Superintendent of Public Instruction consider returning the areas of Pupil Achievement and Financial Management to the authority of the district Governing Board.

The district has commissioned FCMAT to conduct an independent multiyear financial projection (MYFP) and cash flow analysis, which will further validate the district’s fiscal health and sustainability.

**Continuing Assessment Reports**

Senate Bill 39 required FCMAT to conduct ongoing monitoring reports through September 2004. Assembly Bill 2525 provided authorization for FCMAT to conduct an annual monitoring report for the district in September 2005. Language in the 2006 State Budget Act provided authorization for FCMAT to utilize any of its own existing fund balances to conduct the report for September 2006. The district provided for the December 2008 progress report from its own resources as the 2008-09 State Budget Act did not provide funds for monitoring reports. FCMAT will continue to be responsive to the requests of the district or legislature for continued monitoring of the district’s progress until full return to local governance is confirmed by the Superintendent of Public Instruction.

## **Background of FCMAT's Involvement in the District**

The information presented here chronologically summarizes FCMAT's involvement with the Oakland Unified School District beginning in spring 1999.

### **Oakland USD Assessment and Recovery Plan, January 31, 2000**

On April 14, 1999 the Oakland Unified School District Board of Directors voted unanimously to ask for a comprehensive audit from the Fiscal Crisis and Management Assistance Team. The vote was contingent upon Senator Don Perata acquiring funds from the state legislature to conduct the study. Assembly Bill 1115 allocated \$750,000 to FCMAT to conduct the comprehensive assessment for the district in 5 major operational areas.

FCMAT utilized a Request for Applications (RFA) process to identify competent agencies in California to assist with the comprehensive assessment. The agencies selected to assist in the process were:

- California School Boards Association (CSBA) – Community Relations and Governance
- Schromm and Associates – Personnel Management
- California Curriculum Management Audit Center (CCMAC), an affiliate of the Association of California School Administrators (ACSA) – Pupil Achievement (CCMAC is now Curriculum Management Systems, Inc.)
- School Services of California – Financial Management
- MGT of America – Facilities Management

After months of fieldwork in the district, the FCMAT comprehensive assessment was presented to the district on January 31, 2000 under title Oakland Unified School District Assessment and Recovery Plans. The report provided an assessment of 379 professional and legal standards in 5 operational areas, and rated each standard on a scale of 1 (not implemented) to 10 (fully implemented, sustained) as to their relative status of completeness.

Neither the Oakland Board of Directors nor Assembly Bill 1115 requested or required any subsequent monitoring of the district's work to implement the recommendations contained in the Assessment and Recovery Plan. However, in the report FCMAT identified several key standards in each operational area that the district should focus on during the first six months following the presentation of the report.

### **Follow-Up Report for Oakland Unified School District, March 9, 2000**

On March 9, 2000 FCMAT provided the Oakland Unified Superintendent with a follow-up report on several areas of district operations. This report, in the form of a management letter, was sent as FCMAT was concerned about the district's ability to fund multiyear contractual agreements. This follow-up report addressed several fiscal and operational issues and made several recommendations for improvement, including the following: the need for the district to decrease staff when enrollment decreases; reconcile payroll records to position control records; begin to address the 2000-01 budget shortfall that would occur if reductions were not made; prepare multiyear financial projections relative to any district negotiated bargaining agreements; adopt a consistent method of reporting charter school enrollment; monitor student attendance systems; and monitor the budget to actual expenditures on a regular basis.

## **Oakland Unified SELPA Review, September 13, 2000**

In March 2000, FCMAT was invited by the Oakland Unified School District Superintendent to conduct a review and analysis of the district's special education programs, services and administrative support structure. The review included the areas of the budget, staffing levels, programs offered, student population, student performance and achievement, program compliance, student discipline, and facilities. The district further requested that FCMAT focus on the additional areas of the management information systems, transportation, nonpublic school placement (NPS), student assessment and student study teams, teacher recruitment and support, certificated staff credential status, class size and caseload, 504 accommodation, revenue maximization, service delivery structure, and administrative support structure.

The Management Assistance SELPA Review for the Oakland USD was provided to the district on September 13, 2000. The report noted that the district had numerous unresolved compliance issues, and that 30 percent of students had overdue IEPs or triennial assessments. The special education program encroached significantly on the district's general operating fund, far exceeding the statewide average, and strategies to contain costs had not been implemented. The district was making significant expenditures in the area of nonpublic school placements.

FCMAT was not requested to provide additional assistance or to conduct any follow-up reviews of the district's efforts to implement the recommendations in the special education SELPA review.

## **Alameda COE Appointed FCMAT as Fiscal Advisor**

In October 2002, the Alameda County Superintendent of Schools requested FCMAT to provide management assistance to the Oakland Unified School District. On October 11, 2002, the county office disapproved the district's 2002-03 budget, declared a "lack of going concern" and appointed FCMAT as the county office's fiscal advisor to the district.

The County Superintendent also requested the FCMAT Board of Directors to declare that a fiscal emergency existed in the district under Education Code Section 42127.8(e). On October 20, 2002, the FCMAT Board, after hearing testimony on the district's fiscal condition, took action declaring that a fiscal emergency existed in the Oakland Unified School District. This action by the FCMAT Board allowed FCMAT to direct its resources to assist the district and enabled FCMAT to assign fiscal and technology staff to provide hands-on assistance to district personnel in the business office and with the district's data-management systems. The district was unable to close its books for the 2001-02 fiscal year. Working daily in the district, FCMAT ultimately assisted the district in closing the 2001-02 fiscal books and developing the budget for fiscal year 2002-03. FCMAT also subsequently assisted the district in developing the 2003-04 budget.

The district's ending fund balance for 2001-02 was a negative \$31 million. FCMAT initially projected a negative ending fund balance for 2002-03 of more than \$70 million including all of the components of fund balance. The two percent reserve requirement of approximately \$8 million for 2002-03 was not budgeted. FCMAT concluded that the district would require an emergency loan to address the budget issues accumulated in the 2001-02 and 2002-03 fiscal years and expected to continue into the 2003-04 fiscal year. FCMAT, the Alameda COE and the Oakland USD ultimately determined that the district may need an emergency loan of \$100 million.

At a special board meeting on January 22, 2003, the Oakland Unified Board of Directors considered Board Resolution No. 0203-0143 requesting a state emergency loan in an amount to be determined by FCMAT as the county appointed Fiscal Advisor. That resolution failed. Board Resolution No. 0203-0140 providing for a state loan, the appointment of a State Trustee, and other provisions, was subsequently passed by the board. On February 20, 2003 Senator Don Perata requested the Oakland Unified Board of Directors to submit a formal request for a specific loan amount by April 2, 2003 for inclusion in a bill that he would carry to the legislature. On March 27, 2003 the Oakland Unified Board of Directors approved Board Resolution No. 02030226 requesting a state emergency loan in the amount of \$100 million.

### **State Administration of the Oakland USD**

On May 30, 2003 the Governor signed Senate Bill 39 (Perata) into law. The bill appropriated \$100 million as an emergency loan to the Oakland Unified School District. The bill required the Superintendent of Public Instruction to assume all the legal rights, duties and powers of the Governing Board of the Oakland Unified School District and to appoint an administrator to act on his behalf in the school district.

The bill further required FCMAT to prepare an improvement plan for the school district by updating the comprehensive Oakland Unified School District Assessment and Recovery Plan developed by FCMAT for the district in January 2000, and to report on the implementation of the improvement plan beginning in September 2003 and continuing with six-month progress reports in March 2004 and September 2004.

A state administrator was appointed to the district effective June 16, 2004. The state administrator requested fiscal assistance from FCMAT for the district's finance department. Beginning July 1, 2003, one full-time equivalent staff member on loan from FCMAT, under the direction of the State Administrator, provided on-site assistance and training for the finance department staff and served as a senior fiscal manager for the district. This FCMAT on-site assistance ended on June 30, 2004.

### **July 1, 2003 Report to the Superintendent of Public Instruction**

FCMAT prepared a report for the Superintendent of Public Instruction (SPI) on July 1, 2003 indicating that the January 2000 Assessment and Recovery Plan developed for Oakland Unified remained a viable plan of improvement, but that the professional and legal standards first assessed in January 2000 needed to be "re-benched" to provide the new baseline data needed to determine progress made by the district over time.

FCMAT's general review of the Assessment and Recovery Plan indicated that the findings and recommendations identified in January 2000 were still applicable to the district's recovery. However, new standards, not developed or included in January 2000, were now applicable to the district's recovery and needed to be included and assessed. Scaled scores assigned to standards in January 2000 were not indicative of progress that may have occurred in the intervening years and were in need of revision.

FCMAT's July 1, 2003 report to the SPI described the process FCMAT would employ to update the January 2000 Assessment and Recovery Plan in the two months remaining before the September 2003 deadline in the legislation. FCMAT successfully reconvened the study team members who participated in the initial Assessment and Recovery Plan to assist with the ongoing assessment of the district's progress since that time. FCMAT study teams conducted their work in the district during August and September 2003.

### **Assessment and Recovery Plan Update, September 2003**

Senate Bill 39 required that FCMAT prepare an improvement plan for the school district by updating the comprehensive Oakland Unified School District Assessment and Recovery Plan developed in January 2000. FCMAT was required to report on the implementation of the improvement plan beginning in September 2003 and continuing with six-month progress reports in March 2004 and September 2004.

The Oakland USD Assessment and Recovery Plan Update, provided on September 30, 2003, provided the Oakland Unified School District with the results of FCMAT's systematic, comprehensive assessment in five areas of district operations:

- Community Relations and Governance
- Personnel Management
- Pupil Achievement
- Financial Management
- Facilities Management

The report reviewed all of the original standards assessed in the January 2000 report, added new standards that had since become applicable, and provided current rating scores for each of the standards. Several selected standards were reviewed in-depth and findings and recommendations developed to provide guidance to the district for implementing the standards.

In collaboration with the California Department of Education and the State Administrator, FCMAT identified a subset of the professional and legal standards to address in follow-up six-month progress reviews. These standards were identified to assist the district to focus on a fewer number of standards with the most probability that, if addressed successfully, would lead to the district's recovery.

FCMAT's updated assessment of the Oakland Unified School District indicated that the district continued having difficulty meeting many of the basic legal and professional standards. The report noted that many of the issues identified in the updated report could not be remedied in a short period of time, and many of them would require collaboration with community and employee groups.

### **First Six-Month Progress Report, March 2004**

In January and February 2004, FCMAT study teams conducted several visitations to the district office and various school sites, reviewed documents, and interviewed district staff, advisory board members, parents, students and community members to assess the district's progress in addressing the recommendations of the Assessment and Recovery Plan.

A FCMAT representative also attended several community forums to solicit community input firsthand and to further explain FCMAT's role in the district's recovery process. A FCMAT representative also participated in regular status meetings with the district, Alameda County Office of Education, and the California Department of Education.

### **Second Six-Month Progress Report, September 2004**

In May, August and September 2004, FCMAT study teams visited the district and various school sites, reviewed documents prepared by the district staff, interviewed district staff, advisory board members, parents, students and community members to assess the district's progress in addressing the recommendations of the identified subset of standards in the Assessment and Recovery Plan in the six-month period since the March 2004 report.

### **Third Progress Report, September 2005**

Senate Bill 39 required FCMAT to conduct ongoing monitoring reports for the Oakland Unified School District only through September 2004. As the California Department of Education desired that FCMAT continue to monitor the district's progress for the district's eventual return to local governance, Assembly Bill 2525, Chaptered on September 29, 2004, provided authorization for FCMAT to utilize any of its own 2003-04 unexpended funds to develop an annual progress report for the Oakland USD.

A progress report was issued September 30, 2005 and recommended the return to local governance of the operational area of Community Relations and Governance.

### **Fourth Progress Report, September 2006**

Language in the 2006 State Budget Act authorized FCMAT to utilize any of its unexpended fund balances from previous appropriations to conduct an annual progress report for the Oakland Unified School District. The district continued to make modest progress in addressing the recommendations of the identified subset of standards in all operational areas, and had maintained the progress made in the operational area of Community Relations and Governance. FCMAT again recommended the return to local governance of the operational area of Community Relations and Governance.

The operational area of Community Relations and Governance was returned to the governance of the district's Governing Board by the Superintendent of Public Instruction on July 9, 2007.

### **Fifth Progress Report, November 2007**

The 2007-08 State Budget Act made funds available to FCMAT to conduct comprehensive reviews of three school districts under state receivership, including Oakland Unified School District. The district had developed written guidelines to systematize operational procedures, had maintained continuity in management/leadership in two divisions, and demonstrated significant progress in all operational areas since the team's visit in the prior year. District directions and procedural guidelines were progressing. FCMAT recommended that the operational areas of Personnel Management and Facilities Management be returned to local control since they met the identified criteria for considered return to local governance, which the SPI agreed and acted upon.

The operational area of Pupil Achievement was only a fraction away from achieving the identified criteria for considered return to local governance. Further progress was expected if the recently developed curriculum management plans were implemented as intended.

### **Sixth Progress Report, December 2008**

Because the 2008-09 State Budget Act did not make funds available to FCMAT for comprehensive reviews of the three school districts under state receivership, the districts were required to expend their own resources for any reviews provided. The Oakland Unified School District subsequently requested that FCMAT conduct a review of the two remaining areas that had not been returned to local control, Pupil Achievement and Financial Management. In October, FCMAT study teams performed on-site fieldwork and found that the district had made considerable progress in both operational areas since the prior year. District directions and procedural guidelines continue to be expanded upon and refined.

As a result, FCMAT believes the operational areas of Pupil Achievement, with a score of 6.83, and Financial Management, with a score of 6.23, have met the identified criteria for substantial and sustained progress, which is an average of 6.0 or greater with no individual standard less than a 4. FCMAT recommends that the SPI consider return of these operational areas to the governance of the district's Governing Board, reasonably reducing its oversight with a Trustee in lieu of an Administrator..

## 1.1 Curriculum Management—Policy

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### Professional Standard

The district, through its adopted policy, provides a clear, operational framework for the management of the curriculum.

### Progress on Implementing the Recommendations of the Recovery Plan

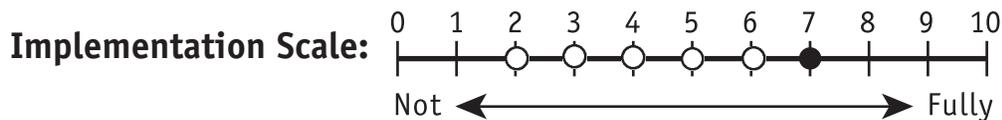
1. Policies that articulate expectations for quality education provide a framework for managing all aspects of curriculum design and delivery. The board-approved Curriculum, Instruction, and Assessment Management (CIAM) Plan is the operational framework used by district personnel to guide curriculum management in the Oakland Unified School District. This document, along with board policies and administrative regulations, provide direction for the management of curriculum design, delivery, periodic review, assessment, and evaluation of student performance and program effectiveness. Newly revised job descriptions provide clarity regarding roles and responsibilities of personnel related to curriculum management. Administrative Regulation 6400, Evaluation and Monitoring of the Instructional Program (10-04-07) provides for evaluation of the instructional program on a regular basis. These documents constitute a clear direction to manage the substantive aspects of curriculum design and delivery in the district.
2. The purpose of integrated planning is to focus all efforts on improving student achievement. Board Policy 0400, Philosophy, Goals, Objectives and Comprehensive Plans, October 10, 2007, states “comprehensive plans shall identify cohesive strategies for school improvement and provide stability in district operations.” This policy directs that, “The District’s long-range strategic plan should reflect the alignment and integration of other District comprehensive plans” and that such planning is anchored in the “implementation of the district’s vision and goals.” This policy provides for cohesive planning that is strategic and aligned to district-established goals and site priorities for students.
3. To fully implement this standard, the Governing Board needs to continuously monitor planning processes for connectivity of effort across departments and sites to target evolving needs and align planning to strategic responses. Progress made over the past few years regarding coherence among planning efforts needs to be sustained.
4. The revised table of organization for the district presents clear relationships among roles in the organization. Reporting relationships provide clear connectivity among personnel and their roles in supporting student achievement.
5. A robust educational system has an established cycle of monitoring, evaluating and providing feedback to ensure that programs remain current in meeting the needs of students. At Oakland Unified, such a cycle is directed by board policy (Board Policy 6400.5), administrative regulation (Administrative Regulation 6400), and the CIAM Plan. The district has provided comprehensive OUSD Results Policies Interpretation Reports and compliance monitoring reports to the Governing Board. In addition, a program evaluation template has been designed to facilitate the evaluation of programs on key metrics related to student achievement. These reports and procedures show a coherent effort across departments to candidly examine attainment of targeted outcomes and a commitment to ongoing engagement toward full implementation. Monitoring of personnel is managed

through reporting relationships as described in the table of organization using formal and informal evaluation processes and customer satisfaction surveys to gauge effectiveness of delivery.

6. For educational policies to drive the business of the district's workflow, the Governing Board needs structures to ensure policy implementation and regular review for currency in adapting to local, state, and federal expectations. At Oakland Unified, policies have become the norm in directing the district's focus for planning and coherent governance to attain established outcomes. Several policies have been designed to provide a governance framework for the ongoing reform of educational programs and services. Through the compliance monitoring report, stakeholders are engaged in interpreting policy for application in the field and examining the effect of policy on district goals and expectations.
7. Job descriptions establish work expectations and clarify roles and relationships related to the core work of the district. Job descriptions reviewed show a clear linkage to strategic instructional outcomes for students. Most positions on the organizational chart are supported by job descriptions. To fully comply with this professional standard, the district's Personnel Department needs to continue to update all job descriptions for both certificated and classified personnel to reflect current district operations.

### **Standard Implemented: Partially**

January 2000 Rating: 2  
September 2003 Rating: 2  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



## 1.2 Student Objectives – Core Curriculum Content

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### Professional Standard

The district has clear and valid objectives for students, including the core curriculum content.

### Progress on Implementing the Recommendations of the Recovery Plan

1. and 2. District administrators have a revised Curriculum, Instruction, and Assessment Management Plan (CIAM Plan), which further develops the 10 elements recommended by FCMAT. These elements are listed in Exhibit 1.2.1.

**Exhibit 1.2.1**  
**FCMAT Elements of a Comprehensive Curriculum Management Plan**  
**Oakland Unified School District**  
**October 2008**

a. The district’s philosophical approach to the curriculum
b. A curriculum review cycle for all disciplines
c. A consistent curriculum format
d. Delineation of responsibilities for curriculum related to decision-making for district administrators, principals, teachers, district and school committees
e. Expectations for the delivery of the curriculum
f. Instructions for monitoring the curriculum that include specific procedures and criteria for principals and other staff
g. Timing, scope, team membership, and procedures for curriculum review and adoption
h. Selection procedures for instructional resources
i. A process for integrating technology into the curriculum
j. A process for communicating curriculum revisions to the board, staff, and community

An analysis of the plan identified the following:

- Statements in the plan were clarified and simplified and new items covering the new Coherent Governance process and Vision were added.
- The assessment section of the plan was greatly revised, including the addition of an expanded purpose for the assessment plan and a statement that the system is designed “to provide district leadership with data to evaluate the effectiveness and impact of instructional programs and to inform differentiated resource allocations to schools.
- A “Focus on Results Assessment Continuum” has been added to define the different types of assessments in the district. A three-year plan for development of a sustainable comprehensive assessment system is described. The matrix of assessment has been refined.

Two of FCMAT’s recommended elements of a comprehensive curriculum management plan were further developed. They are as follows:

- Element i: A process for integrating technology into the curriculum. The Oakland Unified School District Educational Technology Plan (July 1, 2008 – June 30, 2011) was approved by the California Department of Education, February 2008. Key components of the plan encompass the integration of technology in the district curricu-

lum. The plan includes teacher and student technology use data. The data verifies the study team's observations that technology was not being widely used by teachers and students in the classroom. The plan includes an action plan for integrating technology over the next several years. It identifies the Instructional Services, Instructional Technology, and Research and Assessment teams as responsible for monitoring the progress of this action plan. The district's CIAM Plan states that the district "provides professional development on using technology to enhance the curriculum and on curricular-specific technology applications." This element of the standard has been met.

- Element j: A process for communicating curriculum revisions to the board, staff, and community. The Governing Board has adopted the Coherent Governance process to review results of standards alignment related to student achievement. The board now receives regular annual reports on staff compliance with Operational Expectations OE-11 – Instructional Program, and Academic Results policies R-2 (see Standard 2.3[a]). This element of the standard has been met.
3. The district continues to develop board policies and administrative regulations on the design and delivery of curriculum. This element has been met.
  4. In the past, the district's curriculum philosophy has included an alternative to FCMAT's recommendation to develop curriculum guides by adopting California standards-based textbooks as its curriculum with pacing guides developed to address some of the inadequacies of a textbook curriculum. As stated in the October 2007 report, the district has committed to developing stand-alone instructional guides to be used by teachers to inform instruction for mathematics and English language arts. Central office administrators now state that the adopted textbooks for mathematics and English language arts should be used as a resource, not as the curriculum. For this report, the FCMAT reviewed the district's newly revised K-5 Mathematics Instructional Guides and 6-12 Mathematics Course Pacing Guides. New 6-12 English language arts Instructional Guides and newly developed Middle and High School English Language Development Courses of Study were reviewed as well (See Exhibits 1.2.4, 1.2.5, and 1.2.6). The K-12 science curriculum documents were reviewed in an earlier report and were not revisited. As in past reviews, the study team used the five basic minimum audit criteria for guides to determine whether they contained the elements of each of the five criteria that support effective delivery of the curriculum. The criteria are listed in Exhibit 1.2.3 followed by an analysis.

**Exhibit 1.2.3**  
**Curriculum Guide Audit Criteria**

Criteria	Description
One	Clarity and Validity of Objectives 0 no goals/objectives present 1 vague delineation of goals/learner outcomes 2 states tasks to be performed or skills/concepts to be learned 3 states for each objective the what, when (sequence within course/grade), how actual standard is performed, and amount of time to be spent learning
Two	Congruity of the Curriculum to Testing/Evaluation 0 no evaluation approach 1 some approach of evaluation stated 2 states skills, knowledge, concepts which will be assessed 3 each objective is keyed to district and/or state performance evaluation
Three	Delineation of the Prerequisite Essential Skills, Knowledge, and Attitudes 0 no mention of required skill 1 states prior general experience needed 2 states prior general experience needed in specified grade level 3 states specific documented prerequisite or description of discrete skills/concepts required prior to this learning (may be a scope and sequence across grades/courses)
Four	Delineation of the Major Instructional Tools 0 no mention of textbook or instructional tools 1 names the basic text/instructional resource(s) 2 names the basic text/instructional resource(s) and supplementary materials to be used 3 states for each objective the “match” between the basic text/instructional resource(s) and curriculum objective
Five	Clear Linkages (Strategies) for Classroom Use 0 no linkages cited for classroom use 1 overall, vague statement on linkage for approaching the subject 2 provides general suggestions on approach 3 provides specific examples on how to approach key concepts/skills in the classroom

The document sets were assigned values of zero to three in each of the five criteria. A maximum of 15 points is possible, and sets of documents receiving a rating of 12 or more points are considered adequate or strong. The mean ratings for each criterion and the mean for the total ratings were then calculated. [Exhibit 1.2.4](#) displays ratings of newly revised Mathematics Instructional Guides and Course Pacing Guides reviewed by FCMAT. The documents reviewed for grades K-5 included Standards/Concepts/Skills Matrix by Grade (K-Algebra – undated) and Elementary Mathematics Instructional Guide Harcourt Math 2008-2009. Documents reviewed for grades 6-12 included Standards/Concepts/Skills Matrix by Grade and 2008-2009 Course Pacing Guides. Other mathematics materials available for teacher use online contained duplicates of the information found in the documents reviewed.

**Exhibit 1.2.4**  
**Ratings of Newly Revised Mathematics Instructional Guides and Course Pacing Guides**  
**Presented to the Reviewers**  
**Grades K-12**  
**October 2008**

<b>Newly Revised Mathematics Instructional and Pacing Guides</b>	<b>Year Adopted</b>	<b>One (Objs)</b>	<b>Two (Assessment)</b>	<b>Three (Pre-reqs)</b>	<b>Four (Re-sources)</b>	<b>Five (Approach)</b>	<b>Total</b>
K	2008-2009	2	3	3	3	1	12
1	2008-2009	2	3	3	3	1	12
2	2008-2009	2	3	3	3	1	12
3	2008-2009	2	3	3	3	1	12
4	2008-2009	2	3	3	3	1	12
5	2008-2009	2	3	3	3	1	12
6	2008-2009	2	3	3	3	1	12
7	2008-2009	2	3	3	3	1	12
Algebra A	2008-2009	2	3	3	3	1	12
Algebra I	2008-2009	2	3	3	3	1	12
Intermediate Algebra	2008-2009	2	3	3	3	1	12
Geometry	2008-2009	2	3	3	3	1	12
Advanced Algebra (Algebra 2)	2008-2009	2	3	3	3	1	12
Math Analysis	2008-2009	2	3	3	2	1	11
	<b>Mean Totals</b>	<b>2.0</b>	<b>3.0</b>	<b>3.0</b>	<b>2.92</b>	<b>1.0</b>	<b>11.93</b>

Exhibit 1.2.4 shows the following:

- Thirteen of the 14 mathematics guides reviewed met the minimum FCMAT criteria for adequacy with scores of 12. The strongest criteria across the 14 newly revised mathematics instructional guides and course pacing guides are Congruity of the Curriculum to Testing/Evaluation and Delineation of the Prerequisite Essential Skills, Knowledge, and Attitudes, each with mean scores of 3.0. Alignment to district assessments are clearly delineated, and the curriculum for all grade levels and courses in mathematics are readily accessible to any given teacher via the district Web page as well as in a K-12 scope and sequence document.
- The weakest criterion is Clear Linkages (Strategies) for Classroom Use with a mean total of 1.0. The study team found only vague statements on linkage for approaching the subject. A rating of 3.0 for Clarity and Validity of Objectives requires that the document specify for each objective student learning time spent. The district has chosen to indicate this information less specifically by grouping objectives to be learned under marking or assessment periods.

- The overall mean score for the 14 newly revised mathematics instructional guides and pacing guides reviewed is 11.93, just short of a rating of 12, which is considered minimally adequate.
- When the district includes clear linkages (strategies) for classroom use, these guides will contain all the recommended FCMAT guide elements necessary to inform instruction.

Exhibit 1.2.5 displays the ratings for the new grades 6-12 English Language Arts Instructional Guides. The study team reviewed the Genre-Based English Language Arts Instructional Guides housed on the district’s Web site. All sections of the Web-based program were reviewed including the Quick Look Pacing Guide, Search Standards, Standards Look Up, Pacing Reports, and Resources and Help sites.

**Exhibit 1.2.5**  
**Ratings of 6-12 English Language Arts Instructional Guides**  
**Presented to the Study Team**  
**October 2008**

<b>New English Language Arts Instructional and Pacing Guides</b>	<b>Year Adopted</b>	<b>One (Objs)</b>	<b>Two (Assessment)</b>	<b>Three (Pre-reqs)</b>	<b>Four (Resources)</b>	<b>Five (Approach)</b>	<b>Total</b>
6	2008	2	3	3	3	0	11
7	2008	2	3	3	3	0	11
8	2008	2	3	3	3	0	11
9	2008	2	3	3	3	0	11
10	2008	2	3	3	3	0	11
11	2008	2	3	3	3	0	11
12	2008	2	3	3	3	0	11
	<b>Mean Totals</b>	<b>2.0</b>	<b>3.0</b>	<b>3.0</b>	<b>3.0</b>	<b>0.0</b>	<b>11.0</b>

Exhibit 1.2.5 shows the following:

- All grades 6-12 English Language Arts Instructional Guides received a rating of 11.
- As in the case of the mathematics guides, these guides received a rating of 2.0 for Clarity and Validity of Objectives because time spent for students learning was not indicated for each objective. Instead, objectives are clustered by marking periods. District personnel state that the focus objectives are highlighted in the Quick Look Pacing Guide and spread across the marking periods to provide a reasonable amount of time for teaching and learning the objectives.
- The Quick Look Pacing Guide, Pacing Reports, and Standards Look Up sites satisfy criterion 2, Congruity of the Curriculum to Testing/Evaluation. All objectives to be taught and learned are listed by marking periods, and each standard is aligned to assessments such as the California High School Exit Examination (CAHSEE) and the California Standards Test (CST).

- Criterion 3, Delineation of the Prerequisite Essential Skills, Knowledge, and Attitudes, is satisfied through the Search Standards site. A teacher may enter a topic such as “narrative” and select “all grades.” This action produces a list of all K-12 standards that contain the topic so that the teacher can understand the content, context, and cognitive level of the standard at each grade level and course.
- Criterion 4, Delineation of the Major Instructional Tools received a rating of 3.0. The Standards Look Up site contains textbook references, resource downloads, and genres for teaching a standard. All grade levels are to have CST released items available in this site when completed (sixth grade has CST released items now).
- The weakest criterion was Clear Linkages (Strategies) for Classroom Use with a rating of 0. The Resources and Help site is not completed. When finished, it will house at each grade level resources, including units of study, reading lists, a variety of inventories and surveys, pre- and post-tests with scoring grids to enhance and supplement the adopted textbook. Currently, the tenth grade site contains a unit of study for Fallen Angels. The unit incorporates the standards within the literature genre. The study team concurs that it is essential to highlight precisely where the focus standards are taught within these units of study. In addition, instructional suggestions for differentiating instruction for English learners and other students at academic risk must be included as this Web site is developed.

The criteria ratings for the newly developed Middle School and High School English Language Development courses of study are presented in [Exhibit 1.2.6](#).

### Exhibit 1.2.6

#### Ratings of Middle and High School English Language Development Courses of Study Presented to the Reviewers October 2008

English Language Development Course of Study	Year Adopted	One (Objs)	Two (Assessment)	Three (Prereqs)	Four (Resources)	Five (Approach)	Total
Middle School (Courses 1, 2, 3, 4, 5)	2008	2	0	3	2	0	7
High School (Courses 1, 2, 3, 4, 5)	2008	2	0	3	1	0	6
	<b>Mean Totals</b>	<b>2.0</b>	<b>0.0</b>	<b>3.0</b>	<b>1.5</b>	<b>0.0</b>	<b>6.5</b>

[Exhibit 1.2.6](#) shows the following:

- The strongest rating (3.0) was for Criterion 3, Delineation of the Prerequisite Essential Skills, Knowledge, and Attitudes. A middle and high school scope and sequence is included.

- These documents received a rating of 2.0 for Clarity and Validity of Objectives because time spent for teachers to teach and for students to learn was not indicated for each objective.
- No mention was made of assessments aligned with the objectives in these documents. However, assessments are implied. No linkages were cited for classroom strategies. Criterion 2 and Criterion 5 received ratings of zero.

The textbook to be used was stated but not specifically linked to each objective. The documents received a score of 1.0 for Criterion 4, Delineation of the Major Instructional Tools.

Sections yet to be completed in the English Language Development Courses of Study are as follows:

- Alignment to instructional materials
- Identification of reading selections to be used
- Specification of assessments and rubrics

No other stand-alone mathematics or English language arts instructional guides or pacing guides were revised to meet the FCMAT curriculum guide component criteria. The K-5 English Language Arts Pacing Guides and Assessment Blueprint documents were not analyzed during FCMAT's visit. The pacing guides are based on the Open Court reading program units of study and do not list the standards to be taught. The Assessment Blueprint reflects the newly developed district standards-based benchmark assessments. The district must revise the K-5 English Language Arts Pacing Guides to align with these assessments. Until this alignment has been completed, this element of the recommendation remains unmet. The district should consider using the Web-based structure developed for grades 6-12 English language arts for all core subjects.

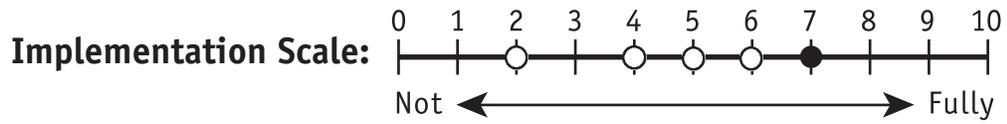
5. The districtwide monitoring of instruction and programs and interventions has evolved into a systemic structure that requires data to be provided at the conclusion of instructional programs. The Curriculum, Instruction, and Assessment Advisory Council (CIAC) has the responsibility of reviewing the results of program evaluation and making recommendations to the Chief Academic Officer and the cabinet for how to proceed with a given program. District administrators have developed and piloted a new template for this purpose. The process and template has been piloted in the evaluation of several programs such as Read 180, Swun Mathematics, and the After School Program.

The district has made great progress in developing a systemwide database of supplemental and intervention programs to include the components recommended by FCMAT. District administrators report that they have not yet developed a systemwide program cost analysis as part of this database. In addition, they continue to work on providing linkage to individual student achievement data as part of the evaluation of supplemental and intervention program evaluation. Until these components have been implemented, this element has not been fully met.

This professional standard is complete when all required elements are fully and substantially implemented and are sustainable.

## Standard Implemented: Partially

January 2000 Rating: 2  
September 2003 Rating: 4  
March 2004 Rating: 5  
September 2004 Rating: 6  
September 2005 Rating: 6  
September 2006 Rating: 6  
November 2007 Rating: 7  
December 2008 Self-Rating: 9  
December 2008 New Rating: 7



## 1.3 Allocation of Resources

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### Professional Standard

The district directs its resources fairly and consistently to accomplish its objectives.

### Progress on Implementing the Recommendations of the Recovery Plan

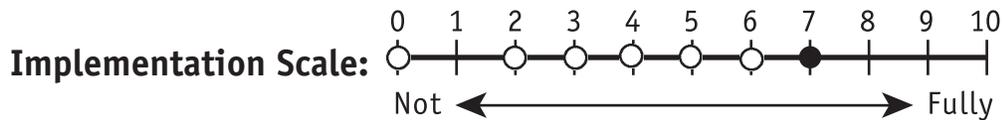
1. The budget and results-based budgeting (RBB) software model and handbook have been finalized to implement results-based budgeting, and the system is fully operational. Budget narrative templates offer the district's managers a systematic way to align their goals with their activities and consider the cost benefits associated with changes in the budget. The process encourages the budget-builders to consider the consequences of proposed budget items. The dynamics of RBB can result in increased educational productivity and supports the innovative Oakland Unified site-based budget model.
2. This spring, in response to a severe revenue shortfall, the cabinet engaged in a structured process of weighing the costs and benefits of various district programs and services to reduce more than \$20 million from the 2008-2009 budget. The process included an effort to integrate the results-based budgeting with the results-based inquiry cycles. The purpose was to allocate the district's scarce financial resources based on program outcomes. At this point, no instructions have been developed specifically directing the staff to routinely gather and present data describing the cost and benefits of various programs. Formal processes and criteria for evaluating the consequences of funding or not funding elective programs—key components of budgeting to increase educational productivity—have not yet been developed. However, major progress toward this goal was made during the 2008-09 year when program managers responsible for the budgets of particular units were required to complete budget narratives describing the possible cost/benefits of their programs or services. These narratives were reviewed and approved by the Executive Officer and a cabinet member.
3. The training in Coherent Governance contracted by the board supports the operational expectation that school expenditures are monitored “to assure their cost-effectiveness.” This recent board initiative reinforces the efforts of the administration to allocate its resources effectively. Instructions for using the budget narrative template are included in the Budget and Results-Based Budgeting Handbook, and principals report that they are adequate.
4. When fully functioning, the results-based budgeting process in combination with results-based inquiry cycles holds the potential for eliminating many inequities cited in previous reports. However, an operational expectation regarding the principles of equity should be defined and adopted by the board to ensure clear direction.
5. All staff members are required to comply with Voluntary Resolution Plan deadlines. There is a clear link between compliance with VRP requirements and personnel evaluations.
6. The district has no policies, directives, or regulations prohibiting school-based decisions that cause inequities among schools in course offerings, materials, and practices.

To continue strengthening the district’s processes for allocating its financial resources, the district should take the following actions:

- a. Revise the proposed budget model and RBB handbook to include integration with the results-based inquiry cycles to promote cost/benefit analysis in the budgetary decision-making processes.
- b. Complete development of equity policies and procedures that:
  - Define the term “equity” and differentiates it from “equality.”
  - Provides guidance regarding equity responsibilities of the staff.
  - Prohibit school-based decisions that cause inequities in course offerings, materials, and practices.
  - Specify responsibilities for implementing equity in district operations.
  - Incorporate accountability for equity actions into the personnel evaluation process.

### Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 2  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



## 1.4 Multiple Assessments – Program Adjustment

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### Professional Standard

The district has adopted multiple assessment tools, including diagnostic assessments, to evaluate, improve, or adjust programs and resources.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district implemented all recommendations for the design of a system necessary to comply with this standard. The board and staff have adopted the documents and established the processes required to generate assessments necessary to evaluate, improve and adjust programs and resources. This includes the following:
  - Board Policy 6162.5, Student Assessment, requiring a comprehensive assessment plan.
  - Board Policy 6162.51, Standardized Testing and Reporting Program, defining the legally required elements of the student assessment program.
  - Administrative Regulation 6400, defining the scope, purpose, and oversight of the assessment program.
  - Comprehensive Assessment Plan (a subelement of the Curriculum, Instruction and Assessment Management Plan) identifies required assessments and describes the nature, purpose, development, and timing of assessment, along with other pertinent details.
  - Board Policy 6190, Evaluation of the Instructional Program, requiring evaluation of programs and Administrative Regulation 6400.5 outlining procedures to manage such evaluations. The district is testing a program evaluation criteria template that has been used successfully with several programs under consideration.

In summary, all the recommended elements for a sound assessment plan have been incorporated into the district's plans (see [Exhibit 1.4.1](#)).

**Exhibit 1.4.1**  
**Characteristics of a Comprehensive Program and Student Assessment Plan and**  
**FCMAT's Assessment of District Plan -- October 2008**

Characteristic	FCMAT Rating	
	Adequate	Inadequate
1. Describes the philosophical framework for the design of the program and student assessment plan (formative, alignment, all subjects all grades, link to mission).	X	
2. Gives appropriate direction through policy and administrative regulations.	X	
3. Provides ongoing needs assessment to establish goals of student assessment and program assessment.	X	
4. Provides for assessment at all levels of the system (organization, program, student).	X	
5. Identifies the multipurposes of assessment, types of assessments, appropriate data sources.	X	
6. Provides a matrix of assessment tools, purpose, subjects, type of student tested, time lines, etc.	X	
7. Controls for bias, culture, etc.	X	
8. Specifies the roles and responsibilities of the board, central office staff, and school-based staff.	X	
9. Directs the relations between district and state assessments.	X	
10. Specifies overall assessment procedures to determine curriculum effectiveness and specifications for analysis.	X	
11. Directs the feedback process; assures proper use of data.	X	
12. Specifies how assessment tools will be placed in curriculum guides.	X	
13. Specifies equity issues and data sources.	X	
14. Identifies the parameters of a program assessment.	X	
15. Provides ongoing training plans for various audiences on assessment.	X	
16. Presents procedures for monitoring assessment design and use.	X	
17. Establishes a communication plan for the process of student and program assessment.	X	
18. Provides ongoing evaluation of the assessment plan.	X	
19. Specifies facility and housing requirements.	X	
20. Describes budget ramifications, connections to resource allocations.	X	

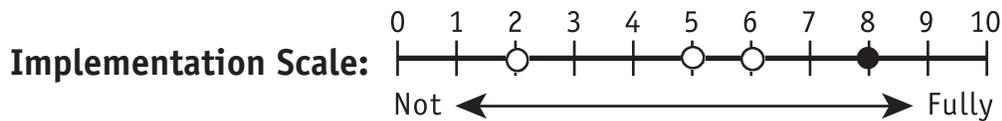
- a. The district staff has demonstrated its ability to develop and implement sound assessments with the fielding of English language arts assessments, which teachers and administrators described as well aligned with state standards, the written curriculum, and classroom instruction.

- b. The educational structure and strategic processes are now in place to generate and use data to support actions necessary to improve student achievement. However, the district must continue to develop the full range of assessments necessary to evaluate student learning across the entire curriculum, in both core and noncore areas. This is essential to continue the district’s record of improvement. Generating feedback through assessments is an ongoing, multiyear, cyclic process that must remain stable in spite of inevitable turnover of staff and administrators. Therefore, the board and staff are advised to adhere to the excellent body of assessment policies, plans, and processes now in place to achieve long-term success. These tools can provide constancy of purpose over time and instill the confidence necessary for the staff to make and maintain systemic changes.

The next steps for the district staff include actually developing and implementing assessments for at least 70 percent of the curriculum and conducting the necessary program evaluations to verify that district programs are, in fact, producing or supporting student achievement gains.

**Standard Implemented: Fully - Substantially**

January 2000 Rating:	2
September 2003 Rating:	5
March 2004 Rating:	5
September 2004 Rating:	6
September 2005 Rating:	6
September 2006 Rating:	6
November 2007 Rating:	6
December 2008 Self-Rating:	8
December 2008 New Rating:	8



## 1.5 Preparation of Students—Expectations for Practices

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### Professional Standard

Expectations and practices exist to improve the preparation of students and to build a school structure with the capacity to serve all students.

### Progress on Implementing the Recommendations of the Recovery Plan

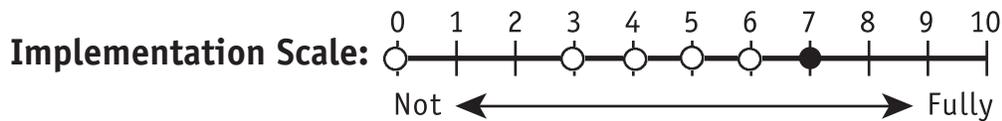
1. The strategic goals established in the Curriculum, Instruction, and Assessment Management (CIAM) Plan have been further refined over this past year by the Curriculum, Instruction and Assessment Advisory Council (CIAC). Expectations for student achievement are further refined at each school site via the Single Plan for Student Achievement, where staff and parents interpret student performance results and establish annual expectations for improvement.
2. The capacity to serve district expectations for all students is developed through staff development, coaching, feedback on job performance and data on student achievement. Expectations are communicated to district personnel and the community via brochures, the district Web site, professional development, coaching, and in parent-teacher conferences and community forums. Capacity building is also developed through engagement in formal and informal evaluations, and analysis of student achievement data and program effectiveness. The board reviews student achievement data as part of the Coherent Governance policy to monitor how well students are attaining established academic expectations.
3. Providing sufficient time for principals to monitor curriculum delivery is an essential component of instructional leadership. Operational Support Coaches have been trained to support principals' work to free some of their time so they can monitor instructional delivery strategies. These coaches alleviate principals' time pressures by attending to administrative compliance functions. Principals report that these services provide them with greater opportunity to engage in classroom observations and professional support services to teachers and students.
4. A variety of approaches are used in the district to develop the professional capacity of administrators and coaches. Network Executive Officers (NEXOs) facilitate the professional development of principals in each region and provide for individual coaching and mentoring. The secondary principals participated in a training series to support skills necessary to lead their schools in powerful teaching and learning practices. Coaches participated in training to develop core competencies that can be used to coach site personnel in strategies to improve student achievement and promote equity. Teacher professional development is site-based and is designed to respond to the needs of students and site personnel. New teachers and principals are provided with extensive support and mentoring to become successful in their work of carrying out district expectations for the students of Oakland Unified. The preparation of administrators and teachers has become a systemic component of school improvement in the district.
5. Communicating high expectations for student success is key to engaging the efforts of personnel in the district and the community. The expectations established through the Expect Success initiative have been well communicated through very comprehensive reports to business partners, community service organizations, parents, and the district

community. These reports thoroughly explain all efforts designed to attain high expectations for students and provide a progress report that includes budgets and contact persons. In addition, each school site’s planning process engages the parent community in setting annual learning expectations, and each school provides an evaluation of progress through the school scorecard.

6. Regular reports to the school board ensure a collective focus on student achievement. Reports from the State Administrator and central staff demonstrate that monitoring is well defined and managed, and transparency of goal attainment is candidly examined and regularly communicated to the Governing Board.
7. Quality site management stems from planning that includes district and site priorities for student achievement. The Single Plan for Student Achievement is the vehicle used to manage planning efforts to direct effort and resources at the site level. The design of this plan is a collaborative effort of school and district personnel, community members, and in some cases, students. The focus of the Single Plan for Student Achievement is on improving student performance based on data analysis and responsive academic targets with resource allocations for the coming year. To continue to implement this standard, district personnel need to monitor the use of site plans to build capacity among site administrators and teachers to interpret data and design effective planned responses to attain measurable, expected performance for students.

**Standard Implemented: Partially**

January 2000 Rating:	0
September 2003 Rating:	3
March 2004 Rating:	4
September 2004 Rating:	4
September 2005 Rating:	4
September 2006 Rating:	5
November 2007 Rating:	6
December 2008 Self-Rating:	8
December 2008 New Rating:	7



## 1.6 Assessment Tools –Direction for Improvement

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### Professional Standard

The assessment tools are clear measures of what is being taught, and they provide direction for improvement.

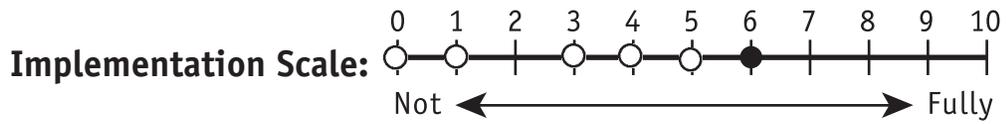
### Progress on Implementing the Recommendations of the Recovery Plan

1. The district design for development and maintenance of assessments has improved substantially as indicated by the following:
  - a. Policy 6162.5, Instruction: Student Assessment, has been revised since the last report, but maintains the requirement for alignment of the curriculum, instruction, and assessments.
  - b. The Fall 2007 revision of the OUSD Curriculum, Instruction and Assessment Plan provides details on how alignment of curriculum, instruction, and assessments will be managed.
2. The staff has demonstrated success in planning and implementing aligned assessment tools. Feedback from teachers and principals indicated that the new English language arts assessments are accurate measures of instruction and progress toward meeting state standards. This achievement verifies that the staff has the capacity and knowledge to produce aligned assessments.
3. One recommendation has not been implemented: issuing a district-level directive to prepare and distribute test guides that would assist students in preparing for the contextual elements of high-stakes testing. In preparation for the most recent California Standards Tests, the district's State Administrator sent a letter dated April 9, 2008, accompanied by a set of student guidance materials. However, the letter was not a message that provided a districtwide directive. In part, it read: "Your school should use them as you see fit and modify if necessary." While the letter was an effective first step, it did not conform with FCMAT's intent to institutionalize the practice of *routinely* providing contextual information and test-taking strategies to students as a means of neutralizing unfamiliar elements of high-stakes testing that can impede student success.

To fully comply with this standard, the district should include in its Comprehensive Assessment Plan the requirement to routinely provide students with information regarding the contextual elements of high-stakes testing and test-taking strategies.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 1  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 4  
September 2006 Rating: 4  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



## 1.7 Staff Development – Improved Instruction/Curriculum

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### Professional Standard

Staff development provides staff with the knowledge and the skills to improve instruction and the curriculum.

### Progress on Implementing the Recommendations of the Recovery Plan

1. A well designed staff development program has clear linkages between content and needs and coordinates efforts to ensure maximum results. Direction for the professional development of district-certified staff is covered in Board Policy 4131 and Administrative Regulation 4131, as well as the Central Services in the Curriculum, Instruction, and Assessment (CIAM) Plan and the Certified Professional Development Plan 2006-11. These documents articulate clear linkages between teacher knowledge and skill and improved student performance. Staff development is a mix of centrally provided services during the summer and site-managed experiences during the school year. Professional development content is driven by district and site initiatives and serves to help achieve district goals. Coaching is used to support implementation.

The professional development of managers is focused on instructional leadership and is managed by the Network Executive Officer (NEXO), who either lead staff development sessions or utilize outside providers. Some of these trainings include state-mandated offerings such as AB430. In addition, first- and second-year principals are provided with professional coaches who serve to develop their leadership skills. The central office provides training on districtwide management issues such as school site planning, special education, and safety. Assistant principals have a specified set of trainings designed to develop them as instructional leaders.

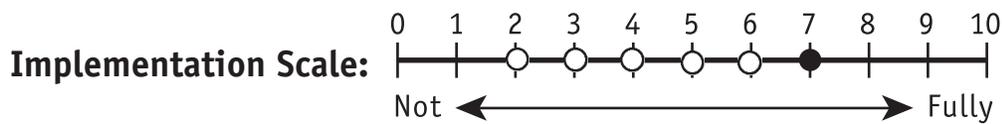
The Classified Professional Development Plan for 2006-08 has been revised to include a collaboratively designed Classified Individual Learning Plan designed to match professional development to individual staff needs. These needs serve the purpose of the educational program by providing efficiencies to promote targeted services to students. The district culture as a learning organization now includes the professional development of all employees so that each role serves to improve student achievement.

2. A well designed staff development program also aligns professional development with evolving district priorities. The articulation of district priorities in the Curriculum, Instruction, and Assessment (CIAM) Plan has streamlined efforts regarding the professional development of teachers, managers, and classified staff to attain the district's strategic goals. Plans derived to implement the CIAM clarify specific goals that align professional development of teachers, principals, assistant principals, coaches, and classified staff with the target outcomes established as district priorities. The alignment between the district priority for improved mathematics instruction and professional development in mathematics is evidence of the district's efforts to develop coherence in the preparation of teachers and the attainment of district goals.

While the district has a process to evaluate the quality and effectiveness of staff development as a whole, there is a lack of accountability for site administrators to actively support and verify implementation. This gap contributes to selective implementation, a loss of impact on student learning, and a waste of district resources. To fully comply with this standard, principals need to be held accountable for implementing professional development, particularly when this implementation affects attainment of the district's strategic outcomes for student achievement.

### Standard Implemented: Partially

January 2000 Rating: 2  
September 2003 Rating: 3  
March 2004 Rating: 3  
September 2004 Rating: 4  
March 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 8  
December 2008 New Rating: 7



# 1.8 Staff Development – Purpose, Goals, and Evaluation

## Professional Standard

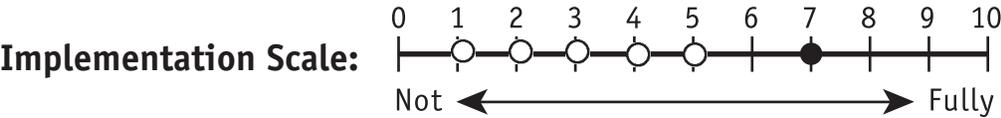
Staff development demonstrates a clear understanding of purpose, written goals, and appropriate evaluations.

### Progress on Implementing the Recommendations of the Recovery Plan

1. A quality staff development program established purpose, clear goals, and processes for evaluation and refinement. The district’s staff development is outlined in planning documents for both certificated and classified personnel. The Certificated Professional Development Plan 2006-2011 and the Classified Professional Development Plan (Revised 2008-2011) include a stated purpose, goals, and an evaluation process. In addition, the professional growth of teachers is addressed in various guidance documents related to Professional Learning Communities (PLC). The PLC initiative is defined as an effort to focus certificated personnel on improved student achievement through collaboration that examines learning through inquiry and commitment to continuous improvement.
2. Evaluating a plan’s implementation provides feedback that enables the staff to make adjustments to sustain a quality program. The district uses a variety of tools to measure customer satisfaction with professional development. Evaluation of all district and site staff development is systematic and data are used to refine ongoing efforts. Tools for evaluation include scorecards completed by teachers and principals as well as rubrics completed by participants in Professional Learning Community (PLC) collaborations. The evaluation of PLC implementation via a rubric self-assessment is used as a base of research on the impact of efforts on student achievement. Initial data indicate a positive correlation may exist between the PLC Quality Index and the school’s Academic Performance Index (API). The Instructional Service Division performs an end-of-year reflection of the effectiveness of alignment of their services with student performance results. The customer satisfaction scorecard that rates services provided for professional development through Instructional Services is 93 percent.

### Standard Implemented: Partially

January 2000 Rating:	1
September 2003 Rating:	2
March 2004 Rating:	3
September 2004 Rating:	4
September 2005 Rating:	4
September 2006 Rating:	4
November 2007 Rating:	5
December 2008 Self-Rating:	7
December 2008 New Rating:	7



## 1.9 Evaluations – Improving Job Performance

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### Professional Standard

Evaluations provide constructive feedback for improving job performance.

### Progress on Implementing the Recommendations of the Recovery Plan

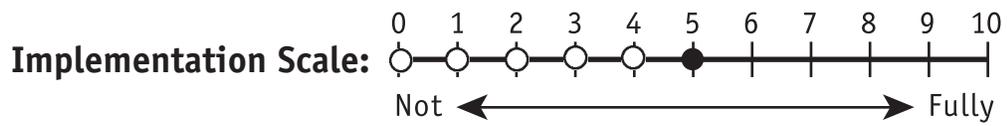
1. The district has sound structures and processes to satisfy the standard as indicated in the following sections:
  - a. *Board Policy 6162.5*, Instruction: Student Assessment, states that assessment results will be used to, “Provide schools...with evaluation information about the effectiveness of adult practice [to] improve teaching and learning.”
  - b. The Comprehensive Assessment Plan section of the Curriculum, Instruction and Assessment Plan describes the types of evaluations and how they will be used to improve teaching and learning.
  - c. The Tiered Accountability and Support System contains processes to evaluate overall school performances and use those evaluations to allocate resources among schools based on those evaluations. The objective is to improve staff performance so that academic performance goals are achieved.
2. These and other measures have produced results. The district was the most improved large school district in California for 2004 through 2008.

One FCMAT recommendation had not been implemented at the time of this review, inclusion of the following language in the teacher evaluation instrument: “knowledgeable use of...test guides, and curriculum guides.”

The adoption of this recommendation is subject to negotiations between the Governing Board and the collective bargaining union representing the certificated staff. However, the recommendation stands and should be pursued since it supports two vital two elements of a teacher’s job performance: delivering standard-based curricula in the classroom and adequately preparing students to perform successfully on high-stakes tests designed to measure learning.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 1  
March 2004 Rating: 2  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 5



## 1.10 Variety of Instructional Strategies– Student Diversity

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### Professional Standard

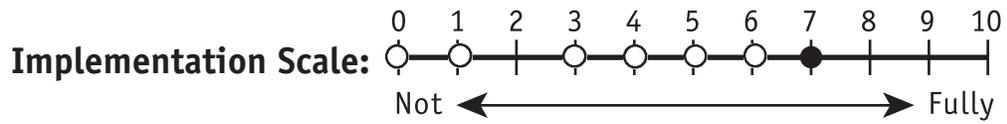
Teachers use a variety of instructional strategies and resources that address their students’ diverse needs.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district’s Certificated Professional Development Plan is consistent with FCMAT recommendations (see [Standards 1.7](#) and [1.8](#)).
2. Policy 4131, Professional Development, requires a program that includes staff development in the “development of strategies to meet the needs of diverse student populations, including the range of racial groups and ethnicities represented in Oakland, students with disabilities, English-language learners, economically disadvantaged students, and special education students.” Extensive professional development has included such topics as Differentiation, OUSD Academic English Development, Culturally Responsive Teaching, NTSD Towards Equity, and NTSD Working with Special Education. The district maintains the On-Track database of classes and teacher participation and hopes to extend the database to include more site-based professional development efforts such as one-to-one Edusoft training. The Certificated Professional Development Plan focuses heavily on professional development based on teacher needs assessments through the work of schools with professional learning communities and has been in place for the past full school year. In addition, the district implements a three-tiered Pyramid of Interventions process to provide individually designed interventions based on the needs of each individual student.
3. The district continues to focus on assessment feedback discrepancies as evidenced in the districtwide focus on professional learning community work and in its use of the Edusoft system to collect, organize, and report the results of district assessments. Benchmark and mid-year assessments are now in place for English language arts and mathematics at all grade levels and courses. Following each assessment, Research and Assessment compiles teacher participation rate information and provides the data to Network Executive Officers, cabinet members and site principals. The Chief Academic Officer and State Administrator have provided guidance for sites to direct participation in the district assessment program. All elements of this standard are fully implemented, are being monitored, and appropriate adjustments are taking place.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 1  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



## 1.12 California Standards for the Teaching Profession

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### Professional Standard

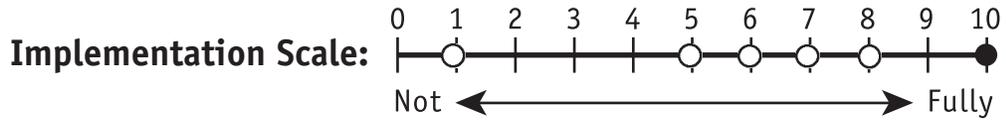
The standards developed by the California Standards for the Teaching Profession are present and supported (California Commission on Teacher Credentialing and California Department of Education, July, 1999).

### Progress on Implementing the Recommendations of the Recovery Plan

1. The New Teacher Support and Development service team continues to expand and improve its programs. These programs allow teachers to focus and reflect on the California Standards for the Teaching Profession with the goal of helping teachers improve their teaching practice. The New Teacher Support Department has rewritten parts of the New Teacher Center's formative assessment to meet the needs of district teachers. The new Teacher Center has adopted the district's formative assessment rewrites as part of its new coaching curriculum. The district expects 320 Beginning Teacher Support and Assessment (BTSA) Induction participants in the 2008-2009 fiscal year. The BTSA Induction Program has trained more than 300 coaches in formative assessment during the past two years.
2. The department has introduced a new Intern Program coach training process based on the BTSA Induction Coach training. The district expects 220 intern coaches for the 2008-2009 fiscal year.
3. The OUSD Classroom Management Program was piloted during the 2006-2007 fiscal year, implemented during 2007-2008, and expanded in 2008-2009. Trained coaches for this program focus on the California Standard for the Teaching Profession Standard for Creating and Maintaining Effective Environments for Student Learning with struggling new teachers. The program serves 100 new hires in the Program Improvement grades 3-5 schools. The program also provides training in effective classroom management, positive discipline, and equity.
4. The district also has piloted the Teacher to Teacher Program for secondary English teachers. The program focus is on the California Standards for the Teaching Profession (CSTP), Standard for Planning Instruction and Designing Learning Experiences for All Students. All English teachers are invited to attend.
5. The New Teacher Support Department hired a Data Analyst in March 2008 to assist with monitoring and evaluation of all the programs described above.
6. All elements are now fully implemented, are being sustained with high quality, are being refined, and the district has a process for ongoing evaluation.

## Standard Implemented: Fully - Sustained

January 2000 Rating: 1  
September 2003 Rating: 5  
March 2004 Rating: 5  
September 2004 Rating: 6  
September 2005 Rating: 7  
September 2006 Rating: 7  
November 2007 Rating: 8  
December 2008 Self-Rating: 10  
December 2008 New Rating: 10



## 1.13 Instructional Plans—Modification and Adjustment

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### Professional Standard

Teachers modify and adjust instructional plans according to student needs and successes.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The board does not have a single equity policy that defines the term “equity,” specifies responsibilities, and provides the rationale and guidance for adjusting instructional plans and for reallocating resources to meet student needs.

The district continues to utilize all policies listed in the October 2007 report. District leaders anticipate that over the next year, the board will engage in inquiry around equity issues and develop a meaningful equity policy in partnership with the community.

The district has developed a new vision and core values that identify equity as “all means all,” including ensuring fairness and excellence; ensuring opportunity and results; and using differentiated approaches to ensure high outcomes for all. This vision and these core values have been disseminated and are becoming acculturated in the district. The district Curriculum, Instruction and Assessment Management (CIAM ) Plan was frequently referenced as a means to define, implement and monitor equity. The CIAM Plan was adopted during the last fiscal year and has been implemented.

2. Staff members report multiple instructional modifications based on student performance data, particularly from the benchmark assessments. Professional Learning Communities are utilized and emphasize peers working together to meet the needs of students. Coaching models provide assistance and modeling to teachers as they identify needs for diverse learners. Modifications include after-school/weekend tutoring, peer coaching, reteaching, using manipulatives, modifying homework, revising students’ schedules for more exposure to core curriculum, and using computer-assisted learning. A number of schools continue to participate in the program designed by the Center for Culturally Responsive Teaching and Learning as evidenced by a stakeholder agreement and a rubric for assessing school culture as well as the use of culturally and linguistically responsive pedagogy. The Instructional Services Department has developed and disseminated brochures to acquaint the district staff and community with the services provided by the department for students.
3. The equity roles and responsibilities of the staff are not identified in a specific document. There were various documents including the Professional Development Plan, Assessment Plan, Curriculum Instruction Assessment Management Plan and EL Master Plan that identified some roles in the district and provided role responsibilities. No one document defined all roles and responsibilities in terms of equity. Moreover, they are not included in job descriptions. Staff indicated that this topic will be addressed along with the equity policy. The newly created Curriculum and Instructional Department brochures and handbooks include descriptions of services, but specific equity roles are not addressed.

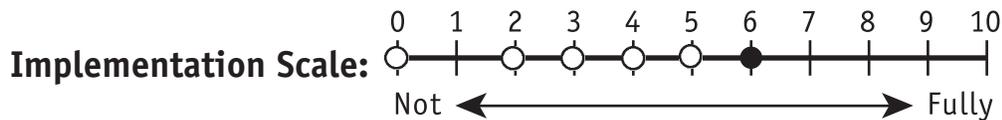
4. Curriculum Guidance Documents have been developed for core content areas. These are used in conjunction with state-approved textbooks and local pacing guides to guide instruction. The English Language Arts Instructional Guide has been placed on the Web site for easy use by staff as well as development of a Genre-Based Pacing Guide. Additional strategies have not been added to curriculum documents for diverse learners. Teacher editions of textbooks are referenced. Accommodations are made by using High Point for English-language learners and Students at Risk. Advance Placement courses are available for students who are ready for more challenging learning. Standards-based textbooks have been purchased for all K-12 core courses, but not for all noncore courses. The EL Department and the Special Education Department provided lists of materials for schools to meet the needs of EL students and special education students. Additionally, some pilot programs are being used, such as Visions at the high school level in language arts to meet additional needs. The EL Department has developed a Strategies Guide for Teachers as they work with grade 6-12 students. The Williams textbook survey demonstrated district work on this standard.
5. The Office of Civil Rights (OCR) Voluntary Resolution Agreement (VRP) from 2000 has been addressed by conducting monthly VRP suspension analysis from September 2007 through March 2008 and facilitated inquiry around this data with the Network Officer and Principals. Each school developed a suspension reduction plan at the end of the 2006-07 school year and continued into 2007-08 school year. The district developed an administrative handbook for pupil disciplinary hearings as well as a student discipline handbook. Activities for 2007-08 included the training of all new staff on equitable discipline through the Teaching for Student Achievement curriculum. Training was conducted for all coaches and site leaders in mentoring, classroom management and positive discipline, as well as professional development for all teachers on equitable discipline practices including Noah Salzman training and Teaching for Student Achievement. The AERIES database provided school principals and Network Officers information on discipline. Parent handbooks included discipline policies. The school score cards included discipline data as part of the analysis. The district has developed policies for student intervention and promotion.
6. For 2007-08, the Family and Community Office coordinated the district work with parents including the dissemination of information about programs and parent/student handbooks.
7. The Research Assessment and Analysis Department continues to monitor discipline by utilizing the AERIES system to document issues. Schools are able to track their own discipline data and are required to discuss with the NEXOs the data throughout the year. The district provided examples of NEXOs' discussion and documentation with schools on their data. Further, several examples of suspension reduction plans were provided. Score cards also indicated that schools are monitored and working on discipline and suspension data. A draft disciplinary and suspension policy was provided. Additionally, a Network Dashboard example was provided referencing attendance, turnover, sick leave, student truancy, and student performance.

8. Interventions and intervention tiers showed that the district is addressing student suspension and retention issues. The district has a draft time line as well as criteria for intervention and retention improvement strategies. Additional documents included parent notification letters, a student intervention plan, progress report forms, and a request for hearing document. The district further requires a high school credit recovery plan for loss of high school credits. A fully developed retention plan with interventions has been implemented in the district.
9. A Stakeholder Agreement for Academic English Designation (AED) Schools fulfilled the requirement for school staff to receive professional development regarding culturally responsive schools. A cadre of teachers and administrators is required to participate and provide training to the school. Further, resource supports for culturally responsive libraries included a cultural artifact kit, Big Game Playbooks, DVD instructional clips from the Center for Culturally Responsive Teaching and Learning, and additional funding of \$1,070 per classroom.

The district has made major efforts toward meeting this standard. To fully comply with this professional standard, the district needs to approve an equity policy that defines the term, provides the rationale and guidance for equity actions, and assigns equity responsibilities.

**Standard Implemented: Partially**

January 2000 Rating:	0
September 2003 Rating:	2
March 2004 Rating:	3
September 2004 Rating:	4
September 2005 Rating:	4
September 2006 Rating:	4
November 2007 Rating:	5
December 2008 Self-Rating:	6
December 2008 New Rating:	6



## 1.14 Learning Goals and Instructional Goals

### Professional Standard

Challenging learning goals and instructional plans and programs for all students are evident.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The Curriculum Instruction and Assessment Management (CIAM) Plan was finalized and is being implemented to provide guidance for the development, refinement and use of curriculum pacing guides, instructional guides, and standards-based text materials. Pacing guides and instructional guides are available for most grade levels and courses in mathematics, English language arts, science and social studies on the district Web site. The study team analyzed the revised K-12 mathematics pacing and instructional guides, the 6-8 English language arts instructional guides, and the newly developed middle and high school English Language Development Courses of Study using the FCMAT criteria for adequacy (see [Standard 1.2](#)).

The study team visited 199 classes in 20 schools to assess whether the district-adopted California standards-based textbooks, pacing guides, and instructional guides are being used by the teachers to teach the challenging California English language arts and mathematics standards for the grade level or course. [Exhibit 1.14.1](#) displays the difference between the selection of classrooms visited in October 2008 and classrooms visited in 2004, 2005, 2006, and 2007.

#### Exhibit 1.14.1

#### Comparison of English Language arts and Mathematics Classrooms Visited in 2008 with Data from Classrooms Visited in 2004, 2005, 2006, and 2007

#### October 2008

Grade Level Span	API Color Code	# Of Classrooms Visited						Total Classrooms from Color Code Visited to Date
		Jan. 2004	May 2004	May 2005	May 2006	Oct. 2007	Oct. 2008	
K-3	No Code					6		6
K-4	Yellow					9		9
	No Code						12	12
K-5	Blue	7	10	21	40	6	23	107
	Green	22	54	36	36	18	27	193
	Yellow	50	66	49	23	40	24	252
	Orange	27	57	24		12	15	135
	Red						17	17
	No Code				4	15		19
K-6	Yellow				16			16
K-8	Green						13	13
	Yellow		3			13		16

Subtotals		106	190	130	119	119	131	795
5-6	Yellow		6					6
5-8	Blue				4			4
	Yellow	36	22	6				64
	Orange	16	4	21				41
6-8	Green	10			3			13
	Yellow				31		14	45
	Orange					8		8
	Red					35	19	54
Subtotals		62	32	27	38	43	33	235
9-12	Green				3			3
	Yellow	23	7		16	5	7	58
	Orange	13		19		10	2	44
	Red					27	26	53
	No Code	10	3	4				17
Subtotals		46	10	23	19	42	35	175
Totals		214	232	180	176	204	199	
Total OUSD Classrooms Visited in 2004-2008: 1205								

Exhibit 1.14.1 shows that 65.14 percent (N = 795) of the total 2004-2008 classroom observations were in elementary schools (elementary data includes K-3, K-4, K-5, K-6, and K-8 schools) as compared to approximately 34.02 percent (N = 410) of the classroom observations in secondary schools (secondary data includes 5-8, 6-8 and 9-12 schools).

Exhibit 1.14.2 presents the results of the data collected from observations at the schools during the October 2008 visit.

**Exhibit 1.14.2**  
**Results of Classroom Observations**  
**October 2008**

Grade Level Span	API Color Code	# of Schools Visited	# of ELA and Math Classes Observed	Calibration (Alignment) of Instruction to the California Standards							
				Instruction Above Grade Level		Instruction At Grade Level		Instruction Below Grade Level		Instruction Not California Standard	
				#	%	#	%	#	%	#	%
K-4 K-5	Blue	2	23	2	8.69%	12	52.17%	8	34.78%	1	4.34%
	Green	3	27	0	0%	20	74.07%	5	18.51%	2	7.40%
	Yellow	2	24	0	0%	23	95.83%	1	4.16%	0	0%
	Orange	1	15	0	0%	5	33.33%	10	66.66%	0	0%
	Red	1	17	2	11.76%	13	76.47%	2	11.76%	0	0%
	No Code	1	12	0	0%	9	75.00%	3	25.00%	0	0%
K-8	Green	1	13	0	0%	12	92.30%	1	7.69%	0	0%
Subtotal		11	131	4	3.05%	94	71.75%	30	22.90%	3	2.29%

6-8	Yellow	2	14	1	7.14%	10	71.42%	3	21.42%	0	0%
	Red	2	19	0	0%	11	57.89%	8	42.10%	0	0%
Subtotal		4	33	1	3.03%	21	63.63%	11	33.33%	0	0%
9-12	Yellow	1	7	0	0%	5	71.42%	2	28.57%	0	0%
	Orange	1	2	0	0%	2	100%	0	0%	0	0%
Red		3	26	0	0%	22	84.61%	4	15.38%	0	0%
Subtotal		5	35	0	0%	29	82.85%	6	17.14%	0	0%
<b>Total</b>		<b>20</b>	<b>199</b>	<b>5</b>	<b>2.51%</b>	<b>144</b>	<b>72.36%</b>	<b>47</b>	<b>23.61%</b>	<b>3</b>	<b>1.50%</b>

Exhibit 1.14.2 illustrates the following:

- Instruction continues to be increasingly focused on the California Standards. When the review team compared English language arts and mathematics instruction in district classrooms to the California standards, 72.36% of instruction observed was at grade level, 23.61% below grade level, 2.51% above grade level, and 1.50% did not relate to a California standard.
  - The highest average percentage (82.85%) of instruction at grade level occurred in high school classrooms (9-12 schools).
  - The highest average percentage (33.33%) of instruction considered below grade level was observed in classrooms of 6-8 middle schools.
2. The study team noted a few examples of outstanding and rigorous instruction expected for this standard during visits in district classrooms. During classroom visits, few students were off task. Teachers of English-language learners used sheltered strategies to meet the needs of their students. Whole group instruction with heavy reliance on the adopted textbook was most often used, with few classrooms engaged in small group activities in regular classrooms.

Exhibit 1.14.3 shows the data collected when 28 mathematics and English language arts teachers from elementary, middle, and high schools were asked if they use the district pacing guides or scope and sequence to help guide their instructional planning. The data collected during the October 2007 visit is included for comparison purposes.

Exhibit 1.14.3

### Teacher Responses to “Do You Use the District Pacing Guides (Scope and Sequence) to guide your Instructional Planning?”

October 2008

	Elementary Teachers (N=7/7)				Middle School Teachers (N=3/3)				High School Teachers (N=4/4)			
	ELA		Math		ELA		Math		ELA		Math	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
<b>2007</b>	9	2	9	0	4	0	3	0	2	2	4	0
<b>2008</b>	7	0	7	0	2	1	3	0	4	0	4	0

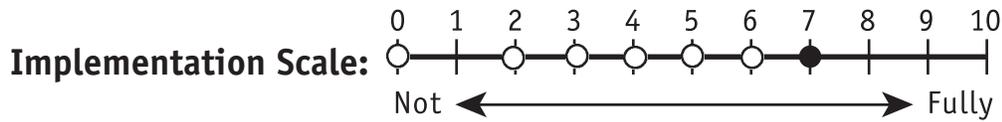
As noted in [Exhibit 1.14.3](#), all but one of the 28 K-12 teachers interviewed indicated they used the district's pacing guides. As in the 2007 report, teachers indicated they use the pacing guides as follows:

- To be sure they teach the standards but not necessarily for the sequence indicated in the pacing guide.
- To use when planning lessons collaboratively or independently.
- To keep on schedule for preparing students for the district assessments.

All elements of this standard are fully implemented, are being monitored, and appropriate adjustments are taking place.

### Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 2  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 5  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



## 1.15 Utilization of Assessment Information

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### Professional Standard

The administration and staff utilize assessment information to improve learning opportunities for all students.

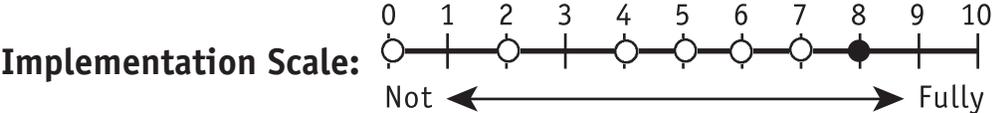
### Progress on Implementing the Recommendations of the Recovery Plan

1. The district has an adequate structure and effective processes for utilizing data to improve learning opportunities. Evidence of data use requirements and activities include the following:
  - Board Policy 6162.5, Instruction: Student Assessment, has been adopted and supports the standard by stating “the primary goals of student assessments should be to provide...timely feedback about student achievement...in order to enhance teaching and learning.”
  - Administrative Regulation, 6400, Evaluation, Support and Monitoring of Instructional Program, and the Curriculum, Instruction and Assessment Management Plan provide implementation details regarding assessment and data use to improve student achievement.
  - The Tiered Accountability and Support System is now fully operational and allocates dollars and personnel based on schoolwide assessment data to improve student achievement.
  - The Edusoft software package provides a variety of student assessment reports for teachers, principals, and other administrators. Documents and interviews indicate that these reports are used extensively to identify and address student academic performance deficiencies.
  - Data use is institutionalized through the wording in staff evaluation instruments, supervisory conference procedures, and data use protocols at all levels in the school system.
2. Student achievement results suggest that data are being used effectively in many instances. Oakland Unified was the most improved large school district in California during the period 2004-2008.

In summary, all elements of the standard are fully and substantially implemented and are sustainable.

**Standard Implemented: Fully - Sustained**

January 2000 Rating: 0  
September 2003 Rating: 2  
March 2004 Rating: 4  
September 2004 Rating: 5  
September 2005 Rating: 6  
September 2006 Rating: 6  
November 2007 Rating: 7  
December 2008 Self-Rating: 8  
December 2008 New Rating: 8



## 1.17 Goals and Grade-Level Performance Standards

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### Professional Standard

Goals and grade-level performance standards based on a common vision are present.

### Progress on Implementing the Recommendations of the Recovery Plan

1 and 2. The districtwide monitoring of instruction, programs, and interventions has become a systemic structure that requires assessment data to be provided at the conclusion of each program. The Curriculum, Instruction, and Assessment Advisory Council (CIAC) reviews the results of program evaluation and makes recommendations to the Chief Academic Officer and Strategy Team about how to proceed with a given program. District administrators have developed and piloted a new template for this purpose. The process and template has been utilized in the evaluation of several programs such as Read 180, Swun Mathematics, and the After School Program (See Standard 1.2). District administrators state that a program cost analysis has not been created at this point. Data on program effectiveness is regularly provided to the Network Officers in the form of assessment data through Edusoft.

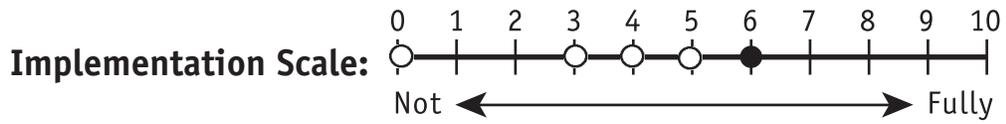
3 and 4. The district has made great progress in developing a systemwide database of supplemental and intervention programs to include all the following components recommended by FCMAT:

- The name of the program
- The purpose and the district goals it supports
- The number of students directly served
- The funding source
- The funds available
- The allocation of funds in program
- The costs of program per student
- The expected stability of funding
- The degree of learning achieved (or not achieved), and
- The resulting action for improvement, including program termination, if appropriate.

As stated earlier, district administrators report that they have not yet developed a systemwide program cost analysis as part of this database. In addition, they continue to work on providing linkage to individual student achievement data as part of the evaluation of supplemental and intervention program evaluation. Until these components have been implemented, this element of the recommendation has not been met.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 3  
March 2004 Rating: 4  
September 2004 Rating: 5  
September 2005 Rating: 5  
September 2006 Rating: 6  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 6



## 1.21 Professional Development Linked to Evaluation

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### Professional Standard

Professional development is linked to personnel evaluation.

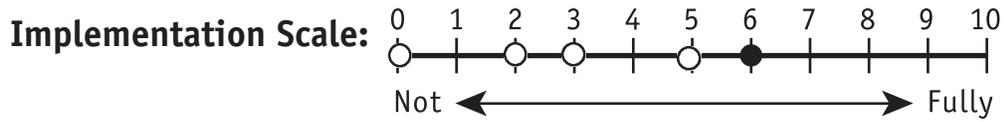
### Progress on Implementing the Recommendations of the Recovery Plan

1. The Certificated Professional Development Plan for fiscal years 2006-2011 should be implemented to identify professional development needs through evaluation processes. That requirement is contained in several district documents, including personnel policy, personnel evaluation forms, and the Comprehensive Assessment Plan. Administrative Regulation 6400 also establishes a required link between program evaluations and professional development.
2. Regarding implementation of these requirements, district staff members indicated that this school year, network executive officers are designing professional development activities for principals based on needs identified through the personnel evaluations.
3. The district has the requirement and appropriate software to combine the needs identified in personnel evaluations with the training experiences recorded in the OnTrack database. This will provide more effective and efficient management of professional development. At present, this arrangement is not fully functional. The staff indicated that full implementation requires a “cultural shift” in the district staff.
4. The district has generally made substantial progress toward satisfying the standard and can be expected to reach that goal if momentum continues. There is one significant exception to this standard. OnTrack provides for automated tracking of professional development activities. The district has no procedures for systematically capturing participation in Edusoft training and entering that information into the OnTrack database. Knowledge of Edusoft is critical for teachers because it is the school-level tool for retrieving student assessment performance data upon which academic improvement actions are based. (See [Standard 4.2](#) for a more detailed discussion of this problem.)

To fully comply with the standard, the district needs to refine the tracking function so that educators with or without needed professional development can be identified and tracked for effective implementation of the Professional Development Plan. This will contribute to more effective management of the professional development program and other personnel management decisions.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 0  
March 2004 Rating: 2  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 3  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



## 1.23 Initial Student Placement—Procedures

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### Professional Standard

Initial placement procedures are in place to ensure the timely and appropriate placement of all students with particular emphases being placed on students with special needs.

### Progress on Implementing the Recommendations of the Recovery Plan

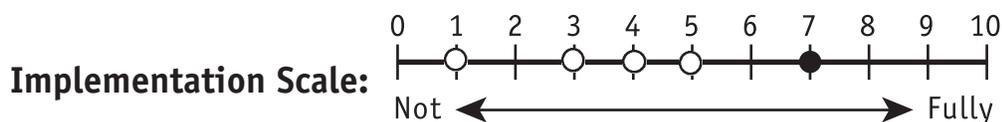
1. To settle the Comité issues in 2005, the district signed an agreement for the continued implementation and monitoring of programs to improve the education of English learners in the district. The district agreed to address the lack of full implementation of the English Language Development (ELD) curriculum and of assessments tied to the curriculum, the lack of structured ELD instruction in the secondary mainstream classes, and the quality and degree of identified target interventions in the secondary programs.
  - There are indications that the district is addressing these issues. The ELD program provides training for teachers in using the benchmark assessments for Open Court at the elementary level and identifying teaching strategies to assist with instruction. Elementary coaches are provided in many schools to assist with the implementation of appropriate strategies and with monitoring the programs. The secondary schools continue to use the High Point curriculum and assessments as well as the Visions program for use with EL students.
  - The Family Community Center continues to assess new enrollees and provide schools with California English Language Development Test (CELDT) scores, administration of home language survey, an explanation of the academic programs for EL to parents/guardians, and English and primary language assessments in listening and speaking.
  - The Research Assessment and Analysis staff works with the EL staff in providing placement data for EL students at grades six and nine. The district provides specific lists of students to each school with CELDT data and CST English language arts (ELA) scores and makes a recommendation for placement at the schools. Additionally, Instructional Services provided direction in a memorandum dated April 8, 2008, to all counselors, principals, and assistant principals on the student placement procedures for ELD courses. On April 23, 2008, the Instructional Services Office provided a memorandum to middle and high school principals with a copy to NEXOs regarding the use of placement rosters. Schools were directed to use these rosters and the criteria provided to guide student programming. A tiered intervention document was provided to schools from the Instructional Services Office, addressing the 2007-08 ELA placements of EL students. There is no indication that follow-up occurred on this data at the school level.
  - An assessment plan for the district was provided for incorporation of multiple assessments for placement issues. In addition to the placement guidelines, the EL program has designed and adopted ELD benchmark assessments that are to start December 2008. The Center for Culturally Responsive Teaching and Learning has become actively involved.
  - Academic English Designation (AED) program development has a three-phase plan for working with schools. The schools involved must sign an agreement regarding their work with this program.

2. Staff positions at the district level were maintained, and the EL Coordinating Council continues to monitor and evaluate the EL program and the implementation of the EL Master Plan for the district. The EL Master Plan was adopted by the board in May 2008 and is in the process of being implemented. Guidelines for monitoring implementation of the plan are incorporated into the adopted plan. Principals and Network Officers received training on the high priority items of the plan as indicated through network agenda and sign-in logs. Elementary and secondary monitoring tool kits are provided for use by schools and networks. These are not currently in use, but training has occurred, and the documents are disseminated.
3. Staff development continues to be offered through monthly meetings for EL lead teachers at all levels regarding best practices for EL students. Attendance at other professional development offerings continues to be voluntary, and some teachers do not receive training. The secondary EL strategies document was disseminated through lead teachers and coaches. The district offers training and provides monetary reimbursement to teachers in seeking CLAD and BCLAD certifications reported in the R 30 report. No data was available regarding the number of CLAD and BCLAD certifications for 2008. The Executive Officer Networks are used to monitor the bins and binders for compliance issues.
4. The budgeting process continues to be results-based, and all schools are responsible for ensuring they review the needs of EL students as they construct their budgets. Minimal additional grant monies were received for 2007-08 for EL issues. Documents demonstrated that the district trained principals and network staff regarding all funds available for use in meeting student needs. The documents included funds, descriptions, appropriate uses, and uses that were inappropriate.

The district has addressed all the recommendations through the adoption of the EL Master Plan, the EL placement procedures, the EL Benchmark Assessments, and the professional training of staff. The next step is full implementation of these procedures with full monitoring of the EL programs on a consistent basis.

### Standard Implemented: Partially

January 2000 Rating:	1
September 2003 Rating:	3
March 2004 Rating:	4
September 2004 Rating:	5
September 2005 Rating:	5
September 2006 Rating:	5
November 2007 Rating:	5
December 2008 Self-Rating:	7
December 2008 New Rating:	7



# 1.25 Instructional Materials – Student Accessibility

## Professional Standard

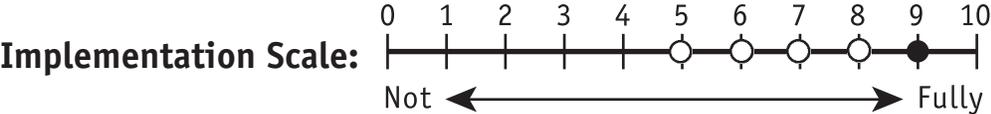
The district will ensure that all instructional materials are accessible to all students.

## Progress on Implementing the Recommendations of the Recovery Plan

1. For optimum learning, students need adequate instructional resources aligned to learning outcomes. The district was found to be compliant in the William’s textbook audit of the 2008-09 school year. The Interim Superintendent submitted a statement of Sufficiency of Textbooks and Instructional Materials (Education Code 60199) for a public hearing at a scheduled meeting of the Governing Board on October 8, 2008.
2. Special population students need access to instructional resources appropriate to their needs. The district recently adopted instructional resources for the English language development program in grades K-5. At the secondary level, courses were redesigned, and teachers were trained in how to implement the new courses of study. These changes are supported by data collection systems to monitor student growth. Secondary courses are supported by instructional resources approved by the state.

## Standard Implemented: Fully - Substantially

January 2000 Rating:	5
September 2003 Rating:	6
March 2004 Rating:	6
September 2004 Rating:	7
September 2005 Rating:	7
September 2006 Rating:	7
November 2007 Rating:	8
December 2008 Self-Rating:	9
December 2008 New Rating:	9



## 1.27 Planning Process - Focus and Connectivity

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### Professional Standard

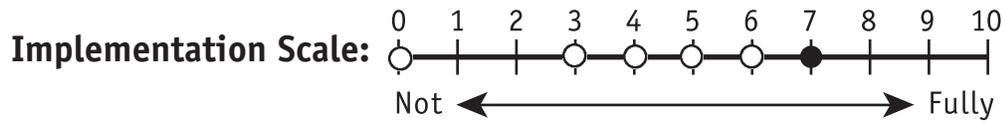
The district planning process ensures focus and connectivity to increase student productivity.

### Progress on Implementing the Recommendations of the Recovery Plan

1. Coordinated planning helps ensure focus and connectivity among district and site priorities for improved student achievement. The district has engaged in focused connectivity in its planning efforts over the last few years. Such continuity and connectivity is evident in planning processes that integrate efforts across the Academic, Community Accountability, and Service divisions. This coherence, absent in previous analyses of district planning, is critical to coherent governance of the district as conditions change.
2. The current status of integrated planning has resulted in a strategic approach to key outcomes deemed necessary to improve student achievement. The newly implemented District Strategic Planning Cycle enables district personnel to examine whether strategies in use and projects launched are aligned with strategic goals. The cycle begins with evaluation of past efforts for their effect on student achievement.
3. Each school's annual plan, the Single Plan for Student Achievement (SPSA), is aligned to district priorities and encompasses strategies responsive to site realities. These plans are examined for compliance and are evaluated in light of progress toward attaining student performance targets. The SPSA directs the site's focus on achievement and use of resources to target continuous academic improvement.
4. To be fully compliant with this standard, board policies must be developed to direct ongoing integration and connectivity among planning efforts to sustain the coherence that has been attained through effective leadership and professional collaboration.
5. Training in planning processes builds capacity for high quality plans to achieve desired results. Site personnel are trained on processes of developing the Single Plan for Student Achievement (SPSA). This involves a representative group of teachers and parents who examine student performance data as they develop site priorities for the coming year. This process builds the capacity of principals, teachers, and parents to perform quality data analysis and planning that target the documented needs of students.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 3  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



## 1.28 Human Resources Practices

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### Professional Standard

Human resources practices support the delivery of sound educational programs.

### Progress on Implementing the Recommendations of the Recovery Plan

1. A multiyear assessment plan is necessary to build clarity of purpose, goals, structures and processes to ensure continuity and stability in an organization or a department. Planning that directs the work of the Human Resources Department is outlined in the Service Improvement Plan, September 2008. This plan includes an analysis of input from customer service surveys. The data results are used to establish annual goals and procedures. Goals are measurable and defined in action steps that are time bound.

The Human Resource Department continues to follow the five-year district plan that was developed collaboratively with union officials for 2007-2012, Teacher Recruitment, Retention, Quality and Distribution (TRRQD). This plan establishes goals for teacher recruitment, retention, quality, and distribution. Teacher recruitment resulted in a 99.9 percent fill rate of classroom positions on the first day of school for the 2008-09 fiscal year. The retention rate has grown to 97 percent. Teacher quality, as measured by Highly Qualified Teacher criteria, is at 92 percent. A plan for equitable distribution of highly qualified teachers is in place with time targets for completion by the beginning of school year 2008-09.

2. Technological structures have been developed to manage credentialing requirements, absenteeism, and substitute placement. Innovative strategies are being implemented to enhance the recruitment of qualified staff, retain staff, and improve teacher attendance rates. The monitoring of practices to support the educational program ensures ongoing evaluation to refine and adjust services for optimum performance. The Service Department (which includes Human Resources) has designed data tools to assist district and school leaders in monitoring responsibilities for management deliverables, performance accountability, and service satisfaction surveys. Site personnel report a greater degree of satisfaction with services from Human Resources. Employee “correct pay” is an area of concern that is still being studied. A resolution is being designed for implementation in October 2008.

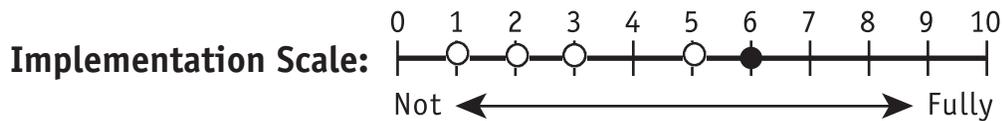
Job descriptions follow a standardized format that includes ADA compliance and a coding related to salary. In this effort, job expectations are being refined to reflect current organizational realities. Because this may result in a cost adjustment, a district team is examining how to include this in a multiyear cost recovery plan.

Human Resource personnel meet regularly with each union to build communication and forge relationships to continuously improve working conditions. This type of collaboration is essential to maintaining a viable workforce to support educational outcomes for students.

2. Management of collective bargaining ensures credibility of intentions in contractual agreements between district management and employees. District personnel agree that contractual impediments exist and are addressing these issues by working with The New Teacher Project (TNTP) to identify barriers to effective hiring and staffing. After data have been analyzed, the TNTP will recommend contractual reforms and engage key stakeholders in developing local initiatives to achieve these reforms. To fully comply with this standard, the Human Resource Department must follow through on action steps to analyze contractual impediments and to eliminate barriers to effective hiring and staffing.

### Standard Implemented: Partially

January 2000 Rating: 1  
September 2003 Rating: 1  
March 2004 Rating: 1  
September 2004 Rating: 1  
September 2005 Rating: 2  
September 2006 Rating: 3  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating 6



## 2.3(a) Management

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### Professional Standard

A process is in place to maintain alignment between standards, practices and assessment.

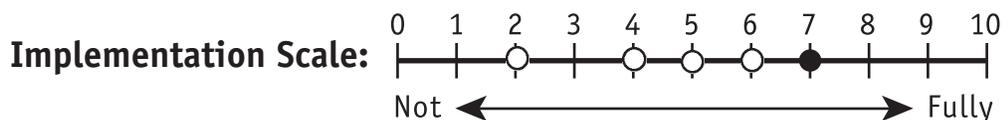
### Progress on Implementing the Recommendations of the Recovery Plan

1. and 2. The Governing Board has adopted the Coherent Governance process to review the results of the standard alignment as it relates to student achievement. The process includes content area reviews of English language arts and mathematics in addition to the overall instruction program. The CIAM plan is the basis for the information that has been submitted to the board.
3. The board receives regular annual reports on staff compliance with their Operational Expectations OE-11 – Instructional Program, and Academic Results policies R-2. Examples of these reports include Third Grade Literacy, Ninth Grade Algebra, and a Monitoring Report.

All elements of this standard are fully implemented, are being monitored, and appropriate adjustments are taking place.

### Standard Implemented: Partially

January 2000 Rating:	Not Reviewed
September 2003 Rating:	2
March 2004 Rating:	4
September 2004 Rating:	5
September 2005 Rating:	5
September 2006 Rating:	6
November 2007 Rating:	6
December 2008 Self-Rating:	7
December 2008 New Rating:	7



## 2.6(a) Standards

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### Professional Standard

The Governing Board has adopted and the district is implementing the California State Standards and assessments.

### Progress on Implementing the Recommendations of the Recovery Plan

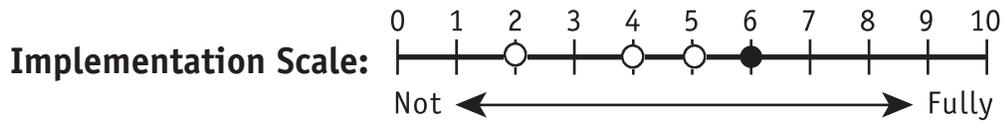
1 and 2. The district's alternative to FCMAT's recommendation to develop curriculum guides, according to board directive in Board Policy 6400.1, has been to adopt California standards-based textbooks as the district curriculum with pacing guides. As stated in the October 2007 report, the district is engaged in the process of developing stand-alone instructional guides to be used by teachers to inform instruction for mathematics and English language arts. Central office administrators now take the position that the adopted textbooks for mathematics and English language arts should be used as a resource, not as the curriculum. For this report, FCMAT reviewed the district's newly revised K-5 Mathematics Instructional Guides and 6-12 Mathematics Course Pacing Guides. New 6-12 English Language Arts Instructional Guides and newly developed Middle and High School English Language Development Courses of Study were reviewed as well. Most of the mathematics pacing guides and instructional guides were minimally adequate. Grades 6-12 English language arts instructional guides were rated slightly lower than minimally adequate. The K-5 English Language Arts Pacing Guides and Assessment Blueprint documents were not analyzed. The pacing guides are based on the Open Court reading program units of study and do not list the standards to be taught. The Assessment Blueprint reflects the newly developed district standards-based benchmark assessments. The district must revise the K-5 English Language Arts Pacing Guides to align with these assessments (See Standard 1.2). Full implementation of this standard continues to require the inclusion of the following elements in each of the California standards-based textbooks and corresponding pacing guide sets and/or newly developed instructional guides for each core subject area, grade level, or course:

- a. State for each objective what the objective is, the sequence within the course/grade, and how the actual standard is performed as well as the amount of time to be spent learning each standard.
- b. Key each objective to district and state assessments.
- c. State specific prerequisites or describe the discrete skills/concepts required prior to this learning (this may be a scope and sequence across K-12).
- d. State for each objective the "match" between the basic text/instructional resource(s) and the curriculum objective.
- e. Provide specific examples of how to approach key concepts/skills in the classroom.

Implementation of this standard is complete when all elements are fully and substantially implemented and are sustainable.

## Standard Implemented: Partially

January 2000 Rating: Not Reviewed  
September 2003 Rating: 2  
March 2004 Rating: 4  
September 2004 Rating: 5  
September 2005 Rating: 5  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 6



## 3.1 English-Language Learners

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### Professional Standard

The identification and placement of English-language learners into appropriate courses is conducted in a timely and effective manner.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The English Learners Coordinating Council (ELCC) continues to monitor the needs and developing plans for addressing English-language learners (EL) in the district. The ELCC was instrumental in the board adoption of the EL Master Plan, which addressed placement of students, descriptions of EL programs, and the development of a monitoring procedure for the EL program. The departments of Instructional Services and Research and Assessment create disaggregated data sheets for each school to review various subgroups to monitor progress and adjust instruction so that the diverse needs of students can be met. The EL Master Plan stipulates the role of the NEXOs and principals in the monitoring of the EL site programs and adherence to district policy. The study team examined examples of monitoring reports from English-language learner coaches, showing there was observation and feedback to teachers regarding the differentiation of instruction. School site monitoring reports from the coaches for the principals were also reviewed. The process of corrective action regarding these documents was not fully addressed. Principals report EL monitoring occurs, but not utilization of the EL Master Plan Monitoring Toolkits and procedure although there was awareness of these. Schools continue to store evidence of compliance in Bins and Binders, but these are not consistently monitored. Principals continue to conduct walk-throughs and are accompanied periodically by their NEXOs, but no consistent data form exists to monitor the implementation of EL strategies and differentiated strategies for compliance with state expectations. Staff members report that NEXOs discuss this with principals during scheduled visits, but there is little indication that EL is addressed on a systemic basis. Strategies for all multifunded programs (particularly EL with special education) have not been fully and systematically addressed.
2. Professional development opportunities continue to be offered during the summer and were offered monthly during 2007-08 for lead teachers, coaches, principals, and teachers who wished to attend. Attendance rosters showed that each school had at least one teacher in attendance, but not all teachers servicing EL students attended these professional development sessions. Extensive training on differentiating language instruction has been provided to more than 500 teachers K-12. Several agendas showed that professional development is offered on frontloading, Sheltered Instruction Observation Protocol, a focused approach to constructing meaning, and coaching. The EL binders contained several handouts with strategy information as well as suggestions for helping EL students in the classrooms. Power Point shows have been developed for training sessions with teachers. Training sessions were provided on how to conduct data analysis using CELDT, CST, ELA and Math benchmarks and California's Adequate Yearly Progress (AYP) data. This training suggested the use of professional learning communities to create a school culture of data analysis including the EL data. The district offers high quality staff development opportunities.

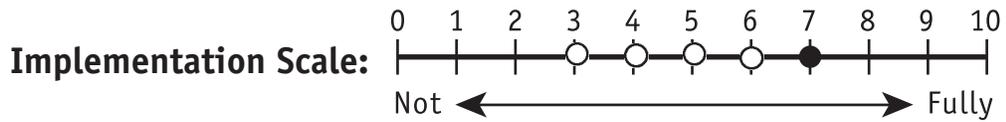
3. The district continues to provide Foro Abierto (Open Court) at the elementary level and High Point at the secondary level for language arts materials. The district continues to pilot Language for Learning and Language for Writing as a supplemental program to Open Court. The district plans to revisit High Point when the ELA adoption occurs. Benchmark data is collected to monitor EL progress. Incorporated into these programs are an assessment linkage, pacing guides, and some materials. However, alignment of these programs to each other is still in progress. At the secondary level, Visions continues to be piloted as an alternative to the High Point Program. Students who are not making adequate progress are to receive intervention services including use of English Now! New EL assessments are being drafted to create a twice-a-year formal EL review process. These are being created in accordance with the December 2004 Agreement between the district and the California Department of Education and the Office for Civil Rights at the federal level, which required assessments for the elementary program be provided to assist with the monitoring of the curriculum. This process, which monitors EL students to ensure comparable progress in academic achievement with their peers at the elementary and secondary levels, is being implemented, and the first benchmark assessments are scheduled for December 2008.
4. The district developed a data portal on its Web site for community access, which provides data about district schools and student performance to parents and community members. It currently provides pertinent information to parents in the form of School Scorecards and Program Data. Parent information continues to be disseminated through spring enrollment meetings held at school sites, newsletters, and routine documents. The Family Community Center (FCC) continues to provide information to parents about the different EL programs in the district through written and online materials. Handouts about the EL programs are available in English, Chinese, and Spanish. These handouts incorporate descriptions of programs at each school as well as some supplemental programs such as summer programs and after-school tutoring. The full explanation for all programs and courses including advanced coursework was not provided. A District English Language Advisory Committee (DELAC) meets regularly, and minutes are available. Documents indicated that parent participation on the DELAC committee is minimal, but has increased over the past year. English Language Advisory Committees (ELAC) are required at school sites, but many are minimally functioning. The DELAC made a recommendation regarding the strengthening of the ELAC committees. The district continues to utilize the EL Coordinating Council consisting of district personnel, school personnel, community personnel, students and parents to work through issues in the EL program and to monitor the implementation of the adopted EL Master Plan. The first year of implementation of this plan is 2008-09.
5. The district has several documents on the placement of students into the EL programs at the sixth and ninth grades, showing that school staff guidance is provided in this area. However, once the placement lists are forwarded to the schools, there is no required process for documenting how EL students are placed into courses. The district also does not monitor how this information is utilized by schools. Placements for EL students do not consistently reflect the redesignation of EL students during the year, although some schools are starting to implement this process. Some EL coaches documented that there are still issues concerning the placement of some students without regard to their needs. The FCC provides assessment information for all new enrollees to the district.

6. Information sent by the FCC to the school includes the home language survey, the English and primary language assessments in listening and speaking, and CELDT test information. The district provided copies of assessment data and reports on the progress of EL students in Open Court at the elementary level. There is an effort to use this data to front-load curriculum for the EL students. Coaches work with principals and staff to establish professional learning communities to focus on goals for EL students and the program. There is minimal indication of attendance at secondary training sessions, but lead teachers assist with implementation at that level. EL coaches schedule monthly walk-throughs of EL classrooms to address program issues. Principals report that they do not use the EL protocol when they walk through classrooms, but use another walk-through form. Two network summaries were provided as examples of the district EL program's end-of-the-year reflection and the steps that follow. Elementary and secondary monitoring toolkits are available for principals to utilize. Training and implementation of these toolkits are in the initial stages, and the EL Master Plan requirement for using the kits is being addressed.
7. Although the district has Individual Student Profile forms as well as intervention forms, the staff still reports that no consistent format is utilized to address individual student needs. The district does not have procedures for the development and use of these profiles for the instructional programming of EL students. The school staff indicates that it can obtain student information through Edusoft. However, there was no indication that individual profiles were drafted as a result of this. The district has several intervention forms for different uses and has not tied all the forms together.
8. The Bins and Binders process continues to be utilized for equity compliance checks. However, the newly adopted EL Master Plan provides a systematic process required for monitoring. Training on the implementation of this process is occurring with NEXOs and principals. The district utilizes the School Scorecard and Principal and Network Dashboards to provide equity check information.
9. The district utilizes the Family Community Center as the process for identifying EL learners. The center conducts the initial evaluations, monitors the reclassification process, and conducts the reclassification to ensure it occurs. Information is provided to the schools about the appropriate level placement of EL students. The EL Master Plan provides procedures for the use of this information in placing students in schools and EL programs. The Master Plan further describes the roles and responsibilities of the schools for the appropriate placement of EL students. EL continues to be a subgroup gap issue in the district, but CST scores indicate that progress is being made.

The district has made major strides in addressing this standard over the past year through the adoption of the EL Master Plan. Full implementation of the EL Master Plan will ensure full compliance for this professional standard.

## Standard Implemented: Partially

January 2000 Rating: Not Reviewed  
September 2003 Rating: 3  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 5  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



## 3.2 English-Language Learners

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### Professional Standard

Programs for English-language learners comply with state and federal regulations and meet the quality criteria set forth by the California Department of Education.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district utilizes the English Learners Coordinating Council (ELCC) to review and make recommendations for the English-Language Learner (EL) program. This group was instrumental in the development of the EL Master Plan to provide guidance and direction for the EL programs in the schools. This plan was adopted by the ELCC, the DELAC and the Governing Board in May 2008. The Master Plan provides for a comprehensive placement system that prioritizes multiple measures for assessment and access to grade-level core curriculum. The EL program staff have trained all principals and NEXOs on the key points of the Master Plan, as well as presenting to the DELAC monthly. The Master Plan is the basis for program models, student placement, and the reclassification process.
2. The secondary EL program utilizes secondary EL coaches and lead teachers who provide assistance with monitoring and coaching at the secondary level. Coaching reports were provided at both elementary and secondary levels. These reports addressed specific EL classroom instruction and grouping as well as school site issues. These were not signed by anyone other than the coach. The district report on dropout rates indicates that the EL dropout rate is still higher than the state dropout rate for EL students. Implementation of the required monitoring procedures as directed by the EL Master Plan would continue to address the success of EL students in secondary programs such as High Point and Visions. Further, the implementation of EL intervention plans could ensure success for EL students and encourage them to stay in school. The High School Credit Recovery Program should be more fully utilized to assist EL students to receive credits in courses.
3. Schools continue to use the results-based budgeting process. Additional monies were provided through the School Portfolio Support Office to schools that demonstrated the need based on Adequate Yearly Progress (AYP) and subgroup analysis. A tiered intervention process is utilized by the district to assist the schools classified as red and orange. The School Portfolio Office monitors to ensure that schools' needs are met through differentiated budgeting and support processes. All school administrators and NEXOs received training and handouts on categorical monies, definitions, and appropriate and inappropriate uses in meeting student site needs.
4. The district has provided additional staff at the district level to assist schools in classroom implementation and professional development for teachers. A secondary and an elementary coordinator with additional coaches are provided to assist schools and to develop and assist with the implementation of the EL programs. Several schools have hired EL coaches to assist with the EL subgroup and provide assistance to teachers in implementing the frontload and Open Court benchmark assessments. Interviews with random ELA and math teachers as well as classroom observations demonstrated that teachers are familiar with EL strategies to use in the classrooms. However, these classroom observations also confirm the primary use of large group instruction and minimal use of differentiated instruction to address EL

needs, particularly in secondary classrooms. Training documents indicate that best practices have been offered during training, but sign-in sheets indicate that some staff members do not attend training. Handouts and Power Point shows supporting the trainings illustrate the inclusion of best practices strategies.

5. District EL staff have developed an EL Classroom Checklist to assist in monitoring EL classroom practices. These protocols are used when EL coaches/coordinators visit and observe classrooms. Principals do not use these checklists. The EL Master Plan requires a monitoring process at the site level and network level. Protocols and toolkits were provided for both elementary and secondary sites. Administrators are being trained in these areas, but this formal monitoring process is not fully implemented. NEXO meetings include some discussion of EL strategies, and an end-of-the-year report addresses the next steps with EL learners; however, the review is still not consistent for all schools. The toolkits for elementary and secondary levels will provide a process for consistent monitoring of the EL programs and the classrooms. The implementation of the EL benchmark assessments in December will contribute to monitoring data for the schools.
6. The English Learner Coordinating Committee continues to review reports and information concerning achievement gap issues. Reports were provided to demonstrate the achievement gap in the Open Court program and the CST assessment. More elementary schools are utilizing Language for Learning and Language for Writing this year. The adopted Open Court reading does not provide sufficient instruction for English learners, so elementary teachers must provide additional instruction through these programs. Coaches continue to work with teachers on implementation. The district continues to work on the alignment of standards with curriculum and resources. Staff has developed differentiation and best practice strategies for teachers in the form of toolkits and handouts at professional training sessions, but some teachers do not attend the sessions. Site professional learning communities (PLCs) continue to be the district source for focusing on student achievement gaps. Training sessions have been provided to all elementary PLCs regarding a focus on individualization of instruction. Some gains have been made in CST EL scores, but not enough to eliminate the gaps. An initial review of the data found lower redesignation levels; however, further review showed a change in the norms of the instrument as well as higher district requirements for redesignation.
7. The curriculum maps reviewed by the study team during the 2006-07 site visit continue to provide secondary teachers with the relationship between the State ELD standards and the ELA standards. The maps highlight the 15 essential ELA standards in each grade level that are measured on the CAHSEE. The map also delineates how the CELDT standards and the CST standards map with the Big Ideas for EL Standards. The map further provides a guide on student reports. There was no additional information on curriculum correlations. District training has focused on frontloading to the curriculum by backloading from CAHSEE. Professional development continues to be offered to teachers, and there is some indication that more teachers received the training and are starting to focus instruction in the classroom. Interviews with ELA and math teachers supported this. District documents offering professional development, monthly meetings, and site-based support document continued efforts on alignment of curriculum.

8. The district restructured a Family Community Center Office for all communication and documents for parents and community members. This office coordinates the bilingual assessment center as well as all information for newcomers to the district. Site council meetings and district parent advisory committee meetings continue to be utilized for information dissemination. The district offers parents information about the school progress reports on the Web portal. Schools hold meetings each spring to inform parents of the programs in each school. The EL Master Plan outlines a clear, consistent communication to parents, caretakers, and community about the EL services. All district brochures on the EL program are produced in English and Spanish. Some documents are also produced in Chinese.
9. The DELAC membership, agenda, and meeting minutes showed that the DELAC is active and supportive of the implementation of the EL Master Plan. Issues related to parents and programs were addressed at these meetings. The DELAC recommended stronger English Learner Advisory Council (ELAC) meetings at the school site levels. Parents are also involved in the EL Coordinating Council, which monitors EL student needs in the district.
10. A district data portal is available to all stakeholders for information about various school programs. Several schools are participating with the Center for Culturally Responsive Teaching and Learning and receive training through that source. All schools with AED programs are required to have a site team receiving this training. District documents show that this is being monitored. A culturally responsive rubric is available to use with classrooms and to measure school culture.
11. Training was offered to principals, coaches, and teacher leaders on the use of data to improve instruction, and the implementation of professional learning communities is focused on meeting the needs of all students. Special education personnel monitor IEPs for compliance issues and report to the schools. District personnel disseminate gap analysis and data reports on the progress of ELL and special education students to the schools, and NEXOs meet with principals to develop site plans. NEXOs have discussions with principals on the school scorecards and have principals report on use of professional learning communities; however, no standard format for reporting was utilized. The Edusoft system allows schools to monitor the progress of students. Consequently, more schools reported using this system to monitor student progress. Teachers reported using the system for some data for reteaching, but not for other instructional decision-making. Principals reported using the data primarily to perform progress checks with teachers for benchmark assessments. District benchmark assessments continue to be the main source of data. Benchmark assessments for Open Court and High Point are completed three times a year with data available to the school staff. Foro Abierto will allow for some monitoring if teachers use frontloading. The district is implementing EL benchmark assessment twice annually starting in December 2008.
12. The Research Administration and Accreditation Division provides data reports to networks and schools. The division has developed a data mart system to provide a system of multiple assessments for utilization by schools of student progress. A draft assessment plan was provided detailing the comprehensive assessment system for ELA and math in a Multi-year Academic Acceleration Plan (MAAP). This is incorporated into the adopted Curriculum Management plan. When fully implemented, the plan will provide a sys-

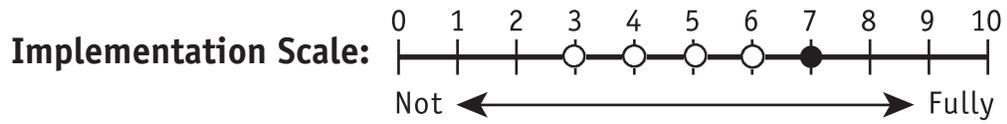
tematic comprehensive assessment for reporting student progress. Schools have access to Edusoft reports to monitor and use student progress for CST and benchmark assessments. Schools report using the data at faculty meetings and in individual sessions with grade levels and individual teachers. Professional development on professional learning communities on the utilization of data for instructional decision-making and meeting the needs of diverse learners has been provided. Network Officer meetings with principals continue to underscore the importance of use of data and monitoring.

13. Bins and Binders are still maintained in the schools to provide evidence of equity. Schools are provided a list of students with EL classifications for sixth and ninth grades. Memos from the district instructional offices to school counselors, principals and assistant principals indicated the importance of using this information in placement of EL students into courses. NEXOs review site data with principals and develop an end-of-the-year report for next steps.
14. A master professional development plan incorporates a multifaceted approach to developing teachers, school staff and principals. This plan connects with the curriculum management and assessment plans. Summer professional development offerings were provided and several sessions addressed differentiated instruction; however, no plan for implementation or monitoring the integration of differentiated instruction and compliance issues as they relate to addressing the achievement gap was available. The district fails to maintain a list of attendance at professional development sessions offered during the school year on a monthly basis. The district database does not capture all the professional development and differentiated instructional meetings individual staff attends. Attendance at summer sessions, which require registration and fees, is recorded. Numerous staff members continue to work with different facets of staff development without a holistic focus. There was an indication that the district would address this issue through future reorganization. The EL Master Plan identified ongoing Professional Development and support for EL as an issue.
15. The district is initiating EL Benchmark assessments twice annually starting in December 2008.

The district has made major strides in implementing this standard. All components have been addressed, but are not in practice. To fully comply with this professional standard, the district must fully implement on a consistent basis the EL Master Plan, the placement of EL students into programs, the implementation of EL benchmark assessments, the monitoring of instruction for EL students related to differentiated instruction and addressing the achievement gap, and the documentation of individual teacher professional development.

## Standard Implemented: Partially

January 2000 Rating: Not Reviewed  
September 2003 Rating: 3  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 5  
September 2006 Rating: 5  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 7



### 3.3 Special Education

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#### Professional Standard

Individual education plans are reviewed and updated on time.

#### Progress on Implementing the Recommendations of the Recovery Plan

1. District psychologists are provided with monthly class lists for their assigned school sites. A system was established with psychologists that monitors both the completion of their reports and their attendance at IEP meetings. The triennial evaluation process has been changed to include a review of records as opposed to an evaluation. Full evaluations are conducted from this process. Triennials have been frontloaded to be completed 60 days ahead of the IEP meeting. To correct the disproportionate number of spring IEPs, case managers have been directed to move up the dates by 60 days to create an even distribution of due dates from fall through spring. Program specialists receive IEP calendars from teachers by the due date established in a memo from the Programs for Exceptional Children (PEC). Program specialists send follow-up memos to teachers who fail to produce the IEP calendar. Program specialists and grade-level coordinators provide support to teachers in developing the calendars and coordinating the IEPs. If teachers fail to submit the calendar after the e-mail warning, a letter of concern is written.

A memorandum entitled “Guidelines for Improving the IEP Compliance” was written and disseminated in all staff packets in August 2007. The Compliance Memo was redistributed in August 2008. Teachers are provided with time during monthly professional learning community sessions to monitor their class lists, make corrections and discuss concerns. Grade Level Coordinators and Program Specialists review the IEP compliance in monthly meetings. Although site responsibility for monitoring the IEP process has not been established, principals and NEXOs are provided with a monthly list that details overdue IEPs at each site. Principals report that upon receipt, they give the list to the case manager to resolve the issue. Principals rely on program specialists, grade-level coordinators, and the PEC to monitor the process and initiate the discipline with teachers.

Program Specialists and Coordinators hold IEP correction meetings. An IEP correction checklist is used to provide feedback to teachers on the completeness and correctness of their IEPs. According to the Special Education Procedures Manual, teachers are to complete the IEPs and paperwork and send it to the district office. Delayed receipt of paperwork continues to be a problem.

The district has identified “deliverables” from the schools for 2008-09. The overdue IEPs are posted on the deliverables of the district Dashboard system.

The district required all principals and NEXOs to attend training on special education and noncompliance issues in August and September. All new and experienced teachers were also offered training in the summer and during monthly mandated meetings. Sign-in sheets indicate that some teachers have not attended the mandated meetings. Most, but not all, the site principals attended the training session. The new teacher training provided in August 2008 focused on IEP compliance, special education policy and time lines. New teachers are provided with support for their first three IEP meetings. Further, individual assistance has been provided to noncompliant teachers as a disciplinary process.

A focus team is employed by the district to assist with IEPs at sites without credentialed teachers or where an IEP noncompliance situation is inherited by new staff. The Special Education Executive Director continues to monitor and assign IEP cases monthly.

Revised procedures for IEPs and roles and responsibilities for teachers, principals and district personnel have been incorporated into an updated and revised Procedures Manual. This manual is still marked draft, but was scheduled to be approved by the Superintendent as administrative procedures in November 2008.

2. The Web-based IEP was mandated and initiated in August 2007. Some teachers do not use this IEP Web-based process. Data collected from the Executive Director determined that not all teachers had access to computers, printers and the Internet to utilize the document.

A purchase order showed that the Executive Director is attempting to ensure all teachers have appropriate equipment and professional training so they can utilize the Web-based IEP process. For 2008-09 the IEP is again mandated with some changes. The MIS Clerk provides data on the percentage of completed IEPs. These data will be monitored monthly by program coordinators and program specialists for 2008-09.

The district purchased computers for social workers to facilitate billing and secure maximum mental health funds from the county. In addition, computers were provided to psychologists to facilitate the triennial completion and increase the efficiency of psychological evaluation. Special Day Class teachers and resource teachers who receive computers will be required to receive training.

A memorandum from the Executive Director to all special education teachers and staff requires the use of e-mail accounts by September 17, 2008. This vehicle will be used for communication between school sites and the PEC.

All new teachers were provided with Web-based IEP training during the new teacher training session in August. Sign-in sheets demonstrated attendance. Program specialists are responsible for providing make-up training at the sites. Professional development training in technology support is offered through the year for special education staff. Program specialist and coordinators have started providing training on compliance issues, appropriate accommodations and modifications, reading IEPs, and the consequences of not implementing or attending IEPs for the students in their classrooms. However, this has not been provided for all teachers at all sites.

The district has an established disciplinary process found in the Special Education Procedures Manual. It provides for letters of concern, letters of reprimand, and notices of unprofessional conduct and performance with the possibility of dismissal. The Executive Director provided some examples of all three disciplinary actions from last year. All disciplinary action was initiated from the PEC. There is no indication that network systems facilitated disciplinary action at school sites.

3. The District Programs for Exceptional Children office continues to contract with Faucette Microsystems to manage and maintain the PEC database and provide staff with training in the Council for Administrators of Special Education Management Information System (CASEMIS). PEC hired one Management Information Systems (MIS) clerk and provided training to two other clerical staff. Additional clerical staff have not been hired

to manage reports and data more efficiently due to budgetary constraints. Contracts and salary information with job descriptions are available to document the separately maintained system. Meeting notes and e-mails from the PEC to technology services requested alignment of the special education data services with the district's AERIES system. The request included provisions for more accurate information on students, timely information to sites on placements, and tracking of IEPs by sites. This has not been completed.

4. Principals and assistant principals were offered training on special education site roles and responsibilities, including sharing accountability for compliance, the nature of disabilities, and their effects on learning. This was required training for all principals. Sign-in sheets indicated that some principals had not completed the training, but they had until October 31, 2008 to do so. Program coordinators are present at monthly principal meetings to answer questions and provide information. NEXOs maintain sign-in sheets. No district database maintains documentation of principal and assistant principal attendance at trainings other than sign-in sheets for monitoring purposes. Handouts for the trainings and Power Point presentations showed that compliance issues and due process complaints and evidence were addressed at the trainings.

A checklist that facilitates the development of IEPs for initial, annual and triennial IEPs has been developed in the CASEMIS system. The MIS clerk alerts program specialists and coordinators on compliance errors. Program specialists are responsible for working with staff to correct errors. This will be implemented in 2008-09. This and the IEP guidelines were used to train new teachers in August 2008. Sign-in sheets provided evidence of attendance. No district database tracks this attendance.

Special education procedures require coordinators to respond to compliance complaints with corrective actions through memos to schools. These are to be reviewed at monthly professional development sessions with teachers. One corrective action memo stipulates that in Fall 2008, all coordinators will meet with IEP teams and administrators at individual sites to review compliance complaints, due process hearing results, or district complaints received from site errors. The coordinators will maintain the necessary corrective actions and remedies. Data will be maintained at the district level to develop a comprehensive corrective action plan for the district. This was scheduled to be instituted in fall. Training agendas document the start of the implementation.

5. The Executive Director continues to work with the Human Resources Division in outlining significant recruitment and retention activities planned for the district. This plan was not just for special education teachers, but for recruitment of all teachers. The plan does not specifically address special education as a priority area. The Human Resources Division has worked out an agreement with local colleges to hold employment fairs and for the colleges to utilize the district for placements. For the 2008-09 school year, Human Resources and the PEC report that all special education teacher positions were filled at the beginning of the year. Not all teachers are highly qualified, but the Human Resources office is working to improve this area. The district has also been approved as a site for credentialing Special Class teachers. Not all related service personnel were obtained since there is still a deficit in speech therapy.

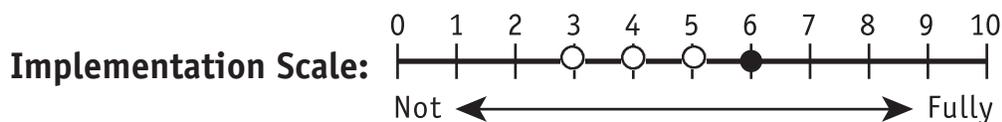
6. A revised Special Education Procedures Manual is marked as a draft. The Executive Director of Instructional Services indicated the document was to be approved by the Superintendent in November 2008. The Superintendent approved the Roles and Responsibilities of Site Administrators and teachers for IEPs in June.
7. There is no additional indication that the district implemented the procedure developed in 2006 governing the selection of a district advisory committee to review special education program issues and performance data.

The district has made substantial strides in meeting this standard. However, there are still some issues of implementation. In order for the district to fully comply with this standard, it must perform the following:

- a. Continue to implement and monitor the district procedure for maintaining updated IEPs, especially as it relates to schools demonstrating ownership of the process.
- b. Monitor the process for implementing the Web-based IEP with mandated implementation in the schools. With the provision of computers and training, the district should be able to demonstrate its contribution to making IEPs more timely at the site level.
- c. Develop an integrated database with all IEPs, triennials, and other special education monitoring data. This database should be made available to sites for access and maintenance and should be designed so that sites can consistently update information.
- d. Fully implement the training of all staff on IEPs, due process procedures, and compliance at the site level.

### Standard Implemented: Partially

January 2000 Rating:	Not Reviewed
September 2003 Rating:	3
March 2004 Rating:	4
September 2004 Rating:	4
September 2005 Rating:	5
September 2006 Rating:	5
November 2007 Rating:	5
December 2008 Self-Rating:	6
December 2008 New Rating:	6



## 3.4 Special Education

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### Professional Standard

Programs for special education students meet the least restrictive environment provision of the law and the quality criteria and goals set forth by the California Department of Education.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district has taken steps to promote school staff ownership of the IEP review process. The Draft Special Education Revised Procedures Manual outlines the process for advancing the dates of IEPs in 2007 and 2008 and is found on Page 14 of the manual. A beginning-of-the-year memorandum to teachers and psychologists outlined the requirement for moving up triennials by 60 days. IEP calendars from teachers and triennial calendars from psychologists showed that the process was being implemented. A survey conducted with staff addressed timely IEP completion. From this survey, the Web-based IEP supported more on-time IEPs; however, some teachers did not have access to the equipment necessary to complete Web-based IEPs. A memorandum from August 2007 directed that all IEPs were to be completed using the Web-based IEP document. Mandated site administrator training agenda listed August 18, 2008 as the initial training date with everyone to be trained by October 31, 2008. Sign-in sheets indicated that many but not all administrators attended the sessions. District staff continues to work to improve this area. NEXOs were provided with the sign-in sheets. However, no follow-up memos or written documentation showed that NEXOs took compliance action for principals not attending August and September trainings, even though this was listed as a deliverable for that school year. The Executive Director is working with the Professional Development Project Manager to incorporate IEP training as routine district professional development, but no document demonstrated that this is occurring.
2. The PEC provides overdue IEP data on the district Dashboard so principals can monitor school staff on IEP compliance. Only memoranda from PEC staff demonstrated that progressive discipline action was taken. There was no indication that schools were assuming more responsibility and accountability for IEPs. The PEC MIS clerk provides a monthly overdue list to the principals and Network Officers and grade level coordinator. The district office continues to assume the responsibility for overdue IEPs and the disciplinary process. The Director of Psychological Services developed a template for report writing for psychological evaluations. During the 2007-08 year, the template was used by some psychologists, and in 2008-09, the template is required to be used by all psychologists. The Director of Psychological Services monitors staff on the use of the template and provides support, training, and evaluation on the use. Documents showed that monitoring is occurring and that feedback was provided to the psychologists on use of the template. Progressive discipline was followed, and a number of Notices of Unprofessional Conduct were written for noncompliance.
3. The Draft Special Education Revised Procedures Manual directs the IEP process, including the review of triennials at the school level and determination of the dates. The district has written procedures, documentation of a triennial review of records, a notice to parents of an abbreviated triennial, the parent appeal process, and any filing of complaints from the process. Charts listed all triennials, those that just received a record review, those

that required a lengthy evaluation, and those that were not completed due to graduations. The chart demonstrated that the process for abbreviated triennials is in place and is being monitored. Examples of completed Review of Triennials were provided.

4. In March 2005, the Director of Psychological Services developed a policy that requires a hard copy of the psychologist's report to be prepared by the IEP due date. An addendum to the policy requires reports to be logged within five days of the completion of the IEP meeting. Data maintained by the Director of Psychological Services for 2007-08 showed that 2,181 psychological assessments were completed in 2007-08. Of these, 1,469 were logged within five days of the IEP meeting for a compliance rate of 67.3 percent. Data maintained by the Director of Psychological Services showed that for 2007-08, 17 percent of the triennials were moved to an earlier deadline. The range among the psychologists was from 0% to 56%. Disciplinary letters were issued for noncompliance regarding triennials that were overdue.

Monthly professional development for psychologists was provided, emphasizing compliance by reviewing class lists and reviewing overdue IEPs. Psychologists were asked to provide reasons for overdue reports. Agendas and sign-in sheets for these meetings demonstrated that these actions are being implemented.

Data provided by the Director of Psychological Services supported an increase in the number of evaluations from 2006-07 and 2007-08 with an improvement in overdue triennials. According to this data, 170 triennials were listed as overdue from August 15, 2007 through August 30, 2008. Of these, 79 were eliminated as psychologists reported that IEP meetings were held, but not logged in the MIS system. Additionally, 39 triennials were completed, but IEP meetings were not held. Nine of these were for students who were new to the district. Thirty-seven were identified as no longer necessary because they were for graduates. Therefore, from the 170 original triennials listed as overdue, the director's records indicate that only six were actually overdue.

According to data provided to FCMAT as of October 3, 2008, 69 triennials were overdue. Seven were listed as IEP meetings that were held, but not logged. Eleven were identified as triennials completed, but with no IEP meetings held. From the original 69 that were considered overdue, only 51 remained overdue.

The Coordinator of Psychological Services provided the policy on evaluation time lines and an example of discipline taken as a result of missed time lines. Training for psychologists has been provided. Sign-in logs showed who attended and the agendas listed the topics discussed along with the handouts used. Psychological reports for triennials and other evaluations are monitored by the coordinator. A chart outlining each psychologist, students tested, date tested, report date, and IEP date showed that psychologists are being monitored and are more in compliance regarding IEP meetings than in past years. Memoranda showed that notices went to schools regarding IEP calendar charts. The Policy and Procedures for IEPs outlines the move-up procedure for IEPs held in spring and fall. IEP calendars are due by October 15. A memorandum from the Director for Exceptional Children programs outlined the IEP process, including an IEP checklist used when initial, triennials and annual IEPs are due. An IEP compliance process specified that all IEPs are to be completed within two days of a scheduled meeting, including compliance checking. Notices on how to document caseload changes and an IEP checklist were provided to ensure compliance. A memo from the Dashboard project indicated that centrally running the

weekly reports for overdue IEPs for each site took a minimum of a half day each week. A progressive discipline procedure for IEP noncompliance was outlined in the IEP process. Further, all principals were required to attend a training on Special Education 101 in the fall to be completed by October 2008. To date, sign-in sheets do not indicate all principals had attended the training. Data provided by the district indicated that the incentive program for teachers was discontinued due to its lack of success and funding issues.

5. A special education program review was completed by FCMAT in Fall 2007. A Three Year Review for July 2008-July, 2011, was provided by the Programs for Exceptional Children. Goals and Objectives included decreasing the number of overdue IEPs, state complaints and district complaints; creating quality programs with attention to reasonable fiscal restraint; decreasing the number of students in nonpublic schools; redesigning and revising the existing Policy and Procedures Manual to reflect changes in the law and regulations; improving communication within the Programs for Exceptional Children, site administration and district by providing ongoing training and participation in leadership team meetings; debriefing IEP site teams on compliance issues; and improving the use of technology in academic programs. Required New Teacher Special Education Training was held in September with multiple topics including IEP, compliance, and quality education programs. IEP Web training was provided on multiple trainings. Additional trainings included: The Assess Evaluate Program System, ELSB and BASICS training materials, STARS materials, Dibels assessment, STEPS proposal, and Voyager Materials. In an effort to improve the quality of teachers, the PEC department has received approval for Level I Mild to Moderate Internship Credentials. A memorandum of understanding indicated the district has a School To Work programming and a training agenda for staff. A Transition Partnership Project Training was held for secondary teachers to assess and review the CAHSEE results and to assist in improving passing scores for students with disabilities. Programs have been established at the Castlemont Campus for students who miss credits or have not passed CAHSEE. Additionally, the secondary program now includes a resource or special day class for any students who have graduated but not passed CAHSEE to continue their education until they can pass.
6. The Programs for Exceptional Children organization chart has been revised and disseminated to school sites to provide contacts and a visual picture of how the services are organized. Multiple professional development agenda and sign-in sheets showed attempts were made by PEC to provide information to sites about programs, IEPs, compliance issues, best practice strategies, and procedures within the district. A Community Advisory Committee exists. A letter inviting specific persons to be representatives was included in the binders. Agenda and a calendar of monthly CAC meetings were provided. The district indicated that the CAC has about 20 parents, teachers and aides invited to participate, but only about 10 people actually participate. A definite communication plan review was not provided.

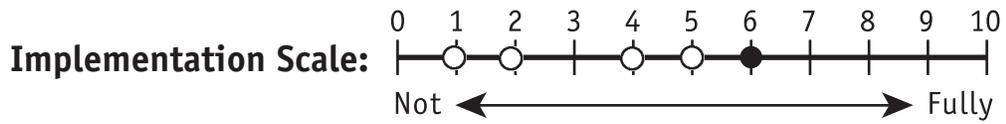
7. The three-year plan for exceptional children includes the goal of reducing the number of nonpublic school placements. The written plan includes a process for dual enrollment for students who can transition back to district programs starting in winter 2009. Criteria for the transition from nonpublic school programs will be developed this fall and is not currently available. District data showed 219 students are in nonpublic placements, costing a total of \$7,701,777 for 2007-08. In 2005-06, this number was 209 and in 2006-07, the number was 206. The district continues to pilot the Response to Intervention Project, which involves collaboration between the PEC and general education. The district provided AB 3632 information about students who receive mental health services. Special education transportation costs were \$10,058,157 in 2006-07 and \$10,044,093 in 2007-08 for a slight reduction of \$14,044. This recommendation continues to be addressed since it is only partially complete. The district continues to provide STAR, an autism program, for students returning from nonpublic schools. This program has grown somewhat and has required additional funding for inclusionary aides and parent training requests.
8. Job descriptions were developed for Instructional Specialist, Instructional Assistant, and Special Education Aide. These job descriptions provide the specific skills and jobs required to assist the instructional services. The district developed a form and procedures for special circumstance aides to consider using. The district is moving toward use of instructional specialists (with degrees) and away from aides. There is no data showing a reduction in classroom aides. The human resources office is working with the director on this issue.
9. A draft Policies and Procedures Special Education Handbook dated August 2008 demonstrated that the district has policies on the creation, maintenance and placement of students in special education classrooms. This handbook is to be submitted to the Superintendent in November for approval. Agendas for the Community Advisory Committee documented the training of parents and others on special education programs and resources. Additional monthly training agendas for multiple teachers, speech pathologists, psychologists, and related service personnel showed that a variety of trainings is available on literacy, math, and other academic and social practices. The Human Resources Office has assisted the Director for Exceptional Programs in recruiting teachers. This year, all resource and special day classes had teachers at the beginning of the year. The district continues to work on hiring and contracting speech services and other related services. All psychologist positions were filled. The district has a plan for ensuring that all special education teachers are "highly qualified" to comply with No Child Left Behind. The plan includes a report on the number of those that currently meet this qualification. Special education subgroup achievement gaps were noted on multiple school report cards. There is no indication that monitoring of best practices and innovative strategies is occurring. Training continues to be offered, but actual implementation of this practice in schools was not documented. The district developed and disseminated its special education philosophy last year. However, there is no indication that this philosophy has been systemically implemented. The philosophy is included in the draft Special Education Revised Procedures Manual.

10. Draft Policies and Procedures for Exceptional Children were revised and will be submitted to the Superintendent for approval in November. These procedures outline the compliance process with built-in monitoring for special education. The three-year plan details more specifically the monitoring aspect of special education. All principals and site administrators were provided with a job description that detailed their roles in special education monitoring and compliance. NEXOs work with the Director for Special Education in the monitoring of site compliance. A progressive discipline plan is available for noncompliant IEPs and triennials. Trainings and workshops have been held with agendas and sign-in sheets were provided by the district to inform all stakeholders of their roles in the special education programs. A calendar of coaching days and e-mail communications between administrators and special education staff demonstrates attempts to monitor compliance. Requests for least-restrictive environment data failed to provide the number of students in least-restrictive placement. Schools continue to report that the major model of service delivery is the resource room with minimal collaboration. Interviews indicated there is a lack of PEC involvement in determining special education staffing needs in the small schools process. This has created a service delivery issue regarding special education staffing. However, a list of schools with a full continuum of services was provided, indicating that the district is working on this initiative.
11. E-mails and meeting minutes were provided to document the start of a discussion regarding a database that interfaces with Data Mart. The last documented piece of communication on this issue was on May 29, 2008. This issue needs to be addressed.
12. Documents from the district and interviews confirm that some sites continue to have higher percentages of compliance issues and ineligible referrals. A Response to Intervention process is continuing to be piloted for 2008-2009 with additional schools added. The training agenda showed that the district continues to work on referrals. Psychological data indicates that referrals continue to remain high. The district continues to keep some records of referrals that were made through the psychological testing process, and documentation indicates whether the referral resulted in a placement recommendation.
13. The Executive Director continues to develop the district special education budget with caseload allocations included. The FCMAT special review (September 12, 2007) suggested the budget process should be reviewed and revised. The Executive Director has addressed issues to maximize the district's special education funding, such as recovering dollars lost to inaccurate accounting and reporting, addressing staffing in a more definitive manner, reviewing non-public school placements, and reviewing transportation costs. A master plan is still being developed. A transportation plan has been developed and is being implemented. A FCMAT Report dated September 12, 2007, indicates problems continue with transportation and other special education budget issues.

The district has implemented many recommendations related to this standard. To fully comply with the standard, a database that is fully integrated with the district Data Mart should be provided. Accountability and responsibility for the special education program should be shared with the sites. The district needs to continue to monitor and ensure that students are placed in the least-restrictive environments, including transition from non-public schools into the mainstream to the degree possible.

## Standard Implemented: Partially

January 2000 Rating: Not Reviewed  
September 2003 Rating: 1  
March 2004 Rating: 2  
September 2004 Rating: 2  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



## 4.1 High School Exit Examination – Pre-Exam Intervention

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### Professional Standard

A process to identify struggling students and intervene with the additional support necessary for them to pass the exit examination is well developed and communicated to teachers, students, and parents.

### Progress on Implementing the Recommendations of the Recovery Plan

1. All elements of this standard have been addressed by the staff, and a fully funded and sustainable program has been implemented to prevent students from failing the California High School Exit Examination (CAHSEE) on their first attempt. Eighth graders who are at risk of not passing are identified at the end of the eighth-grade year and provided with interventions in the ninth and tenth grades. High schools are required to submit plans for accelerating these underperforming students.
2. Ninth graders requiring acceleration are placed in strategic algebra and English courses that provide additional instructional time and appropriate interventions. Tenth graders receive intensive reviews to prepare them to pass the CAHSEE on their first attempt. Extended sessions are provided for ELD and special education students. Summer acceleration and intervention programs are provided for academically at-risk ninth graders and for eleventh and twelfth-graders who have not passed one or both parts of the CAHSEE.

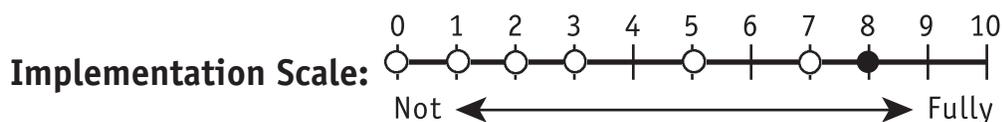
The district supports CAHSEE instruction with professional development, instructional resources, and communications with parents and the community. The High School Network communicated with all tenth-, eleventh- and twelfth-grade students and their parents about CAHSEE dates and the importance of passing.

To raise awareness of the middle school standards that are tested, a CAHSEE Summit was held for middle-school administrators in summer 2007.

To continue meeting fully the requirements of this standard, all aspects of the standard must continue to be addressed, fully and substantially implemented, systematically monitored, evaluated, and adjusted as needed.

### Standard Implemented: Fully - Substantially

January 2000:	Not Reviewed
September 2003 Rating:	0
March 2004 Rating:	1
September 2004 Rating:	2
September 2005 Rating:	3
September 2006 Rating:	5
November 2007 Rating:	7
December 2008 Self-Rating:	8
December 2008 New Rating:	8



## 4.2 II/USP—HPSG – Measurement of Student Achievement Progress

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### Professional Standard

Grant recipients are collecting required data to measure progress of student achievement.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district has a well-designed and effective system for collecting the data necessary to measure student achievement progress for all schools, including those in the High Priority School Grant program (HPSG):
  - a. Board Policy 6162.5, Instruction: Student Achievement, requires the collection and distribution of student data measuring progress toward student achievement goals.
  - b. The Comprehensive Assessment Plan section of the Curriculum, Instruction and Assessment Plan provides the details of achievement data collection.
  - c. At the district level, data collection and use are managed through the Tiered Accountability and Support System (TASS). TASS provides for regular analysis of student achievement results in a number of ways, including achievement levels over time, state goals, achievement gaps, achievement growth (or decline), and time lines to reach achievement objectives. Reports from this system are shared with network and school administrators and used to develop school action plans and allocate resources across the district.
  - d. At school and classroom level, data collection and use are managed through the Edusoft software and database. This system provides a variety of student achievement reports and data services, including classroom and individual student achievement records, test scoring, test item analysis, and a database of test items for student examinations.
2. During its most recent visit, FCMAT noted the following with regard to data use:
  - a. In the 20 schools (not exclusively HPSG schools) visited, principals and teachers expressed intimate knowledge of Edusoft. They also reported that they had used the software and that it was a useful tool.
  - b. Administrators at the district and network level reported that TASS generated very useful school progress reports.
  - c. The majority of persons interviewed attributed academic improvement in large measure to use of the data provided by TASS and Edusoft.
3. FCMAT noted one substantial flaw in the processes for data collection and use. There were no procedures to systematically train teachers in Edusoft or to capture their participation in the OnTrack professional development database. (OnTrack provides for automated tracking of the professional development activities of individual staff members.) The district staff reported that Edusoft training for teachers is conducted primarily at school level by either district-level providers or school staff members who train their colleagues. In most instances, this training is not recorded in the OnTrack database. This omission is significant since Edusoft is the main source of student performance data at school level. Therefore, the ability to use Edusoft is an essential skill for teachers and principals if they are to have access to data that measures student achievement (see Standard 1.21).

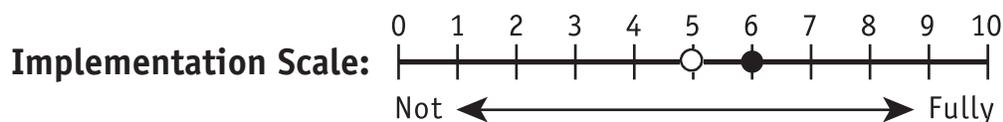
4. Of more than 1,230 teachers and counselors surveyed on August 21, 2008, 46 percent disagreed with the statement: “I have a good understanding of how to use Edusoft.” Approximately 18 percent also disagreed with the following statements:
  - “I have access to useful, timely data on student performance to help guide teaching.”
  - “I regularly use data on student performance to guide my teaching.”

Given these statistics and importance of Edusoft training, reviewers concluded that this training should be tracked in the OnTrack database at the district level. With regard to HPSG schools, it was noted that a rough comparison of the 2007 and 2008 school score cards suggests that as a group, they have not made substantial progress (see [Standard 4.3](#)). Several of HPSG schools are high schools where, according to interviews, Edusoft knowledge and use was least evident.

To fully comply with this standard, the district must devise procedures for; (1) systematically providing Edusoft training to staff members who need it, and (2) recording this training in the OnTrack database.

### Standard Implemented: Partially

January 2000 Rating:	Not Reviewed
September 2003 Rating:	5
March 2004 Rating:	5
September 2004 Rating:	6
September 2005 Rating:	6
September 2005 Rating:	5
November 2007 Rating:	6
December 2008 Self-Rating:	7
December 2008 New Rating:	6



## 4.3 II/USP—HPSG – Progress Toward Meeting/Exceeding Goals

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### Professional Standard

Grant recipients are meeting or exceeding goals as identified in action plans.

### Progress on Implementing the Recommendations of the Recovery Plan

1. To determine the status of HPSG schools, FCMAT reviewed the following documents provided by the district staff:
  - a. School Portfolio Management: 2007-2008 Tiers (as of 9/18/07).
  - b. 2006-2007 HPSG & SAIT Performance Analysis (as of 10/2/07).
  - c. 2007-2008 Tiered Accountability & Support System (tier decision worksheets for HPSG schools), undated.
  - d. OUSD Reflections on Tiered Accountability & Support Model Based on 2006-2007 CST and API Results, August 2007.
  - e. School Improvement Programs 2008-2009, OUSD, undated.
  - f. OUSD – 2008 API/AYP Results, September 8, 2008.
  - g. HPSG Schools, California Standards Test Worksheets (English language and mathematics).
  - h. 2006-07 Cohort 2 High Priority Schools Grant Recipients, OUSD, undated.
  - i. An undated, untitled list of schools indicating API scores for 2007 and 2008, and other information.

Note: The documents available during the October 2008 visit contained conflicting information on the number of schools in the High Priority Schools Grant program and their names. In spite of several attempts, the conflicts were not eliminated. Therefore, to provide continuity, the 2008 data contained in [Exhibit 4.3.1](#) is based on 18 schools that appeared in each of the 2008 documents provided by the staff.

2. FCMAT summarized the progress of 18 HPSG schools in [Exhibit 4.3.1](#). These numbers should be considered rough indicators since some schools have been dropped from the program, and others have been added because of inconsistencies in the lists of HPSG schools. However, this imperfect data suggests that, as a group, HPGS schools are not meeting their goals.

**Exhibit 4.3.1**

**2007 and 2008 Progress Summary for High Priority Grant Program Schools  
Oakland United School District  
October 2008**

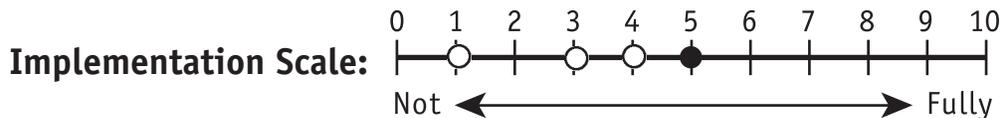
<b>HPSGP School Reviewed</b>		
Year Reviewed	2007	2008
Number of schools	18	18
Increased API, Met/Exceeded API Target	11	9*
Range of API Increase (Points)	17-90	10-58
API Declined	7	8*
Met APY Target	4	4
Missed APY Target	12	14
No Progress in Closing the Achievement Gap	11	13
*The number of schools does not total 18. No API growth or decline was calculated for Oakland Technical High School since the school is in its first year of Program Improvement		

Exhibit 4.3.1 shows that most schools in the HPSG have not met their goals for at least two consecutive years.

To fully comply with the standard, the district staff should reallocate sufficient resources to high priority schools to ensure that they achieve their academic improvement targets.

**Standard Implemented: Partially**

- January 2000 Rating: Not Reviewed
- September 2003 Rating: 1
- March 2004 Rating: 3
- September 2004 Rating: 3
- September 2005 Rating: 4
- September 2006 Rating: 4
- November 2007 Rating: 5
- December 2008 Self-Rating: 6
- December 2008 New Rating: 5



## 4.4 II/USP—HPSG – Leadership for Underperforming Schools

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### Professional Standard

Principals and teachers in underperforming schools and/or in schools under mandated improvement programs are provided special training and support by the district; improvement plans are monitored.

### Progress on Implementing the Recommendations of the Recovery Plan

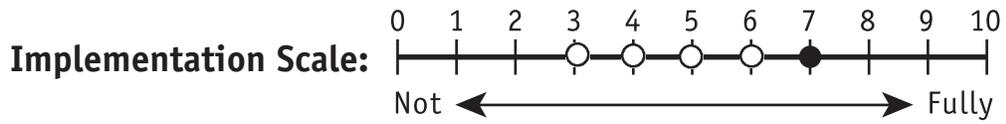
1. Lower-performing schools (SAIT, PI, and HPSG) are receiving intensive, technical support from within the district and through external providers and consultants. The district's redesign plan (MAAP) provides an instructional framework for improved instructional leadership, performance cultures, and shared responsibility between the schools and district. TASS is the primary structure used by the district to ensure consistent expectations and provides aligned support for PI and HPSG schools. Red and orange schools participate in a series of activities that build on each other for school improvement including Fall School Presentations, Instructional Walk-Throughs, SPSA winter and spring reviews. A chart depicting the tiered accountability and support system framework for 2007-08 was provided. Additional supports included the Tier Accountabilities, the supports and flexibilities, the tiering output, and walk-through memos. Materials from presentations and site plans were available to demonstrate that the schools are monitored, supported in the tier system and focused on achievement. Additional information provided includes the following:
  - Data reports on student achievement are available to all schools and central office staff members through the district's computerized Edusoft software package.
  - Student achievement scores are monitored and analyzed by the staff of the Schools Portfolio Office. The lowest-performing schools continue to be listed as the red and orange categories and are targeted for intensive assistance. A team helps the school staff determine the school's focus on improvement efforts and assists with the identification of human, financial, and material support necessary to improve student achievement. The principals of these underperforming schools approve goals and plans for the improvement effort and monitor improvement along with the school assistance staff and the Office of School Portfolio management. Documents and interviews were available to show that the district monitored the initial process of these schools for effectiveness.
  - NEXO networks work collectively with the School Portfolio Office to assist the schools, to provide walk-through in the schools and to monitor implementation of school plans and spending of school funds.
  - Single-site plans showed that monitoring is occurring throughout the school year on goals and action steps.
  - All sites have received training in literacy and math, which are areas of weakness. Identification of programs and pilot resources continue to be documented in district professional development and site plans.

- The network executive officers meet twice a month with principals to provide support to the lower-performing schools. Copies of agenda and sign-in sheets produced evidence of focus on achievement and data.
2. Low performing schools' Academic Program Surveys (APS) were provided to demonstrate that the schools review their trends. Additionally, principals completed a District Assistance Survey. Both surveys provide evaluative data aligned to Essential Program Components. The district utilized Gibson and Associates to conduct focus groups to provide supplemental data aligned to Essential Program Components. The district shared the End of the Year Evaluation data to revise the LEA addendum to review and better meet needs of low performing schools. All surveys and plans were available for review.
  3. The Data Mart system used with Edusoft operation at the schools provides student achievement data. The data is analyzed in multiple formats including charts, graphs and summary reports. Teachers report using the benchmark data in professional learning communities to assist in identifying strategies to move low-achieving students. Principals conduct walk-throughs and provide feedback to teachers. District and school reports demonstrated that data on student achievement is available to sites and classrooms in multiple formats with assistance in interpreting the results. Examples of reports such as the Summer Algebra Report, the Early Numeracy Report, the Read 180 report, the Swun Report, the After School Report, and the 21<sup>st</sup> Century report show that the district is starting to implement this standard.
  4. TASS is the monitoring system used by the district in working with the low-performing schools. The NEXOs conduct walk-throughs with the principals, the principals conduct classroom walk-throughs, and feedback is provided both to the classroom teacher and the principals. Checklists are used to monitor strategies and accountability issues. The district Research and Assessment Department consistently provides schools with data for teachers and the community. Schools shared reports and Power Point presentations used with teachers and parents. School benchmark data was utilized to monitor progress. Principals keep notebooks showing data monitoring for the NEXOs as well as the Bins and Binders. The district has a process for monitoring principals and schools that is being implemented and well communicated in schools and in the community.
  5. The district provided reports from RA&A on the impact of programs such as Swun Math Pilot Program, the Early Numeracy Project, Read 180, and the Algebra Academies. These reports provided data and summary reports outlining successes and issues for revision in further implementation of these intervention programs. Not all intervention programs in the district had reports, but this information indicated the district has started to evaluate the impact of intervention in the schools.

The district has implemented each of the recommendations for this standard. Some activities are in initial implementation stages. The district should continue to support these activities and move them into routine procedures and processes focused on improving student achievement.

## Standard Implemented: Partially

January 2000 Rating: Not Reviewed  
September 2003 Rating: 3  
March 2004 Rating: 4  
September 2004 Rating: 4  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



# **Table of Standards for Pupil Achievement**



<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
<b>1.1</b>	<b>The district through its adopted policy provides a clear, operational framework for management of the curriculum.</b>	2	2	3	4	4	5	6	7
<b>1.2</b>	<b>The district has clear and valid objectives for students, including the core curriculum content.</b>	2	4	5	6	6	6	7	7
<b>1.3</b>	<b>The district directs its resources fairly and consistently to accomplish its objectives.</b>	0	2	3	4	4	5	6	7
<b>1.4</b>	<b>The district has adopted multiple assessment tools, including diagnostic assessments, to evaluate, improve, or adjust programs and resources.</b>	2	5	5	6	6	6	6	8
<b>1.5</b>	<b>Expectations and a practice exist to improve the preparation of students and to build a school structure with the capacity to serve all students.</b>	0	3	4	4	4	5	6	7
<b>1.6</b>	<b>The assessment tools are clear measures of what is being taught and provide direction for improvement.</b>	0	1	3	4	4	4	5	6
<b>1.7</b>	<b>Staff development provides staff with the knowledge and the skills to improve instruction and the curriculum.</b>	2	3	3	4	4	5	6	7
<b>1.8</b>	<b>Staff development demonstrates a clear understanding of purpose, written goals, and appropriate evaluations.</b>	1	2	3	4	4	4	5	7
<b>1.9</b>	<b>Evaluations provide constructive feedback for reviewing job performance.</b>	0	1	2	3	3	4	5	5
<b>1.10</b>	<b>Teachers use a variety of instructional strategies and resources that address their students' diverse needs.</b>	0	1	3	4	4	5	6	7
1.11	Students are engaged in learning, and they are able to demonstrate and apply the knowledge and skills.	0	1	NR	NR	NR	NR	NR	NR
<b>1.12</b>	<b>The standards set forth in the California Standards for the Teaching Profession are present and supported (California Commission on Teacher Credentialing and California Department of Education, July, 1997).</b>	1	5	5	6	7	7	8	10
<b>1.13</b>	<b>Teachers modify and adjust instructional plans according to student needs and success.</b>	0	2	3	4	4	4	5	6

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR Indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
<b>1.14</b>	<b>There is evidence that learning goals and instructional plans and programs are challenging for all students. (Reworded since the 2000 report)</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>1.15</b>	<b>The administration and staff utilizes assessment information to improve learning opportunities for all students.</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>8</b>
1.16	A common vision of what all students should know and be able to do exists and is put into practice.	0	1	NR	NR	NR	NR	NR	NR
<b>1.17</b>	<b>Goals and grade-level performance standards based on a common vision are present.</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>
1.18	Every elementary school has embraced the 1997 California School Recognition Program Standards.	2	2	NR	NR	NR	NR	NR	NR
1.19	Efforts will be made by the district to partnership with state colleges and universities to provide appropriate courses accessible to all teachers.	8	8	NR	NR	NR	NR	NR	NR
1.20	Administrative support and coaching is provided to all teachers.	2	2	NR	NR	NR	NR	NR	NR
<b>1.21</b>	<b>Professional development is linked to personnel evaluation.</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>6</b>
1.22	Collaboration exists between higher education, district, professional associations, and community in providing professional development.	8	8	NR	NR	NR	NR	NR	NR
<b>1.23</b>	<b>Initial placement procedures are in place to ensure the timely and appropriate placement of all students with particular emphases being placed on students with special needs.</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>7</b>
1.24	Clearly defined discipline practices have been established and communicated among the students, staff, board, and community.	7	7	NR	NR	NR	NR	NR	NR
<b>1.25</b>	<b>The district will ensure that all instructional materials are accessible to all students.</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>9</b>
1.26	The district has adopted a plan for integrating technology into the curriculum.	2	4	NR	NR	NR	NR	NR	NR
<b>1.27</b>	<b>The district planning process ensures focus and connectivity to increased student productivity.</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
 NR Indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
<b>1.28</b>	<b>Human resources practices support the delivery of sound educational programs.</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>6</b>
2.1	AIDS prevention instruction occurs at least once in junior high or middle school and once in high school and is consistent with the CDE's 1994 health framework (EC51201.5).	0	4	NR	NR	NR	NR	NR	NR
2.2	On a yearly basis the district notifies all eleventh and twelfth grade students regarding the California High School Proficiency Examination (Title 5, 11523, EC48412).	9	9	NR	NR	NR	NR	NR	NR
2.3	Class time is protected for student learning (EC32212).	2	2	NR	NR	NR	NR	NR	NR
<b>2.3a</b>	<b>A process is in place to maintain alignment between standards, practices and assessments. (Added since the 2000 Report)</b>	<b>New</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>7</b>
2.4	Categorical and compensatory program funds supplement and do not supplant services and materials to be provided by the district (Title 53940).	5	5	NR	NR	NR	NR	NR	NR
2.5	A requirement is in place for passing the basic skills proficiency examination by instructional aides. (EC45344.5, EC545361.5)	10	10	NR	NR	NR	NR	NR	NR
2.6	The general instructional program adheres to all requirements put forth in EC51000-52950.	5	6	NR	NR	NR	NR	NR	NR
<b>2.6a</b>	<b>The Governing Board has adopted and the district is implementing the California state standards and assessments. (Added since the 2000 Report)</b>	<b>New</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>
2.7	All incoming kindergarten students will be admitted following board-approved policies and administrative regulations (EC48000-48002, 48010, 498011).	10	10	NR	NR	NR	NR	NR	NR
2.8	The district shall inform parents of the test scores of their children and provide general explanation of these scores (EC60720 and 60722).	10	10	NR	NR	NR	NR	NR	NR
2.9	The district shall be accountable for student results by using evaluative information regarding the various levels of proficiency and allocating educational resources to assure the maximum educational opportunity for all students (EC60609).	1	3	NR	NR	NR	NR	NR	NR

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR Indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
2.10	Student achievement will be measured using standardized achievement tests and a variety of measurement tools, i.e., portfolios, projects, oral reports, etc. (EC60602, 60605).	1	3	NR	NR	NR	NR	NR	NR
<b>3.1</b>	<b>The identification and placement of English-language learners into appropriate courses is conducted in a timely and effective manner. (Added since the 2000 Report)</b>	<b>New</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>7</b>
<b>3.2</b>	<b>Programs for English-language learners comply with state and federal regulations and meet the quality criteria set forth by the California Department of Education. (Added since the 2000 Report)</b>	<b>New</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>7</b>
<b>3.3</b>	<b>Individual education plans are reviewed and updated on time. (Added since the 2000 Report)</b>	<b>New</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>6</b>
<b>3.4</b>	<b>Programs for special education students meet the least restrictive environment provision of the law and the quality criteria and goals set forth by the California Department of Education. (Added since the 2000 Report)</b>	<b>New</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>6</b>
<b>4.1</b>	<b>A process to identify struggling students and intervene with additional support necessary to pass the exit examination is well-developed and communicated to teachers, students and parents. (Added since the 2000 Report)</b>	<b>New</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>7</b>	<b>8</b>
<b>4.2</b>	<b>II/USP grant recipients are collecting required data to measure progress of student achievement. (Added since the 2000 report)</b>	<b>New</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>6</b>	<b>6</b>
<b>4.3</b>	<b>II/USP grant recipients are meeting or exceeding goals as identified in action plans. (Added since the 2000 Report)</b>	<b>New</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>5</b>
<b>4.4</b>	<b>Principals and teachers in underperforming schools and/or in schools under mandated improvement programs are provided special training and support by the district; improvement plans are monitored. (Added since the 2000 Report)</b>	<b>New</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR Indicates standard not reviewed

## 1.2 Internal Control Environment—Governing Board and Audit Committee Participation

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### Professional Standard

The district should have an audit committee to: (1) help prevent internal controls from being overridden by management; (2) help ensure ongoing state and federal compliance; (3) provide assurance to management that the internal control system is sound; and, (4) help identify and correct inefficient processes. [SAS-55, SAS-78]

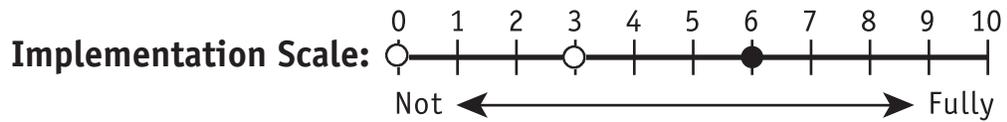
### Progress on Implementing the Recommendations of the Recovery Plan

1. The district implemented an audit committee in the 2008-09 fiscal year that consists of seven members: three members of the Governing Board and four community members. One position is currently vacant.
2. Board Policy 3461 was adopted December 13, 2006, addressing the role of an audit committee. The audit committee is appointed by the Governing Board and has direct reporting responsibilities to the board. Its purpose is to ensure that the highest level of internal controls is maintained and to ensure that the work of the district is carried out in an efficient and economical manner. The committee was established to devote sufficient attention to district audits and financial reporting and to demonstrate a commitment to exercise due care in reviewing audits and financial statements to be used for management purposes and/or released to the public.
3. The committee is active in reviewing all district financial reports. The committee has also had a presentation from the State Controller's Office (SCO) and the district's long-term debt financial advisor to gain additional information and knowledge. Most recently, the audit committee played an active role in hiring an Internal Auditor.
4. When establishing the audit committee, the district implemented the following prior recommendations:
  - Defining the reporting relationship for the audit committee.
  - Determining the composition of the audit committee.
  - Establishing the audit committee's charge.
  - Determining the frequency of the audit committee's meetings.
  - Establishing the authority of the audit committee.
5. The audit committee meets regularly on the second Thursday of each month. An annual calendar of work/tasks was adopted January 10, 2008, including the following:
  - A review of the 2005-06 SCO External Audit.
  - A review of the district's Multi-year Financial Sustainability Plan (MYFSP).
  - A discussion of the Governor's January budget proposal.
  - A review of the district's 2007-08 Second Interim Financial Report.
  - A review of the Governor's May Revise and the impact on the district's adopted budget.

- A review of the 2007-08 unaudited actuals financial report.
  - A review of the 2008-09 first interim financial report.
6. The responsibilities of the audit committee shall include, but not be limited to, the following:
- Recommending to the board for approval of the independent auditors.
  - Reviewing the independent audit engagement including the fee, scope and timing of the audit, and any other services to be rendered, including nonaudit services.
  - Reviewing with the independent auditors district policies and procedures regarding internal auditing and internal accounting and financial controls.
  - Upon completion of the audit, reviewing with the independent auditors the cooperation they received from district personnel during the audit; the extent to which district resources could be used to minimize the time spent on the audit; and any significant matters of concern arising from the audit.
  - Reviewing with the independent auditors any significant transactions that are not a normal part of the district's business; any changes in accounting principles and practices; all significant proposed audit adjustments; and any recommendations that they may have for improving internal controls, choice of accounting principles or management systems.
  - Reviewing with the district's financial and accounting staff district policies regarding internal account and financial controls.
  - Reviewing and recommending district policies to the board to prohibit unethical, questionable, or illegal activities by district employees.
  - Reviewing with the internal auditor the organization and independence of the internal audit function; the goals and plans of internal audit including the nature and extent of work; problems and experiences in completing internal audits; and findings, conclusions, and recommendations as a result of internal audits.
  - Upon completion of the independent audit, reviewing with the district's financial and accounting managers their perception of the independent auditors; any significant matters of concern arising from the audit; and the extent to which recommendations made by the independent auditors have been implemented.
  - Preparing quarterly written reports to the board relating the results of committee activities.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 0  
March 2004 Rating: 0  
September 2004 Rating: 0  
September 2005 Rating: 0  
September 2006 Rating: 0  
November 2007 Rating: 3  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



## **1.6 Internal Control Environment—Hiring Policies and Practices Governing Financial Management and Staff**

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### **Professional Standard**

The district should have procedures for recruiting capable financial management and staff, and hiring competent people. [SAS-55, SAS-78]

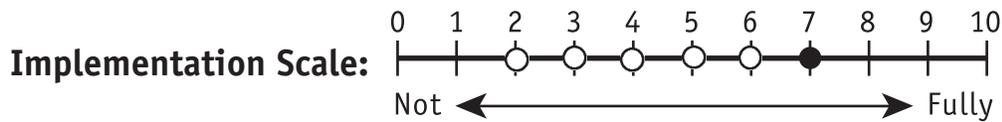
### **Progress on Implementing the Recommendations of the Recovery Plan**

1. To be more effective, the Financial Services Department continues to restructure as needs are determined and validated. The Financial Executive Officer position has been eliminated from the district's current organizational structure; an Assistant Controller or Accounting Manager position will be hired with the appropriate education, technical knowledge, background and professional experience. The department is also in the process of hiring staff accountants to support the Payroll and Special Education departments, as well as strengthening budget accounting functions and expenditure support in the Facilities Department. The belief is that these strategic personnel moves will strengthen these departments and the district as a whole.
2. The district has hired a qualified individual to fill the Chief Financial Officer (CFO) position, who began December 1, 2008. An interim CFO had been in the position since September 2006. The Interim CFO will continue at the district during the 2008-09 fiscal year to provide assistance to the new CFO as well as to provide continuity and additional assistance throughout the year in a number of designated areas.
3. In September 2008, the district hired an independent Internal Auditor who has a high level of prior school auditing experience and also meets the requirements of the position. The benefit of the position being in place should be monitored in the future.
4. The district's pre-employment process involves verification of meeting minimum qualifications by requiring applicants to submit a written verification from an authorized source; passing a background check that includes at least two reference checks, and fingerprinting requirements. Applicants are interviewed to ensure that they can perform the essential functions listed in the approved job descriptions. The Business Department also continues to test core competencies for entry-level positions.
5. References and credentials are checked for recent hires by the Human Resources Department, with additional checking for financial services management positions completed by the Chief Financial Officer. Extensive reference checks continue to be performed for senior financial personnel, including degree, credit, and Department of Motor Vehicles checks.
6. Human Resources has developed an analysis packet to ensure that verification of meeting minimum qualifications occurs for all personnel, even those who are already employees but have been chosen for a different position within the district, including assessments, certificates, licenses, official transcripts, and experience. The analysis is completed by the Site Team Assistant, reviewed by the District Generalist, and approved by the Executive Director.

7. The district continues to implement the recommendation to provide professional development to its managers and supervisors regarding the legal and technical aspects of the hiring process, conducting hiring interviews, and evaluating the candidates' qualifications. The district is providing training to all supervisors and managers who will be involved in the hiring process. In addition, continual training has been provided to existing financial services staff at the California Association of School Business Officials (CASBO), School Services of California (SSC) and/or the Alameda Office of Education (ACOE). Seven staff members have completed the certificated CASBO CBO training program.

**Standard Implemented: Partially**

January 2000 Rating: 2  
September 2003 Rating: 2  
March 2004 Rating: 3  
September 2004 Rating: 4  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



## **1.7 Internal Control Environment—Employee Performance Appraisals**

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### **Professional Standard**

All employees should be evaluated on performance at least annually by a management-level employee knowledgeable about their work product. The evaluation criteria should be clearly communicated and, to the extent possible, measurable. The evaluation should include a follow-up on prior performance issues and establish goals to improve future performance.

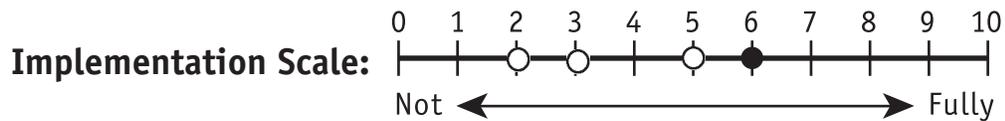
### **Progress on Implementing the Recommendations of the Recovery Plan**

1. The district has implemented and maintained the recommendation to require and ensure that all financial services staff are evaluated at least annually, and that such evaluations adequately measure job skills and performance related to the individual job requirements. Annual employee evaluations, rather than the incremental evaluations, were completed for all financial services staff in the 2007-08 fiscal year. In the 2008-09 fiscal year, the incremental evaluation schedule will be followed. Copies of various evaluations were provided to the FCMAT study team for validation purposes.
2. The district has ensured that performance evaluations are required and that the requirement is clearly documented in board policy, collective bargaining agreements and the Business Services Guide. The collective bargaining agreements for all unions represented in the collective bargaining process include a performance evaluation article. Board Policies 4100 (certificated), 4200 (classified) and 9321 (closed session) refer to employee evaluations as well. The Business Services Guide also recognizes the need for annual evaluations.
3. The job descriptions that have been updated identify items to be used to measure performance of employees. Customer surveys and service-level agreements have also been developed, and data is being collected on performance of departments and employees. The district shared the “2008 Use Your Voice – Service Organizations” results, reflecting scores by service department, average performance rating, and specific comparisons by question to the previous two years where possible. Gains had been maintained in most surveyed areas.
4. The customer service information collected in the surveys should be aggregated and distributed to supervisors/managers so that it can be used to evaluate assigned employees.
5. The district should continue to work with the Human Resources staff to ensure that all staff members are evaluated at least annually. Staff evaluation should be the responsibility of each supervisor and manager, and the completion of these evaluations should be used as one of the criteria to evaluate individual supervisors/managers.
6. The district should implement a process to track and monitor outstanding evaluations for all employees. Human Resources has begun to analyze the IFAS financial system evaluation screens to determine what changes need to be made to produce the necessary reports. The teacher evaluation information for spring 2008 will be the first attempt to collect information manually and load it into IFAS.

7. The evaluation process and related form(s) were adequate to evaluate the employee's skills and performance related to his/her specific job. In addition, the evaluation identified areas for future improvement and established goals and methods related to the improvement areas.

**Standard Implemented: Partially**

January 2000 Rating: 3  
September 2003 Rating: 2  
March 2004 Rating: 2  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 3  
November 2007 Rating: 5  
December 2008 Self-Rating: 7  
December 2008 New Rating: 6



## 2.4 Inter- and Intra-Departmental Communications—Communication of Illegal Acts

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### Professional Standard

The district should have formal policies and procedures that provide a mechanism for individuals to report illegal acts, establish to whom illegal acts should be reported and provide a formal investigative process.

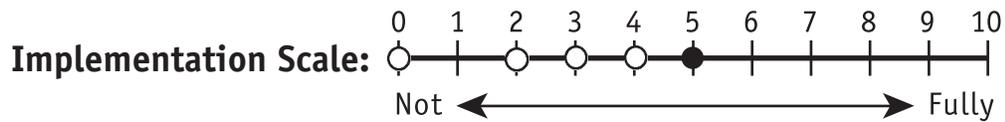
### Progress on Implementing the Recommendations of the Recovery Plan

1. Since the last review, the Financial Services Division has been developing desk procedures to compliment the Business Services Guide. The desk procedures came in a variety of forms, some handwritten and others typed, altogether titled the Financial Services Bible. These procedures should become more formalized in format.
2. The district has adopted board policies and administrative regulations regarding its commitment to do the following:
  - Ensure legal and ethical conduct by all employees.
  - Implement a system of policies and procedures to prevent and detect fraud.
3. Administrative regulations outline 11 examples of conduct or activities that would be defined as fraud, financial impropriety, or irregularities. These examples, while not all encompassing, provide some of the basic concepts for the district staff. The regulations also discuss disposition of instances of substantiated fraudulent activity.
4. The Business Services Guide continues to exist and provides information and guidance to staff on the handling of job duties, transactions, and processes in the business office, as well as basic concepts and legal requirements for business operations. If utilized by staff, this guide should help strengthen internal processes and controls.
5. Training has occurred for site administrators and office managers on specific sections of the Business Services Guide. That training should continue and become mandatory for all new employees that have a need to know and understand the information.
6. Chapter eight of the Business Services Guide is titled "Code of Ethics," and includes information on fraud, financial improprieties and illegal acts as well as how to report suspicions of fraud or financial impropriety.
7. The district is also in the process of establishing a fraud hot line. The anonymous fraud hot line, when established, should provide easy access for reporting suspected fraudulent activity. The hot line should be a function of the Internal Audit Unit. All hot line calls should be logged, evaluated by the Internal Auditor, prioritized, and assigned for investigation. The Internal Audit Unit would be responsible for coordinating activities with the other district and external entities.
8. The district has established Board Policy 3461 and the related administrative regulations that deal with the internal audit committee and internal audit functions.

9. The district has implemented the recommendation of hiring an Internal Auditor who will report to the Governing Board and the Superintendent. It is expected that the Internal Auditor's duties will include developing and scheduling staff training regarding fraud.

**Standard Implemented: Partially**

January 2000 Rating: 0  
September 2003 Rating: 0  
March 2004 Rating: 0  
September 2004 Rating: 2  
September 2005 Rating: 2  
September 2006 Rating: 3  
November 2007 Rating: 4  
December 2008 Self-Rating: 5  
December 2008 New Rating: 5



## 4.2 Internal Audit—Organization and Management of Internal Audit Functions

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### Professional Standard

Qualified staff should be assigned to conduct internal audits and be supervised by an independent body, such as an audit committee.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district recently hired an Internal Auditor. The Internal Auditor is a Certified Public Accountant with more than eight years of school district audit experience.
2. The job description currently in place for the Internal Auditor was recommended by the Audit Committee and approved by the Governing Board in August 2008. That revision was made so that the Internal Auditor will report to the Superintendent and the Governing Board rather than the Chief Financial Officer as was originally planned.
3. The basic functions of the Internal Auditor will include the following:
  - Establish and implement districtwide internal audit policies and procedures.
  - Conduct financial and performance audits of schools and offices to determine adherence to established accounting and financial policies and procedures.
  - Provide constructive analysis and appraisal of district financial and operational policies and procedures and systems of internal controls.
  - Perform supervisory, administrative and highly skilled work involving access to information concerning employer-employee relations for a district or major department of the district.

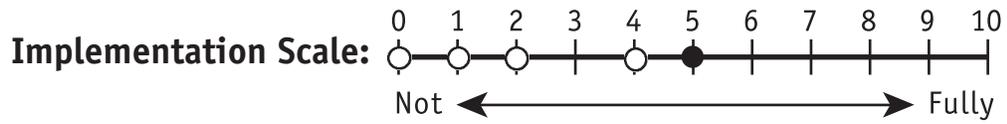
Essential functions can include the following:

- Conduct complex financial and performance audits.
- Review and appraise soundness, adequacy and application of financial and operations controls.
- Determine that district accounting and financial operations are conducted in compliance with district policies and with state and federal regulations.
- Communicate audit-related issues, including audit status, findings, conclusions and significant problems, to management staff as the audit fieldwork progresses.
- Write and edit audit reports to present findings, appraisals, conclusions and recommendations.
- Plan, organize, control and direct procedural guidelines and the district internal auditing program; determine the nature and scope of systems analyses or audits; formulate procedures and work schedule; coordinate audits, observe performance, collect and analyze data and present findings and recommendations in report form.
- Write report comments and recommendations to help the district improve accounting controls, improve efficiency, reduce operating costs, and properly safeguard assets.

- Perform special audits as requested by management; serve as audit coordinator between district and federal, state and local government auditors and contract auditors; conduct investigations of suspected fraudulent activities by district employees and present findings to appropriate staff.
  - Examine a wide variety of accounting records, procedures, and systems of internal control to determine compliances with laws, regulations, and procedures and to determine that records, distributions, revenues, and disbursements are accurate and documented.
  - Audit payroll time reports and records in schools and offices to determine compliance with rules and procedures and to determine the accuracy of reporting employee name and number, location, assignment basis, time, salary range, and related data.
  - Audit associated student body accounts.
  - Audit all district bank accounts.
  - Assist in the development and installation of accounting procedures, make special audits, and perform research as assigned.
  - Explain the overall opinion and significance of all audit findings to the Superintendent and the Governing Board.
  - Write reports to present findings, appraisals, conclusions, and recommendations to motivate management to take corrective action.
  - Make comments and recommendations to help the district improve accounting controls, improve efficiency, reduce operating costs, and properly safeguard assets
  - Perform follow-up reviews as necessary to ensure corrective actions have been implemented.
  - Perform related duties as assigned.
4. The audits should follow standards established by the Institute of Internal Auditors. In addition, the department should perform the following:
- Use planning memoranda to plan and manage audits.
  - Use standard audit programs.
  - Have standard requirements for work paper documentation, cross-referencing, and maintenance of work paper files.
  - Have policies and procedures regarding sampling methodologies and materiality.
  - Provide draft reports to the department/sites/programs being audited to obtain comments and additional information.
  - Include the department's comments in the final report if draft findings are not resolved.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 0  
March 2004 Rating: 0  
September 2004 Rating: 1  
September 2005 Rating: 1  
September 2006 Rating: 2  
November 2007 Rating: 4  
December 2008 Self-Rating: 6  
December 2008 New Rating: 5



## 4.4 Internal Audit—Organizational Placement and Establishment of Work plan

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### Professional Standard

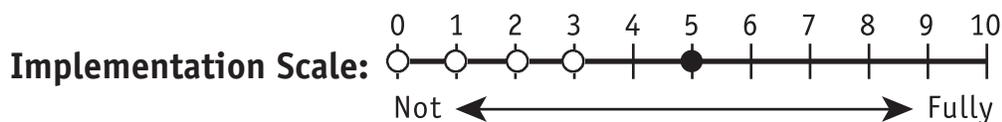
Internal audit functions should be designed into the organizational structure of the district. These functions should include periodic internal audits of areas at high risk for noncompliance with laws and regulations and/or at high risk for monetary loss.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district has made progress in this area since the Internal Auditor position was recently hired to review and evaluate district programs and operations on an ongoing basis.
2. The internal audit function will need to remain independent of all operational areas and staff. The job description was updated prior to the position being finalized so that the Internal Auditor reports to the Governing Board and the Superintendent rather than to the Chief Financial Officer as originally planned.
3. The Internal Auditor should develop an annual work plan identifying areas of previous noncompliance that are included in the district's current independent audit and submit the plan to the audit committee for approval. Additional requests for review should be initiated by a request to the audit committee, which will either approve or disapprove such requests. In addition, the audit committee should be able to authorize additional reviews to be made by the internal audit staff during the year. These reviews should utilize items such as professional and state accounting standards, laws and regulations, categorical program requirements, and the district's policies and procedures, in identifying evaluative criteria and standards for internal audits conducted.

### Standard Implemented: Partially

January 2000 Rating:	Not Reviewed
September 2003 Rating:	0
March 2004 Rating:	0
September 2004 Rating:	1
September 2005 Rating:	1
September 2006 Rating:	2
November 2007 Rating:	3
December 2008 Self-Rating:	6
December 2008 New Rating:	5



## 5.6 Budget Development Process (Policy)—Projection of the Net Ending Balance

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### Professional Standard

The district must have an ability to accurately reflect its net ending balance throughout the budget monitoring process. The first and second interim reports should provide valid updates of the district's net ending balance. The district should have tools and processes that ensure that there is an early warning of any discrepancies between the budget projections and actual revenues or expenditures.

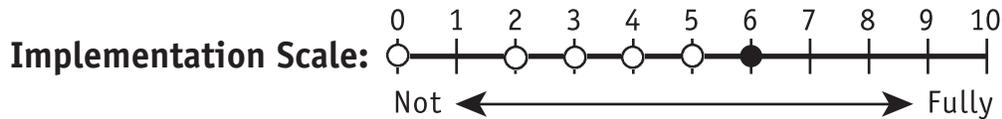
### Progress on Implementing the Recommendations of the Recovery Plan

1. The district has implemented the recommendation to establish written policies regarding fiscal operations, monitoring, and the closing process to improve control over transactions and the quality of budget monitoring.
2. In addition, the district provided formal training regarding the year-end closing process, adopted the year-end closing checklist adopted by the Alameda County Office of Education and established internal deadlines and cut-off dates. The district closed its books within the established time lines.
3. The district projection of net ending fund balance was consistent throughout the interim report periods of the budget process, but it increased significantly - by 58% - at year-end closing. Virtually the entire amount was driven by the restricted component of the budget. This indicates that the district is improving its monitoring and projection capabilities of the unrestricted budget through the interim reporting process, but still has significant restricted program budget management issues that must be addressed. At a minimum, this condition implies that restricted program and fiscal management lags behind the fiscal reporting and expenditure requirements of these programs.
4. The district has implemented the recommendation to provide in-house training to Governing Board members regarding the financial reporting process and how to interpret the information contained in the reports.
5. Specific to that training was the development of 16 key indicators that district staff will present with all budget reports that will help focus the board and administration's efforts to monitor fiscal progress. These indicators were presented to the Governing Board for the first time with the 2007-08 unaudited actuals report. The key indicators are as follows:
  - Total enrollment in district by schools and grade
  - Total enrollment in charters by school
  - Average Daily Attendance
  - Funded revenue limit
  - Statutory cost-of-living-adjustment (COLA)
  - Deficited COLA
  - Unrestricted general fund contribution to the special education program

- Unrestricted general fund contribution to the special education transportation program
  - Number of K-3 classes qualifying for class size reduction funding
  - Number of ninth-grade classes qualifying for class size reduction
  - Indirect cost rate
  - Earned interest
  - Per student allocation of Lottery funding (unrestricted)
  - Per student allocation of Lottery funding (restricted)
  - Emergency state loan repayment amount per year
  - Bond fund repayment amount per year
6. Board members interviewed expressed support for the utilization of key indicators, but indicated the format of the presentations continues to be developed, and therefore, the utilization of these indicators to date has been marginal.
  7. The district fiscal staff should continue to provide in-house training to board members, and provide study sessions as necessary. Board members should consider attending training sessions offered by the various organizations in the industry, which would assist in development of their working skills and knowledge of school district finance.

**Standard Implemented: Partially**

January 2000 Rating: 0  
 September 2003 Rating: 0  
 March 2004 Rating: 2  
 September 2004 Rating: 3  
 September 2005 Rating: 4  
 September 2006 Rating: 5  
 November 2007 Rating: 6  
 December 2008 Self-Rating: 7  
 December 2008 New Rating: 6



## **6.1 Budget Development Process (Technical)—Technical Methodologies Used to Forecast Preliminary Budget Revenues and Expenditures**

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### **Professional Standard**

The budget office should have a technical process to build the preliminary budget that includes: the forecast of revenues, the verification and projection of expenditures, the identification of known carry over and accruals, and the inclusion of expenditure plans. The process should clearly identify onetime sources and uses of funds. Reasonable Average Daily Attendance (ADA) and cost-of-living adjustment (COLA) estimates should be used when planning and budgeting. This process should be applied to all funds.

### **Progress on Implementing the Recommendations of the Recovery Plan**

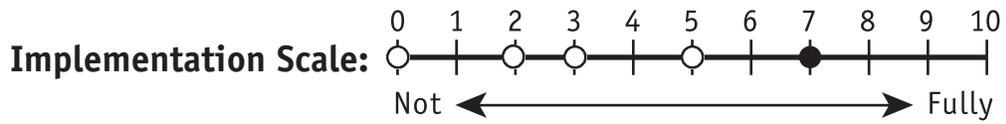
1. The district has formalized its budget development process in a procedures manual and also has desk manuals for each position that specify how the various tasks and job-related functions should be carried out.
2. The district continues to update the Business Services Guide, which has a section relating to the district budget, and the Budget Planning Manual. These guides continue to provide high-level information regarding budget concepts relating to revenues (various revenue sources) and expenditures (components and factors affecting expenditures), as well as organization and presentation of budget information. The district has developed desk manuals for budget/accounting functions.
3. The Financial Services Department has developed the Financial Services Bible, a policy and procedural manual that assists clients (school and central department staff and budget managers) in increasing the continuity, efficiency and accuracy of financial information provided. This document will prove helpful given site and department staff expressed some frustration that “information-breakdown” sometimes occurs between them and the central department. The district should strive to improve the consistency of the flow of information between the department and budget managers.
4. A budget development calendar was utilized, beginning the process in November 2007 for the 2008-09 year budget.
5. The cabinet, formerly called the Strategy Team, sets the district’s priorities, which were communicated to central departments in January. Determinations of results-based budgeting (RBB) allocations were developed the same month as affected by enrollment projections prepared by the district's demographer as well as the projected state revenues of both restricted and unrestricted resources. Tools such as the revenue limit software and information from the county office and School Services of California were utilized to develop state apportionment projections. Training on the RBB software was provided to site and central office budget managers in February. Budget managers developed their budgets through February and March. Draft budgets were prepared in March and modified for the Governors May Revise. Final budgets were approved in June.
6. The district utilizes the RBB process, which shifts a significant amount of responsibility for site and department budgets to the site/department administrators. For the development of the 2008-09 site and district office budgets, the district continues to use an online software tool that provides necessary revenue and expenditure information. Central and

school site budget managers were provided with training, a user manual, and an online tutorial, and were specifically assigned a team of central office staff members to assist them in the process. These teams included fiscal, human resources and operations staff.

7. The determination of the actual revenue amounts, salary, benefits, and other support costs was made by the budget office. These amounts were provided to the site administrators via downloads from IFAS to the RBB software, and the administrators then made budget/resource allocation decisions for their individual sites. Once all site budgets were completed and reviewed by the cabinet, the district uploaded the information from the RBB software back into the IFAS system. The 2008-09 fiscal year is the fourth year of the district's utilization of the RBB process.
8. The district has fully integrated the Human Resources and Payroll modules of the IFAS financial system. A Unique Position Code (UPC) has been assigned to all positions in position control. These UPC's as identified in the initial budget were downloaded to the RBB software, utilized in development of RBB budgets, and ultimately uploaded back into IFAS. Staff verified the positions for accuracy at each step in the process utilizing a variety of system reports.
9. The district unveiled a new "Filled/Vacancy" Analysis Report in the 2007-08 fiscal year to assist school and department budget managers in managing the staffing dollars allocated and available in the school/department budget. This allows easier identification and management of variances between budgeted amounts and actual spending. This tool will be beneficial as relative position transience is significant and continues to challenge budget managers and staff in keeping position control information accurate and useful. The district should continue to use this tool in its budget monitoring in 2008-09.
10. Categorical program budgeting continues to be a challenge for the district. Schools and departments did not expend their budget allocations in the 2007-08 year, creating significant carryover funds for the 2008-09 fiscal year. An inconsistency between planning and actual spending occurs, driven in part by informational timing issues and in part by communication issues. To address this challenge, the district utilized a revised RBB module that includes the spending plan element of the Single Plan for Student Achievement (SPSA) to focus attention to these areas. The schools integrated this document into their school site council processes, further connecting the management of the programs with their fiscal resources. This process will be repeated for the 2009-10 budget development cycle, and the district should strive to make this a top priority of the budget management process.

## Standard Implemented: Partially

January 2000 Rating: 3  
September 2003 Rating: 0  
March 2004 Rating: 2  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 5  
November 2007 Rating: 7  
December 2008 Self-Rating: 8  
December 2008 New Rating: 7



## 7.3 Budget Adoption, Reporting and Audits—AB 1200 Quality Assurance Processes

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### Professional Standard

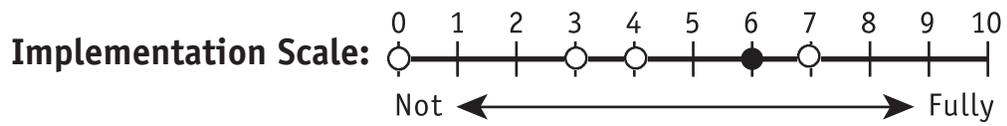
The district should have procedures that provide for the development and submission of a district budget and interim reports that adhere to criteria and standards and is approvable by the ACOE.

### Progress on Implementing the Recommendations of the Recovery Plan

1. District budget and interim reports were submitted to the county office within established time lines although the first and second interim reports were lacking certain supporting information that was provided after the initial submission.
2. The county office approved all the interim budgets, but included a variety of comments averaging a dozen pages in length. Areas of concern included inadequate supporting documentation for multiyear projections, inadequacy of reserving funds for audit findings, audit adjustments not posted, beginning fund balance variances, SACS form data variances and SACS coding issues.
3. At first interim, the county office changed the certification from positive to qualified status due to concern about the district's long-term financial condition. These concerns were driven by the district's declining enrollment as well as the unstable condition of the state budget. The county office also expressed concern about the lack of consistency of the supporting data included with the report.
4. The second interim report certification was qualified by the county office. The district did not submit a certification form, and was late submitting its criteria and standards pages. The form and substance of many of the comments from the first interim review were repeated at second interim.
5. The 2007-08 unaudited actuals report reflects a surplus above the state-required 2% reserve for economic uncertainties. The district experienced a small surplus in its unrestricted general fund, but is cautioned to continue to diligently monitor its budget given the projected continuance of declining enrollment and the dire condition of the state budget.
6. As the county office continues its close review of the district's budget and interim reports, the district should use this review and feedback to improve submissions. The district should implement a quality control process to assist in the development and timely submittal of accurate and complete budget reports. This process should include a check-list comparison of the district's current budget report to the county office with a review of the previous budget report.

## Standard Implemented: Partially

January 2000 Rating: 7  
September 2003 Rating: 0  
March 2004 Rating: 3  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 6



## **7.7 Budget Adoption, Reporting and Audits – Audit Administration and Resolution, Audit Resolution**

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### **Professional Standard**

The district should include in its audit report, but not later than March 15, a corrective action for all findings disclosed as required by Education Code Section 41020.

### **Progress on Implementing the Recommendations of the Recovery Plan**

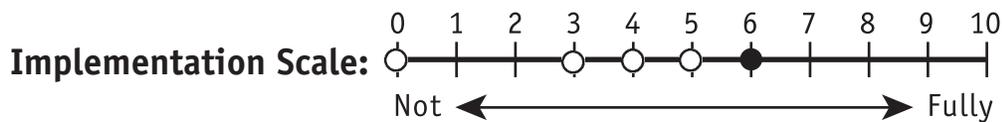
1. The State Controller's Office (SCO) conducts the external financial audit for the district. The district recently was authorized to seek the services of an outside firm to conduct the audit, but received no responses to its request for proposal.
2. The district cannot comply with the Education Code 41020 requirement regarding the inclusion of corrective actions in the audit report by March 15 as the report continues to be issued by the SCO in an untimely manner. However, as noted below, the district responds to these findings when reports are received.
3. The 2005-06 audit report was actually issued in the 2007-08 fiscal year. This report contained 53 findings, up from 36 from the previous year. The opinion was qualified as a result of the auditor's concerns regarding the district's inability to reconcile its cash accounts and other account balances of the payroll clearing fund. As with all districts, efforts should continue to minimize the number of audit findings and related financial penalties in the annual independent audit. The district has implemented a process to address the reconciliation of cash at the close of the fiscal year. (see item five below).
4. As in the past, the district assigned each finding to a specific manager/administrator for resolution and implementation of corrective action, giving preference to those findings with a fiscal impact. In addition, the district used a tracking schedule for the findings and implementation of planned corrective action to assist in managing the process.
5. The district should identify in detail the corrective action planned for each finding and submit that information to the county office within 90 days of receipt of the audit. Further, the district should implement necessary corrective measures to resolve all findings identified in its annual audit.
6. The district instituted an audit committee in 2007-08 as part of a larger effort to improve internal fiscal oversight. The committee meets monthly and receives information regarding the status of the audit and implementation of corrective actions.
7. The district also recently filled an Internal Auditor position. This position should provide significant assistance towards the achievement of this standard, as well as several others. The district should utilize the Internal Auditor position to manage the audit finding corrective action process and provide periodic status reports to both the committee and the Governing Board.
8. The internal audit function should also be utilized to identify opportunities for fiscal efficiency. Given the district's relative purview, which typically comes with the position, it would be beneficial to encourage or require the Internal Auditor to identify potential fiscal efficiencies and report these to the audit committee. This extra duty should not become a burden to the Internal Auditor so that the position's primary function is obscured or left

unattended, but rather supplement existing duties. The district should be careful not to require the position to assume responsibility for implementation of those recommendations since that is the responsibility of management and the Governing Board.

9. In recent years, the district has been unable to reconcile its payroll clearing accounts, despite those accounts being fully reconciled and cleared by an outside consultant at the end of the 2003-04 fiscal year. This condition led to the SCO's qualified audit opinion in its 2005-06 audit report to the district.
10. In the 2007-08 fiscal year, the district contracted with a CPA firm to conduct a performance audit regarding certain internal controls, namely the recording and monitoring of payroll transactions and the related reconciliation of liability and cash accounts. The audit will focus on the payroll-general ledger process for posting expense, liability and inter-fund transfers, and cash accounts and related reconciliations of cash in the county treasury prepared by the county office as well as district bank accounts. The district should maximize the benefit of this audit by implementing all recommendations in the audit, including and in particular any procedures designed to prevent a reoccurrence of the out-of-balance condition that was the basis for the qualified audit opinion.

### Standard Implemented: Partially

January 2000 Rating: 3  
September 2003 Rating: 0  
March 2004 Rating: 0  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



# 7.9 Budget Adoption, Reporting and Audits—Compliance with Financial Reporting Requirements of GASB 34

## Professional Standard

The district must comply with Governmental Accounting Standard No. 34 (GASB 34) for the period ending June 30, 2003. GASB 34 requires the district to develop policies and procedures and report in the annual financial reports on the modified accrual basis of accounting and the accrual basis of accounting.

## Progress on Implementing the Recommendations of the Recovery Plan

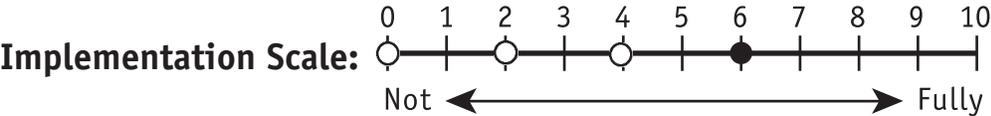
1. Consistent with GASB 34, the district prepared both funds and governmentwide financial statements for the 2006-07 and 2007-08 fiscal years via the Standardized Account Code Structure (SACS) year-end reporting software; however, the 2006-07 and 2007-08 audit reports are expected to be issued sometime in the future.

The district prepared the Management Discussion and Analysis included in the 2006-07 and 2007-08 audits as required by GASB 34.

2. An outside firm conducted a physical inventory and equipment audit in October 2007. This was the second physical inventory conducted in the district in two years as a result of the need to validate district asset records. The district should utilize this inventory in its implementation of a complete fixed asset management system, including tracking additions and deletions accurately. In addition, the district should utilize physical asset inventories periodically in the future as a standard procedure in its fixed asset accounting process. When released in the future, the 2007-08 audit report will show the relative success of this effort.
3. The district has implemented the IFAS financial system's Fixed Assets Module to track long-term assets for fiscal year 2007-08 in conjunction with the inventory noted in item two above.
4. Amortization schedules have been prepared for long-term debts (GO bonds and certificates of participation [COPs]) with the assistance of the district's financial advisors.

## Standard Implemented: Partially

January 2000 Rating:	Not Reviewed
September 2003 Rating:	0
March 2004 Rating:	2
September 2004 Rating:	2
September 2005 Rating:	2
September 2006 Rating:	2
November 2007 Rating:	4
December 2008 Self-Rating:	6
December 2008 New Rating:	6



## 7.10 Budget Adoption, Reporting and Audits—Interim Reports and Projection of Ending Fund Balance

### Professional Standard

The first and second interim reports should show an accurate projection of the ending fund balance. Material differences should be presented to the Governing Board with detailed explanations.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district updated its projected ending balance at all three interim reporting periods during the 2007-08 fiscal year. The information provided included identification of major changes in revenues and expenditures, including salary and benefit costs, operating expenditures and the reserve requirements.
2. Interim reports are submitted to the county office in a timely manner; however, certain supporting documentation was not filed timely with the first interim report.
3. The county office changed the certification at first interim from positive to qualified status due to concern about the long-term financial condition of the district. The county office also expressed concern about the absence of certain supporting data at both interims, as well as accuracy and lack of consistency of the supporting data included with all the reports.
4. The reported changes in revenues, expenditures, and the ending fund balance show that the district is actively monitoring the budget.

Description	Adopted Budget 2007-08	1st Interim 2007-08	2nd Interim 2007-08	3rd Interim 2007-08	Unaudited Actuals 2007-08
Revenue Limit	\$212,205,381	\$216,860,673	\$218,015,471	\$218,486,816	\$218,753,131
Federal	\$47,388,590	\$66,630,639	\$67,555,949	\$68,386,192	\$55,707,311
Other State	\$120,289,047	\$129,420,782	\$129,577,580	\$132,476,426	\$127,726,900
Other Local	\$32,770,437	\$34,855,058	\$42,194,596	\$43,529,281	\$43,485,411
<b>Total Revenue</b>	<b>\$412,653,455</b>	<b>\$447,767,152</b>	<b>\$457,343,596</b>	<b>\$462,878,715</b>	<b>\$445,672,753</b>
Certificated Salaries	\$168,013,278	\$173,507,123	\$174,763,233	\$172,420,092	\$166,777,107
Classified Salaries	\$63,007,299	\$65,494,398	\$66,121,763	\$63,625,248	\$62,234,922
Benefits	\$81,395,350	\$82,437,643	\$83,122,311	\$81,206,541	\$79,538,657
Supplies	\$31,604,078	\$52,890,887	\$46,873,899	\$50,216,065	\$35,184,147
Services	\$59,002,426	\$89,885,914	\$99,010,777	\$103,623,324	\$95,176,061
Capital Outlay	\$638,643	\$1,081,431	\$1,138,452	\$1,868,573	\$3,543,018
Other Outgo	\$14,773,886	\$13,121,799	\$13,499,322	\$14,224,899	\$14,623,770
Transfers Indirect/Direct	-\$2,822,826	-\$3,172,221	-\$3,215,305	-\$3,215,304	-\$2,785,690
<b>Total Expenditures</b>	<b>\$415,612,134</b>	<b>\$475,246,974</b>	<b>\$481,314,452</b>	<b>\$483,969,438</b>	<b>\$454,291,992</b>

Interfund Transfers In	\$5,658,754	\$5,717,976	\$5,717,976	\$5,717,976	\$6,132,177
Interfund Transfers Out	-\$3,144,329	-\$3,450,733	-\$3,450,733	-\$3,450,733	-\$3,306,725
Other Sources	\$709,991	\$709,991	\$709,991	\$720,922	\$720,922
Other Uses	\$0	\$0	\$0	\$0	\$0
Contributions	\$0	\$0	\$0	\$0	\$0
<b>Total Other Financing Sources/Uses</b>	<b>\$3,224,416</b>	<b>\$2,977,234</b>	<b>\$2,977,234</b>	<b>\$2,988,165</b>	<b>\$3,546,374</b>
<b>Increase/-Decrease in Fund Balance</b>	<b>\$265,737</b>	<b>-\$24,502,588</b>	<b>-\$20,993,622</b>	<b>-\$18,102,558</b>	<b>-\$5,072,865</b>
<b>Beginning Fund Balance</b>	<b>\$270,000</b>	<b>\$48,836,910</b>	<b>\$44,373,024</b>	<b>\$44,374,306</b>	<b>\$46,617,746</b>
<b>Ending Fund Balance</b>	<b>\$535,737</b>	<b>\$24,334,322</b>	<b>\$23,379,402</b>	<b>\$26,271,748</b>	<b>\$41,544,881</b>

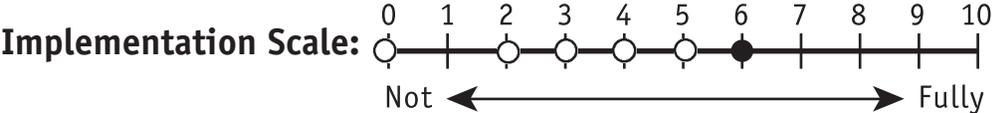
5. However, the district experienced a decrease of \$938,954 in the unrestricted general fund ending balance from the third interim report to the unaudited actuals report. This change was due to a variety of factors as follows:

Description	3rd Interim 2007-08	Changes	Unaudited Actuals 2007-08
Revenue Limit	\$207,741,248	\$505,218	\$208,246,466
Federal	\$18,817	\$52,887	\$71,704
Other State	\$25,924,918	-\$561,065	\$25,363,853
Other Local	\$27,089,888	\$2,703,146	\$29,793,034
<b>Total Revenue</b>	<b>\$260,774,871</b>	<b>\$2,700,186</b>	<b>\$263,475,057</b>
Certificated Salaries	\$110,136,958	-\$773,890	\$109,363,068
Classified Salaries	\$31,816,286	\$1,160,174	\$32,976,460
Benefits	\$48,395,205	\$34,788	\$48,429,993
Supplies	\$11,067,395	-\$562,864	\$10,504,531
Services	\$31,887,386	-\$1,476,219	\$30,411,167
Capital Outlay	\$950,223	\$1,850,844	\$2,801,067
Other Outgo	\$10,523,423	\$274,097	\$10,797,520
Transfers Indirect/Direct	-\$10,538,213	\$2,026,909	-\$8,511,304
<b>Total Expenditures</b>	<b>\$234,238,663</b>	<b>\$2,533,839</b>	<b>\$236,772,502</b>
Interfund Transfers In	\$3,624,194	\$414,201	\$4,038,395
Interfund Transfers Out	-\$1,356,951	\$144,008	-\$1,212,943
Other Sources	\$720,922	\$0	\$720,922
Other Uses	\$0	\$0	\$0
Contributions	-\$27,370,821	-\$2,637,773	-\$30,008,594
<b>Total Other Financing Sources/Uses</b>	<b>-\$24,382,656</b>	<b>-\$2,079,564</b>	<b>-\$26,462,220</b>
<b>Increase/-Decrease in Fund Balance</b>	<b>\$2,153,552</b>	<b>-\$1,913,217</b>	<b>\$240,335</b>
<b>Beginning Fund Balance (1)</b>	<b>\$18,371,084</b>	<b>\$974,263</b>	<b>\$19,345,347</b>
<b>Ending Fund Balance</b>	<b>\$20,524,636</b>	<b>-\$938,954</b>	<b>\$19,585,682</b>

6. The change in other local income was driven by a \$1.4 million increase in interest earnings, or about a 70% increase over the budget assumption, and a \$1 million increase in other local income, or about 25%. These percentage increases illustrate the need for closer scrutiny and management of budget estimates for local resources.
7. The change in contribution to restricted programs, \$2.6 million or nearly 10%, underscores the need for increased management of restricted program budgets.
8. The district developed 16 key indicators to assist in predicting critical pieces of financial information that help predict anticipated revenues and expenditures. These indicators were presented to the Governing Board with the unaudited actuals report. They are as follows:
  - Total enrollment in district by schools and grade
  - Total enrollment in charters by school
  - Average Daily Attendance
  - Funded revenue limit
  - Statutory cost-of-living adjustment (COLA)
  - Deficited COLA
  - Unrestricted general fund contribution to the special education program
  - Unrestricted general fund contribution to the special education transportation program
  - Number of K-3 classes qualifying for class size reduction funding
  - Number of ninth-grade classes qualifying for class size reduction
  - Indirect cost rate
  - Earned interest
  - Per student allocation of Lottery funding (unrestricted)
  - Per student allocation of Lottery funding (restricted)
  - Emergency state loan repayment amount per year
  - Bond fund repayment amount per year
9. The district should continue to monitor its revenues and expenditures on an ongoing basis to accurately project ending fund balances. Revisions to revenues, expenditures, and ending fund balances should be provided to the Governing Board with accurate supporting information and a narrative explanation of material changes. The district should continue improving the process for monitoring its budget, preparing interim reports and presenting the information to the Governing Board. The district should continue to utilize the key indicators to help provide valuable insight regarding opportunities and potential constraints that may affect the district's financial condition.

**Standard Implemented: Partially**

January 2000 Rating: Not Reviewed  
September 2003 Rating: 0  
March 2004 Rating: 2  
September 2004 Rating: 3  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 6



## 8.1 Budget Monitoring—Encumbrance of Overexpenditures

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### Professional Standard

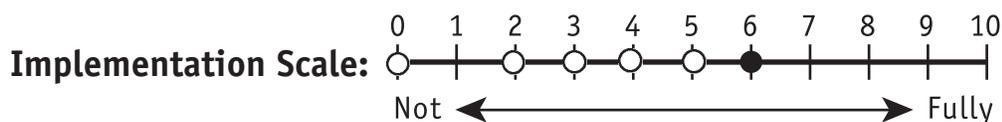
All purchase orders are properly encumbered against the budget until payment. The district should have controls in place that ensure adequate funds are available prior to incurring financial obligations.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district continues to monitor site and department expenditures and utilizes reports from IFAS to determine if sites/departments are exceeding budgeted amounts.
2. The district's Classified Administrative Employee Performance Appraisal includes expectations for financial management. However, the consequences of poor performance and their effects on controlling expenditures are not outlined or clear. The district should ensure that the Certificated Administrative Performance Appraisal also includes expectations for financial management and that the consequences of poor performance are outlined and communicated on a districtwide basis.
3. The district continues to utilize online purchase requisitions and budget transfers that include the approval of fiscal staff. Budget overrides may be authorized only by the Fiscal Services Department. However, it appears that the hard-control feature in IFAS, which prevents requisitions from being processed without adequate budget, is turned off near the end of the school year to allow for faster processing. This practice should be eliminated since it greatly increases the risk of overspending at the site and department level.
4. The district's online purchasing system, E-Marketplace, does not encumber funds in real time; rather there is a time lag. This continues to put the district at risk of overspending. The district reported that it plans to upgrade the IFAS and E-Marketplace systems.
5. The IFAS financial system provides for the encumbrance of salaries and benefits for contracted and filled positions, but not for noncontracted positions. Caution should be used when reviewing these accounts to ensure that noncontracted positions have been accounted for accurately in the budget.

### Standard Implemented: Partially

January 2000 Rating:	0
September 2003 Rating:	0
March 2004 Rating:	2
September 2004 Rating:	2
September 2005 Rating:	3
September 2006 Rating:	4
November 2007 Rating:	5
December 2008 Self-Rating:	6
December 2008 New Rating:	6



## **8.2 Budget Monitoring—Monitoring of Department and Site Budgets**

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### **Professional Standard**

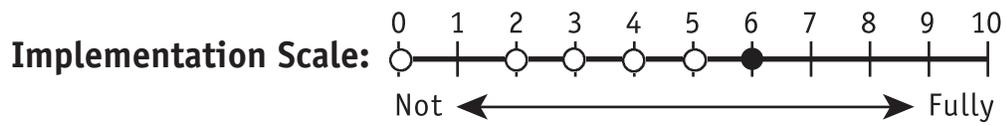
There should be budget monitoring controls, such as periodic reports, to alert department and site managers of the potential for overexpenditure of budgeted amounts. Revenue and expenditures should be forecast and verified monthly.

### **Progress on Implementing the Recommendations of the Recovery Plan**

1. The district continues to make progress on the recommendation to utilize an integrated position control system. Positions and FTEs are tracked in IFAS with unique position control numbers. The district has placed the Employee Action Form (EAF) online and is in the planning stages of implementing an online Position Requisition (PR).
2. The district continues to make progress on the recommendation to investigate instances where transactions were processed with insufficient funds available in the budget. The district has started to conduct monthly budget review meetings with Fiscal Services staff in an effort to provide increased monitoring of site and department budgets.
3. The 2007-08 Budget Summary Report for the general fund, dated October 2, 2008, reflects numerous accounts with negative ending balances. In addition, the 2007-08 Un-audited Actuals Report reflects an unrestricted ending balance of \$19,585,682 or \$1.48 million less than the 2007-08 Estimated Actuals Report, indicating that increased budget monitoring is needed throughout the year to ensure accounts are not overexpended.
4. The district has established policies and procedures to ensure that system overrides are minimized and can be authorized only by specified management staff. FCMAT was provided with a draft document, Budget Monitoring Process. However, it is not clear whether this document has been finalized and provided to site and department staff.
5. Fiscal Services staff members meet with special education managers monthly to review budgets and provide training regarding financial issues. The district should continue its monitoring of special education revenues and expenditures to help prevent budget overruns and increased encroachment.
6. The district is in the process of reviewing all nonpublic school (NPS) contracts and working toward developing more programs to serve students in-house. The district is also seeking to strengthen collaboration between special education and regular education teachers to help reduce the overidentification of students for special education programs.
7. The Fiscal Services staff is providing site management personnel with budget training opportunities. The district should implement mandatory budget and IFAS training for site and department staff responsible for budget oversight.
8. Fund 76, the payroll clearing account, has not been reconciled in several years. The district has contracted with a CPA firm to reconcile this fund. The district should ensure that this fund is reconciled on a monthly basis to make certain that all payroll transactions are reported and posted properly.

## Standard Implemented: Partially

January 2000 Rating: 0  
September 2003 Rating: 0  
March 2004 Rating: 2  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



## 8.4 Budget Monitoring—Position Control

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### Professional Standard

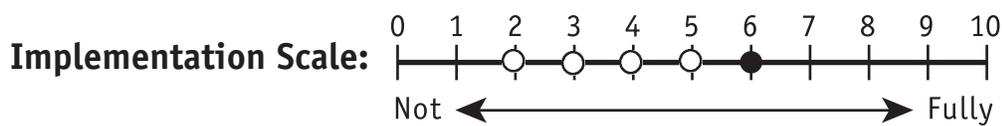
The district uses an effective position control system, which tracks personnel allocations and expenditures. The position control system effectively establishes checks and balances between personnel decisions and budgeted appropriations.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district system of record for position control is IFAS. The information from the IFAS position control system uploads to the RBB budgeting tool during the budget development process. Sites are then able to modify positions in RBB. Exception reports are generated for the budget staff to balance the two systems. It appears that this is an extremely time-consuming process, and it takes several months to ensure that RBB changes are accurately reflected in the position control system.
2. Position control data is not uploaded to the budget module at each reporting period; rather, the budget must be adjusted manually. The district should ensure that position control is updated on a continual basis as well as updating the budget at each reporting period so that both databases include the same information.
3. The district continues to use both the Position Requisition (PR) and Employee Action Form (EAF) to make changes to positions and employees. This can periodically result in untimely movement of employees in the system. The district has placed the EAF online and is in the planning stages of implementing an online PR.
4. FCMAT was provided with a copy of the “Financial Services Bible, A Guidebook to the Oakland USD Fiscal Services Accounts.” This document included some position control procedures. However, the procedures need to be formalized and included in an employee desk manual.

### Standard Implemented: Partially

January 2000 Rating:	4
September 2003 Rating:	2
March 2004 Rating:	2
September 2004 Rating:	2
September 2005 Rating:	3
September 2006 Rating:	5
November 2007 Rating:	6
December 2008 Self-Rating:	7
December 2008 New Rating:	6



## 8.5 Budget Monitoring—Management of the Routine Restricted Maintenance Account

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### Professional Standard

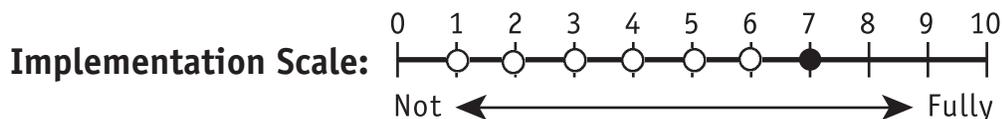
The routine restricted maintenance account should be analyzed routinely to ensure that income has been properly claimed and expenditures are within the guidelines provided by the State Department of Education. The district budget should include specific budget information to reflect the expenditures against the routine maintenance account.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district's 2008-09 adopted budget does not include the entire 3% minimum contribution. Form 01CS, General Fund Criteria and Standards, indicates the district did not budget the entire contribution because, "The Governor's May Revise provides for District's to decrease their required minimum contribution for RRMA from 3% to 2%." The district should be aware that the 2008-09 State Budget Act did not include the flexibility option presented in the May Revise. Based on the current State Budget Act, the district will need to increase the contribution to this account by \$219,344.
2. The Budget Summary Report dated October 2, 2008 reflects that the RRMA account is projecting to deficit spend in the 2008-09 fiscal year. This account should continue to be carefully monitored to ensure that deficit spending does not exceed the fund balance carried forward from the 2007-08 fiscal year.
3. During the 2008-09 fiscal year, the Assistant Superintendent of Facilities Management and Planning has been added as a member of the superintendent's cabinet, which should help to improve communications between the district office and the Facilities Department. The district recently passed a general obligation bond of approximately \$400 million that will require increased oversight responsibilities in the business office.

### Standard Implemented: Partially

January 2000 Rating:	Not Reviewed
September 2003 Rating:	1
March 2004 Rating:	2
September 2004 Rating:	3
September 2005 Rating:	4
September 2006 Rating:	5
November 2007 Rating:	6
December 2008 Self-Rating:	7
December 2008 New Rating:	7



## 10.1 Investments—Investment Policy and Quarterly Approvals

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### Legal Standard

Original Standard stated: “The Governing Board must review and approve, at a public meeting and on a quarterly basis, the district’s investment policy. [GC 53646]“

Since the initial Comprehensive Study, the legal reporting requirements for investing and managing public funds was amended by SB 866 and added to Government Code 53600. These include subsection 53600.3, the “prudent investor” standard; subsection 53600.5, mandating and prioritizing the three objectives of investing public funds (i.e. safety, liquidity and yield); and subsection 53600.6, declaring the deposit and investment practices of local agencies to be an issue of statewide concern.

Government Code Section 53600.5 prescribes the legal requirements for investing public funds as follows (emphasis added):

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, the primary objective of a trustee shall be to *safeguard the principal* of the funds under its control. The secondary objective shall be to meet the *liquidity* needs of the depositor. The third objective shall be to achieve a *return* on the funds under its control.

While strongly recommended and needed, the quarterly reporting requirement was repealed several years ago and is no longer a legal requirement.

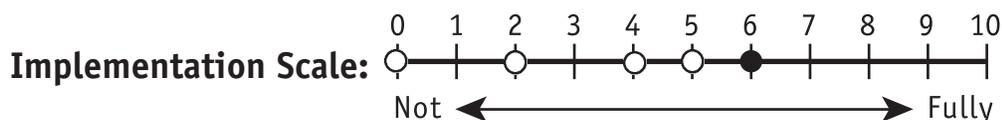
### Progress on Implementing the Recommendations of the Recovery Plan

1. The district implemented the recommendation to develop a formal investment policy. The district adopted Board Policy 3430 related to investment of funds.
2. The district’s Board Policy 3430 addresses an annual review of the investment policy by the Governing Board, however, the policy should more explicitly state that the board must formally reauthorize the formal policy for the investment of surplus funds each year *and include amendments to Government Code Section 53600.3.*
3. The district has implemented recommendations to adopt a formal policy requiring that quarterly investment reports be provided in accordance with Government Code Section 53646. The policy formalized the quarter-reporting requirement in its investment policy. The current financial crisis on Wall Street has resulted in market conditions that are causing substantial investment losses throughout the country, including declining returns for some California county treasurers’ investment portfolios. Investment portfolios that contained holdings in bankrupt financial institutions such as Lehman Brothers, AIG and Washington Mutual that have experienced losses will be redistributed to local educational agencies (LEAs) for the first quarter of the 2008-09 fiscal year. The district initiated the submittal of investment reports in February of 2008. A subsequent report for the months of May, June, July and August was submitted at the September 24 board meeting. The district will need to be more diligent in reporting its cash investments for all funds.

4. The school district and the county office of education should meet jointly with the county treasurer's office and review the monthly or quarterly treasurer's report to determine the *immediate* financial impact, if any, on each agency. The review should include, but not be limited to, the following:
  - Types of investments, including short-term and long-term investment strategies.
  - Asset distribution by sector (e.g. bonds, stock market).
  - Credit rating by percent of book value.
  - Maturity distribution.
  - Quarterly income distribution.
  - Quarterly performance versus selected benchmarks as reported and invested by the treasurer and authorized staff.
  
5. Although not required by law, FCMAT recommends that each LEA monitor its cash investments at least monthly and as often as weekly if necessary. This includes districts utilizing a clearing account at a local bank to deposit funds until the funds can be transferred to the county Treasurer's Office. Districts should review their policies and processes so that funds do not reside in the clearing account for an extended period of time. The district should also investigate using an account that maximizes the interest on the balance. It should be noted that the cafeteria fund had cash deposits that exceeded the insured amount by the Federal Deposit Insurance Corporation. While the FDIC has increased the amount regarding insured funds from \$100,000 to \$250,000, the district should continually review all funds exceeding this threshold. As confidence continues to erode in the financial markets, safeguarding cash investments should move to the forefront of a LEA's fiduciary responsibilities and should be carried out using prudent investment standards in accordance with government code.

**Standard Implemented: Partially**

January 2000 Rating: 0  
 September 2003 Rating: 0  
 March 2004 Rating: 2  
 September 2004 Rating: 4  
 September 2005 Rating: 4  
 September 2006 Rating: 4  
 November 2007 Rating: 5  
 December 2008 Self-Rating: 7  
 December 2008 New Rating: 6



## **11.1 Attendance Accounting—Accuracy of Attendance Accounting System**

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### **Professional Standard**

An accurate record of daily enrollment and attendance is maintained at the sites and reconciled monthly.

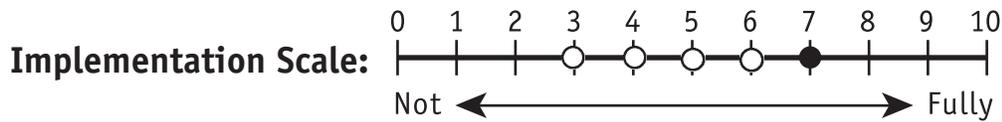
### **Progress on Implementing the Recommendations of the Recovery Plan**

1. The district implemented the recommendation to establish an attendance accounting/ student information system during the 2005-06 fiscal year. Mandatory annual training continues to be provided to all site attendance clerks on the Aeries system. New clerks are not provided with a system password until they have attended mandatory training. Each school site is also provided a student attendance manual that includes Aeries exhibits.
2. The district has implemented ABI (Aeries Browser Interface), which allows teachers at some school sites to take student attendance online. The district is in the process of increasing the number of sites that have access to online student attendance accounting.
3. The Aeries system provides a report that reflects which teachers are not completing daily student attendance or are not signing attendance reports so that the site administrator and district staff are able to more closely monitor student attendance accounting. However, the district has not implemented the recommendation to formally establish the accurate and timely completion and submission of attendance reports as an evaluative criterion in the annual reviews of teachers and principals.
4. The district continues the process of either having an employee at each site verify student absences with the parent/guardian each day, or relying on the attendance calling system to make calls each evening to the homes of students who have been absent for one or more periods.
5. The district continues its efforts to improve student attendance by identifying and tracking students with attendance problems, utilizing truancy notices, meeting with parents/guardians, implementing a Truancy Center, and utilizing Student Attendance Review Teams (SART) and the Student Attendance Review Board (SARB).
6. The district continues to inform parents and site staff members of the difference between a parent-approved absence that is excused from one that is unexcused and subject to compulsory education legal actions according to Education Code and board policy. This information was distributed by a letter to parents in the student registration packet, is included in the Parent Guide, and is available in the board policies and administrative regulations on the district Web site.
7. The district has implemented the recommendation to develop attendance reports to identify independent study absences of less than five consecutive school days to help ensure that apportionment is not inadvertently claimed. Site personnel are provided with training on how to properly code students in the system and are able to run a monthly statistical report that provides data for students who are coded as independent study. The Technology Department reviews each site's independent study information online to help ensure it is reported accurately.

8. The district provides a Help Desk for site personnel to access if they are experiencing problems with the student information system. This appears to be a well-received and well-utilized service for school sites.
9. When the 2006-07 and 2007-08 external audit reports are released, the district should immediately follow up on any attendance-related findings and make any necessary operational adjustments to prevent future audit findings.

**Standard Implemented: Partially**

January 2000 Rating: 4  
 September 2003 Rating: 3  
 March 2004 Rating: 4  
 September 2004 Rating: 5  
 September 2005 Rating: 5  
 September 2006 Rating: 5  
 November 2007 Rating: 6  
 December 2008 Self-Rating: 7  
 December 2008 New Rating: 7



# 11.4 Attendance Accounting—Instructional Time Requirements

## Professional Standard

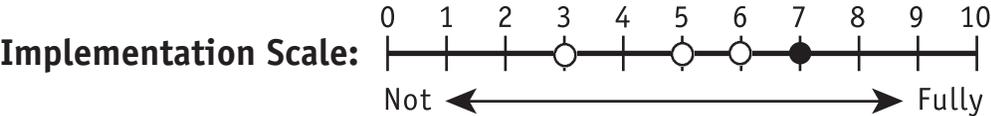
At least annually, the district should verify that each school bell schedule meets instructional time requirements for minimum day, year and annual minute requirements.

## Progress on Implementing the Recommendations of the Recovery Plan

- 1. The district continues the formal process that documents that bell schedules meet instructional time requirements for the 2008-09 fiscal year. Bell schedules are reviewed by the site principal, the network officers, fiscal services staff, and the state and federal compliance officer prior to the start of school and throughout the year as changes are requested.
- 2. The district uses an online tool that is connected directly to the bell schedules to calculate instructional minutes and help ensure that each site offers the required number of minutes.
- 3. The district should continue its practice of sending financial services staff to school sites to monitor bell schedules throughout the year.

## Standard Implemented: Partially

January 2000 Rating:	6
September 2003 Rating:	6
March 2004 Rating:	3
September 2004 Rating:	5
September 2005 Rating:	5
September 2006 Rating:	5
November 2007 Rating:	6
December 2008 Self-Rating:	7
December 2008 New Rating:	7



## 12.2 Accounting, Purchasing and Warehousing—Accounting Procedures, Timely and Accurate Recording of Transactions

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### Professional Standard

The district should timely and accurately record all information regarding financial activity for all programs (unrestricted and restricted).

Generally Accepted Accounting Principles (GAAP) require that in order for financial reporting to serve the needs of the users, it must be reliable and timely. Therefore, the timely and accurate recording of the underlying transactions (revenue and expenditures) is an essential function of the district's financial management.

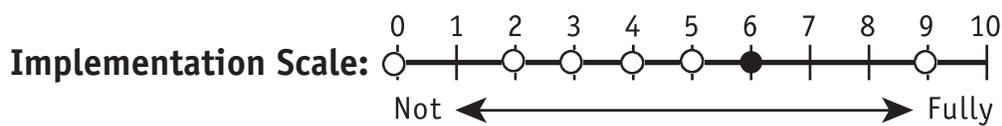
### Progress on Implementing the Recommendations of the Recovery Plan

1. The district has hired a qualified CFO who began December 1, 2008. The previous Interim CFO, who had been in the position since September 2006, will assist the new CFO with the transition.
2. The Budget Director has been with the district for more than one year and has made great improvements to ensure that he and his staff members are visiting sites on a regular basis to provide assistance and address budget concerns.
3. Management monitors the processing of financial activity to ensure that transactions are recorded accurately and in a timely manner. One focus should continue to be on the use of categorical funds so that there is less carryover in future years.
4. In October 2007, the Business Department updated the Business Services Guide to be used by employees in Accounting and Finance.

The guide has an overview of each major accounting function and details each section in accordance with the California Standardized Accounting Manual.

### Standard Implemented: Partially

January 2000 Rating:	9
September 2003 Rating:	0
March 2004 Rating:	2
September 2004 Rating:	3
September 2005 Rating:	3
September 2006 Rating:	4
November 2007 Rating:	5
December 2008 Self-Rating:	6
December 2008 New Rating:	6



## **12.3 Accounting, Purchasing and Warehousing—Accounting Procedures: Cash**

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### **Professional Standard**

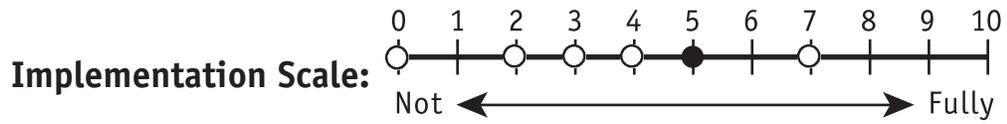
The district should forecast its revenue and expenditures and verify those projections on a monthly basis in order to adequately manage its cash. In addition, the district should reconcile its cash to bank statements and reports from the county treasurer on a monthly basis. Standard accounting practice dictates that, in order to ensure that all cash receipts are deposited timely and recorded properly, cash be reconciled to bank statements on a monthly basis.

### **Progress on Implementing the Recommendations of the Recovery Plan**

1. The district reconciles the bank account and cash within each fund on a monthly basis and updates the cash flow projection. Although the current practice is to review the cash flow monthly, the district should establish a formalized policy to perform cash analysis.
2. The cash flow projection is prepared by an Accountant each month and reviewed by the Controller. The Controller should ensure that the revenue and expenditures projections are properly supported by current assumptions. As the state continues to struggle with cash flow issues, two legislative bills have passed that shift apportionments to later in the fiscal year. This could have an impact on the district's cash flow projections.
3. FCMAT identified a formula error between the projected expenditures and the working budget. The Controller should periodically review the cash flow projection formulas in the spreadsheet and compare formulas to the current working budget.
4. Changes in revenue or expenditure projections that will affect the cash flow should be incorporated into the monthly review process and reflected in the cash flow spreadsheet.
5. To project the most accurate cash flow projection, the district should include year-end accruals and all general ledger accounts.
6. The district is using general ledger accounts to record prior year revenues and expenditures that were not previously accrued. This methodology is not in accordance with Generally Accepted Accounting Principles. The district should properly record these transactions as current year revenue and/or expense.

## Standard Implemented: Partially

January 2000 Rating: 7  
September 2003 Rating: 0  
March 2004 Rating: 2  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 5



## **12.4 Accounting, Purchasing and Warehousing—Accounting Procedures: Payroll**

### **Professional Standard**

The district's payroll procedures should be in compliance with the requirements established by the ACOE, unless fiscally independent (Education Code Section 42646). Standard accounting practice dictates that the district implement procedures to ensure the timely and accurate processing of payroll.

### **Progress on Implementing the Recommendations of the Recovery Plan**

1. The district conducted a "Project Homerun #5: Pay Accuracy" meeting in July 2008. The goal was to evaluate the progress to date and create tangible measurement criteria.

The group had meetings twice monthly during the last two years to identify the root causes of payroll errors and establish a system to address those systemic issues. A subgroup composed of key district managers in the Business, Human Resources and Information Technology departments was created to develop a tracking system to collect data on all payroll problems reported either by employees or identified in the annual audit. The goal was to track progress month-to-month and year-to-year.

The subgroup developed:

- A high-level work plan that defined roles and responsibilities and created subteams
- A pay resolution process to track and resolve employee pay concerns.
- Four key areas for process improvement:
  - a. Differentiated Substitute pay
  - b. Extended contracts
  - c. Employee attendance
  - d. Summer pay

The group also created a matrix to track errors/problems by program type and as a percentage of total payroll. Errors are logged in using the Pay Resolution Form. The department makes contact with the employee within two business days and has resolution by the fifth business day. Unresolved issues are communicated with the individual employee describing why the Payroll Department cannot resolve the issue at hand.

The Pay Resolution Form can be accessed online by employees. Through a collaborative effort between Business, Human Resources and Information Technology departments, the complete process was automated online utilizing a mapping feature that directs the form to the correct person in the department for processing. The system has been tested and will be implemented in the near future.

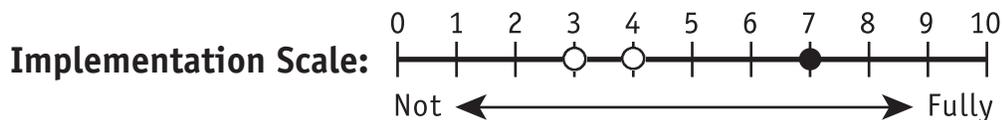
2. There are three types of monitoring reports:
  - Incomplete time
  - Manual payroll checks
  - Overpayment

These reports are sent to the Chief Financial Officer, Human Resources and the Superintendent's office monthly.

3. The district has procedures to ensure that employee overtime is properly approved and signed off by the authorizing administrator.
4. The district continues to update and provide each site with a Payroll Time Reporting Manual that formalizes policies and procedures. This comprehensive manual has payroll calendar dates and examples to fill out forms.
5. The district utilizes a substitute calling system. The current system produces a written report along with timesheets. The Payroll Department is working on converting the current system to an electronic report that joins the absent employee with the substitute automatically.
6. The district still struggles with resolving the payroll clearing account, which has not been reconciled since 2002-2003, causing the liability to be understated. The district is in the process of working with independent auditors to reconcile the fund.

### Standard Implemented: Partially

January 2000 Rating: 3  
September 2003 Rating: 3  
March 2004 Rating: 3  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 6  
December 2008 Self-Rating: 7  
December 2008 New Rating: 7



## 12.5 Accounting, Purchasing and Warehousing—Accounting Procedures, Supervision of Accounting

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### Professional Standard

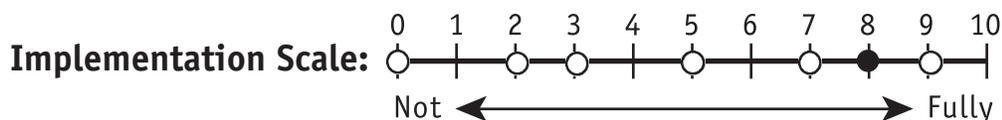
Standard accounting practice dictates that the accounting work should be properly supervised and work reviewed in order to ensure that transactions are recorded timely and accurately, and allow the preparation of periodic financial statements.

### Progress on Implementing the Recommendations of the Recovery Plan

1. Management monitors the processing of financial activity to ensure that transactions are recorded accurately and in a timely manner. Staff continues to use information from audit findings and reporting issues identified by the State Controller's Office in annual audits to improve policies and procedures related to the processing of financial transactions.
2. The Business Department updated the Business Services Guide in October 2007. The guide has a section for each major accounting function. Each section has detailed information as a supplement to the California Standardized Accounting Manual.
3. District management offers several professional training opportunities annually to employees. In addition, the business staff members continue to cross-train within the department. Cross-training gives employees the opportunity to learn other accounting functions and apply for openings when they occur. Additionally, cross-training allows employees to fill in for other employees on leave.
4. Leadership for First-Level Supervisors workshop by CASBO is offered to district supervisors annually. This workshop provides supervisors with training to improve leadership skills.
5. During the last year, the Executive Officer position was vacated, delaying financial reporting to the county and state. Since that time, staff members have been trained in this function. The second interim report and year-end closing were completed on time.

### Standard Implemented: Fully - Substantially

January 2000 Rating:	9
September 2003 Rating:	0
March 2004 Rating:	2
September 2004 Rating:	3
September 2005 Rating:	3
September 2006 Rating:	5
November 2007 Rating:	7
December 2008 Self-Rating:	8
December 2008 New Rating:	8



## 12.7 Accounting, Purchasing and Warehousing—Accounting Procedures, Year-End Closing

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### Professional Standard

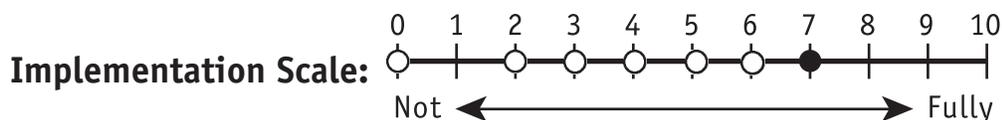
Generally Accepted Accounting Principles dictate that, in order to ensure accurate recording of transactions, the district should have standard procedures for closing its books at fiscal year-end. The district's year-end closing procedures should be in compliance with the procedures and requirements established by the ACOE.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district has formalized a year-end closing checklist for each fund. Within each fund, the checklist has several detailed subsections. The process begins in the spring with year-end workshop training and a purchasing cut-off.
2. All staff members have a desk manual that is used extensively. Staff begin the planning process for year-end closing in the spring. The Business Services Guide that the district adopted references the California School Accounting Manual (CSAM) for year-end closing procedures and all accounting staff members have been provided with a copy of the CSAM. In addition, the district has adopted the county office closing calendar, worksheets, and checklist for use by its staff. The district arranged for the accounting staff to attend training on year-end closing in preparation for the 2006-2007 year-end and 2007-08 year end.
3. The Business Department provides staff members with a year-end checklist and training on appropriate closing procedures.

### Standard Implemented: Partially

January 2000 Rating:	2
September 2003 Rating:	0
March 2004 Rating:	3
September 2004 Rating:	3
September 2005 Rating:	4
September 2006 Rating:	5
November 2007 Rating:	6
December 2008 Self-Rating:	7
December 2008 New Rating:	7



## **12.10 Accounting, Purchasing and Warehousing—System Controls to Prevent and Detect Errors and Irregularities**

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### **Professional Standard**

The accounting system should have an appropriate level of controls to prevent and detect errors and irregularities.

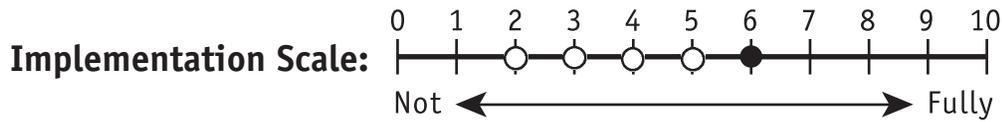
### **Progress on Implementing the Recommendations of the Recovery Plan**

1. The district has developed a Policies and Procedures Manual 2007-08 that clearly delineates the contract, purchase order/requisition and microfilm request processes.
2. The district uses site based budgeting in which school sites purchase goods and services including consulting services. As a continuing effort to achieve cost savings, Services Procurement and Distribution Services has established a guideline for billing rates for all consultants to assist sites when negotiating an offer with potential contractors or consultants. The guideline establishes a suggested and maximum hourly rate for agencies and independent contractors.
3. The Accounts Payable Department has issued payment processing procedures and a warrant payment calendar to process vendor payments.
4. The district has established Fiscal Procedure FP 002-04/05 that informs site administrators and managers that the bills will not be paid without a properly authorized purchase order; however, the district is not enforcing this policy. Invoices that are received in the Accounts Payable Department without a purchase order are sent to the site for approval, and the issuance of a properly authorized requisition or purchase order. This causes delays in vendor payments. The district should continue working with site administrators to minimize purchases without authorized purchase orders.
5. The district had a previous practice of producing a report that tracked invoices received for payment without purchase orders to identify administrators/managers not complying with the policies and procedures so that corrective action can be taken. Because the Accounts Payable Department continues to experience staff turnover, this tracking report has not been produced in several months. This report should be prepared and reviewed monthly by the Controller and referrals made to the CFO for action when site/department administrators repeatedly do not follow purchasing procedures.
6. When goods and/or services are received, the site logs the quantities into the system electronically and forwards the invoice to the Accounts Payable Department. Receivers and packing slips remain at the school sites.
7. Accounts payable staff are trained to ensure that proper documentation is attached supporting the invoice so the warrant can be processed for payment.
8. The district utilizes the invoice number as a key to minimize duplicate payments.

9. The district processes large volume vendor invoices manually. The district should investigate the possibility of having these vendors send invoices electronically. The Information Technology Department should be involved so that this information will automatically match the invoice quantity with the purchase order and received quantities. This would reduce the potential for errors and greatly reduce the workload in the department.

**Standard Implemented: Partially**

January 2000 Rating: 6  
September 2003 Rating: 2  
March 2004 Rating: 2  
September 2004 Rating: 2  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



## **14.1 Multiyear Financial Projections—Computerized Multiyear Projection**

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### **Professional Standard**

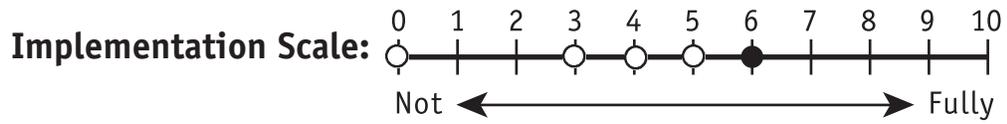
A reliable computer program that provides reliable multiyear financial projections is used.

### **Progress on Implementing the Recommendations of the Recovery Plan**

1. The district is in the process of transitioning to FCMAT's Budget Explorer multiyear projection software. The district is currently using Microsoft's Excel spreadsheet application to prepare its multiyear projections for the adoption budget and all interim financial reporting requirements.
2. Excel is an excellent tool for multiyear projections and can handle the large number of variables related to revenue and expenditure projections in school finance. However, using Excel requires the district staff to be responsible for ensuring that all appropriate factors are included in spreadsheet calculations and also included appropriately from year to year with the changing economics of the state budget. The district's challenge is to transfer the nontraditional results-based budgeting model to the Budget Explorer software. The 2007-08 adopted budget has been downloaded to the Budget Explorer software. The fiscal leadership team has attended multiple training seminars hosted by the county office and FCMAT in an effort to use Budget Explorer as its multiyear financial projection software.
3. The district should implement the original recommendations to perform the following:
  - Fully utilize commercial software such as Budget Explorer to produce multiyear financial projections. The results-based budget (RBB ) model can be uploaded into the district's IFAS Financial Reporting Software. Once the RBB model has been reviewed and uploaded, the district can upload data directly from the IFAS software or upload from the SACS reporting software.
  - Utilize the Budget Explorer software application to analyze the financial effects of pending management decisions, such as salary adjustments or enhancements, changes in health benefits programs offered, staffing additions or reductions, and any other items that could have significant financial implications. The benefit of utilizing the Budget Explorer model will be to evaluate and review each individual resource rather than a summary model for each category utilizing a spreadsheet application.
4. The district continues to receive training for the financial staff responsible for utilizing the Budget Explorer software and making financial projections to ensure that the software is used effectively and financial projections are accurate.
5. The district appropriately uses multiyear projections at each of the required dates as required by law, i.e., during the interim reporting periods and for the budget adoption process.

## Standard Implemented: Partially

January 2000 Rating: 3  
September 2003 Rating: 0  
March 2004 Rating: 3  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



## 14.2 Multiyear Financial Projections—Projection of Revenues, Expenditures and Fund Balances

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### Professional Standard

The district annually provides a multiyear revenue and expenditure projection for all funds of the district. Projected fund balance reserves should be disclosed. [EC 42131] The assumptions for revenues and expenditures should be reasonable and supportable.

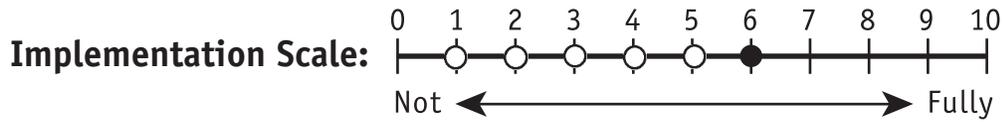
### Progress on Implementing the Recommendations of the Recovery Plan

1. The district has made substantial progress to implement the recommendation to achieve greater precision and provide additional information regarding the district's multiyear financial projections by specifically defining the general assumptions and utilizing SSC's Financial Projection Dashboard. The district could provide more specificity through the utilization of software such as Budget Explorer that provides for a better user evaluation by analyzing each specific resource and object/subobject code, categories of revenues, and expenditures. Currently, the district provides a multiyear financial projection analysis for the general fund. The analysis provides detailed information in a SACS format by reporting all revenues and expenditures in an unrestricted, restricted and combined format.
2. In building the budget and computing multiyear financial projections, the district should provide a more detailed analysis of revenues and expenditures by program/resource and object/subobject. As more information about program/resource revenues and expenditures becomes available, the projections should be revised and the changes in economic assumptions identified and presented. This process should be formally identified in the district's Business Services Guide and/or desk manuals.
3. The district has made excellent strides on the recommendation to improve the accuracy of its projections by improving its financial management practices. Specifically, the district completed the basic implementation of the new human resources/payroll module. The district has made substantial progress on position control, which enhances the accuracy of salary and benefit projections on a multiyear basis. The district has also made substantial progress on the projections of student enrollment and corresponding ADA data through the hiring of a Demographer.
4. The district has taken the necessary and required steps to improve its supervision of the accounting and budget functions so that transactions are recorded and reported in a timely manner. Specifically, the district has provided resource documents, such as the Business Services Guide and the California School Accounting Manual, and has provided employees with training regarding SACS, which helped ensure that transactions are appropriately recorded. These processes have helped to improve the quality of accounting work, reduce the number of errors, and improve the information used in budget monitoring. The district needs to continue to implement systems and procedures with more effective internal controls and improve the technical capacity of all fiscal staff members.

- At the district's request, FCMAT staff will complete an independent multiyear financial projection (MYFP) utilizing the Budget Explorer software to validate the accuracy of the district's MYFP. As a component of this process, additional recommendations will be provided by FCMAT.

**Standard Implemented: Partially**

January 2000 Rating: 2  
September 2003 Rating: 1  
March 2004 Rating: 3  
September 2004 Rating: 3  
September 2005 Rating: 3  
September 2006 Rating: 4  
November 2007 Rating: 5  
December 2008 Self-Rating: 5  
December 2008 New Rating: 6



## **16.1 Multiyear Impact of Collective Bargaining Agreements—Measurement and Evaluation of Agreement Implementation Costs and Assurance of Notice to the Public**

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### **Professional Standard**

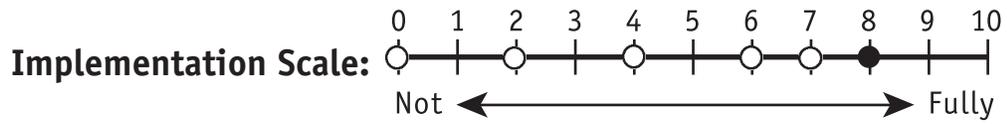
The State Administrator/Governing Board must ensure that any guideline that they develop for collective bargaining is fiscally aligned with the instructional and fiscal goals on a multiyear basis. The State Administrator/Governing Board must ensure that the district has a formal process where collective bargaining multiyear costs are identified and expenditure changes/reductions are identified and implemented as necessary prior to any imposition of new collective bargaining obligations. The State Administrator/Governing Board must ensure that there is a validation of the costs and the projected district revenues and expenditures on a multiyear basis so that the fiscal resources are sufficient to fund collective bargaining settlements on an ongoing basis. The public should be informed about budget reductions that will be required for a bargaining agreement prior to any contract acceptance by the Governing Board. The public should be given an opportunity to comment.

### **Progress on Implementing the Recommendations of the Recovery Plan**

1. The district has established policies and procedures requiring potential bargaining positions to be identified before the start of negotiations. The district currently identifies its bargaining positions prior to negotiations and now includes them in Board Policy 4143. The district has all settlement items analyzed by the budget and accounting offices to identify both current and ongoing costs and the effect on the district's financial position. Board policies have been established that identify the negotiating team and direction from the board.
2. The district continues to have financial management staff involved in the negotiation process to ensure that fiscal issues are clearly delineated for the negotiator, State Administrator, Interim Superintendent, and Governing Board. Currently, the Interim Chief Financial Officer serves on the district's negotiating team.
3. The district has implemented the recommendation that any proposed settlements should be analyzed by the implementers team, including a financial advisor for financial impact analysis, within a 24-hour period. For significant proposals including but not limited to salaries or benefits, a full financial analysis is conducted to determine the financial feasibility and to ensure that the district can fund the obligations on both a current-year and ongoing basis.
4. The district's AB 1200 disclosures to the county office for all required negotiations that resulted in ultimate settlements were documented and reviewed. Upon the positive response from the county office a resolution for ratification of the tentative agreement is prepared for the State Administrator/Governing Board.
5. The district is negotiating with all unions and has demonstrated and sustained sound management practices in the collective bargaining process.

## Standard Implemented: Fully - Substantially

January 2000 Rating: 2  
September 2003 Rating: 0  
March 2004 Rating: 2  
September 2004 Rating: 4  
September 2005 Rating: 4  
September 2006 Rating: 6  
November Rating: 7  
December 2008 Self-Rating: 8  
December 2008 New Rating: 8



## 19.2 Food Service Fiscal Controls—Program Compliance

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### Professional Standard

The district should operate the food service programs in accordance with applicable laws and regulations.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district implemented the recommendation to have the food services program reviewed for compliance with legal and regulatory requirements. The program was reviewed by the CDE Nutrition Services Division in 2005-06 and while there were areas of noncompliance, corrective actions were found to be documented. The National School Lunch Program (K-12) was reviewed during the 2007-08 fiscal year but the results were not available at the time of our review. The district anticipates that the Child Care Food Program will be under review and audited for the 2008-09 fiscal year.
2. FCMAT recommends that the Food Services Manager more closely monitor cash investments at least monthly, and as often as weekly if necessary. This includes the clearing account at the local bank to deposit funds until the funds can be transferred to the County Treasurer's Office. The Food Service Department should review its policies and processes so that funds do not reside in the clearing account for an extended period of time. The district should also investigate using an account that maximizes the interest on the balance. The cafeteria fund had cash deposits that exceeded the amount insured by the Federal Deposit Insurance Corporation. While FDIC has increased the amount regarding insured funds from \$100,000 to \$250,000, the district should continually review all funds exceeding this threshold. As confidence continues to erode in the financial markets, safeguarding cash investments should move to the forefront of the department's fiduciary responsibilities and should be carried out using prudent investment standards in accordance with government code.
3. Although not current, the FCMAT study team reviewed the completion of the district's 2005-06 Audit Report dated July, 2008. The report contains numerous audit findings including the following:
  - **Finding #06-29:** National School Lunch Program: expenditure and reimbursement claim internal control weaknesses; the audit report contains numerous findings and procedural errors regarding meal count summaries, insufficient funds encumbered to pay invoices, payments being made from statements not invoices.
  - **Finding #06-30:** National School Lunch Program: discrepancies in reconciling reimbursement claims; reimbursement claims for the lunch program did not reconcile with the supporting documentation for eight of the 12 months reviewed.
  - **Finding #06-31:** National School Lunch Program; eligibility verification weaknesses; the audit report identified weaknesses in documentation for eligibility applications. Specifically, the independent students identified for the program had no applications on file.

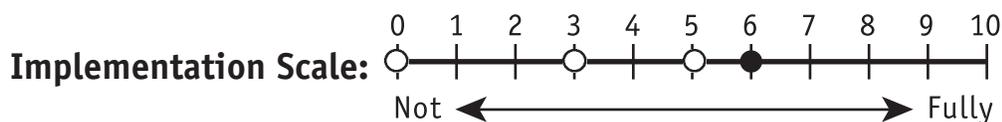
- **Finding #06-32:** Insufficient documentation: the district lacked adequate documentation to support reimbursable claims.

The total amount of the questioned costs in the 2005-06 Audit Report equaled \$60,137 according to district supported documentation. Staff has responded accordingly to all audit findings and none were found to be material.

4. According to the district’s 2007-08 unaudited actuals, the cafeteria fund had an excess of \$489,857 in expenditures over revenues or deficit spent in that amount. While this planned deficit spending included new servers, vending programs, catering programs, uniforms and floating positions, the cafeteria fund is projected to increase revenues to \$3,934,072 for the 2008-09 fiscal year and eliminate any projected deficit spending included in the adoption budget.
5. In an effort to reduce the district’s contribution to the local landfill, Food Services will begin piloting the “Go Green” campaign. This program projects that the district contributes an estimated 508 tons of paper and foam products to the landfill. The program includes a pilot or test for both Franklin and Lincoln Schools and proposes to utilize vinyl compartment trays instead of paper and foam products and is projected to eliminate 31 tons of paper waste.
6. To ensure continued fiscal accountability in the cafeteria fund, the district has redesigned the accounting function and has added to the support staff with the primary goal of establishing profit and loss statements for sites and to avoid any encroachment to the General Fund. The Food Services department is proposing to significantly increase meal participation through new programs that also include providing services to charter schools.
7. The district continues to expand its point-of-sale system to an additional 20 sites through use of its 2007-08 surplus carryover. Plans are for the system to eventually expand to all school sites to provide better management of sales, meal counts, eligibility, inventory, reimbursement, and general accounting and reporting.

**Standard Implemented: Partially**

January 2000 Rating:	0
September 2003 Rating:	0
March 2004 Rating:	3
September 2004 Rating:	3
September 2005 Rating:	3
September 2006 Rating:	3
November 2007 Rating:	5
December 2008 Self-Rating:	6
December 2008 New Rating:	6



## 22.1 Special Education—Cost and Quality

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### Professional Standard

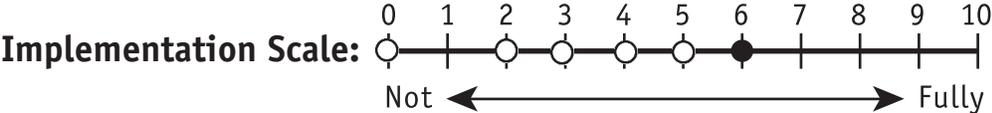
The district should actively take measures to contain the cost of special education services while still providing an appropriate level of quality instructional and pupil services to special education pupils.

### Progress on Implementing the Recommendations of the Recovery Plan

1. The district's special education encroachment has increased from \$11,980,032 in the 2007-08 fiscal year to a projection of \$12,602,786 for the 2008-09 fiscal year. The district continues to review and refine program efforts within the parameters of the federal maintenance-of-effort requirements unless the district can obtain a waiver from the state and federal departments of education. To date, no such waiver has been granted. The increase in the contributions amount is directly related to the loss of revenue (students) or approximately \$622,754 from the revenue limit transfer generated in the revenue limit calculation. The special education program operates as a single-district SELPA.
2. In September 2007, FCMAT issued a report on the district's special education program at the district's request, identifying many areas of needed improvement. The district has made substantial progress and has developed processes and procedures to monitor the cost and level of service provided for special education students. Other than the statutory costs for step and column, statutory benefits and health and welfare benefits, costs appeared to have been contained when analyzing the 2007-08 unaudited actuals versus costs for the 2008-09 fiscal year. The current focus is to continue the monitoring and cost of nonpublic agency placements and reduce inappropriate referrals in the area of speech and language. All work and progress in the monitoring of special education costs is through a collaborative effort with the Chief Academic Officer and the Superintendent's cabinet.
3. The district continues to have the Special Education Department work with the personnel and budget offices to identify and reconcile all its positions, FTEs, and salary and benefit costs. The districts revised policies and procedures for position control have assisted greatly in the tracking and monitoring of positions charged to resource 6500, Special Education.
4. The district has hired a new Demographer who has brought demonstrated expertise in the development of the student enrollment forecasts. At a minimum, the modified cohort analysis will assist the district in projecting grade level cohorts for student enrollment projections including special education students. The Special Education Department, in conjunction with the Budget Office, will need to continue to evaluate its methods for projecting enrollment to ensure that all students are correctly identified. The district is attempting to operate and staff its special education programs more effectively. Once the projected student population has been identified, a critical evaluation of student needs should be undertaken to determine the most effective manner for locating and operating the special education programs.

**Standard Implemented: Partially**

January 2000 Rating: 0  
September 2003 Rating: 0  
March 2004 Rating: 2  
September 2004 Rating: 3  
September 2005 Rating: 4  
September 2006 Rating: 5  
November 2007 Rating: 5  
December 2008 Self-Rating: 6  
December 2008 New Rating: 6



# **Table of Standards for Financial Management**



<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
1.1	Integrity and ethical behavior are the product of the district's ethical and behavioral standards, how they are communicated, and how they are reinforced in practice. All management-level personnel should exhibit high integrity and ethical values in carrying out their responsibilities and directing the work of others. [Statement Auditing Standards (SAS) -55, SAS-78]	7	4	NR	NR	NR	NR	NR	NR
1.2	<b>The district should have an audit committee to: (1) help prevent internal controls from being overridden by management; (2) help ensure ongoing state and federal compliance; (3) provide assurance to management that the internal control system is sound; and, (4) help identify and correct inefficient processes. [SAS-55, SAS-78]</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>6</b>
1.3	The attitude of the Governing Board and key administrators has a significant affect on an organization's internal control. An appropriate attitude should balance the programmatic and staff needs with fiscal realities in a manner that is neither too optimistic nor too pessimistic. [SAS-55, SAS-78]	3	0	NR	NR	NR	NR	NR	NR
1.4	The organizational structure should clearly identify key areas of authority and responsibility. Reporting lines should be clearly identified and logical within each area. [SAS-55, SAS-78]	4	2	NR	NR	NR	NR	NR	Nr
1.5	Management should have the ability to evaluate job requirements and match the requirements to the employee's skills. [SAS-55, SAS-78]	2	0	NR	NR	NR	NR	NR	NR
1.6	<b>The district should have procedures for recruiting capable financial management and staff, and hiring competent people. [SAS-55, SAS-78]</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report. NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
1.7	<b>All employees should be evaluated on performance at least annually by a management-level employee knowledgeable about their work product. The evaluation criteria should be clearly communicated and, to the extent possible, measurable. The evaluation should include a follow-up on prior performance issues and establish goals to improve future performance.</b>	3	2	2	3	3	3	5	6
1.8	The responsibility for reliable financial reporting resides first and foremost at the district level. Top management sets the tone and establishes the environment. Therefore, appropriate measures must be implemented to discourage and detect fraud (SAS 82; Treadway Commission).	2	0	NR	NR	NR	NR	NR	NR
2.1	The business and operational departments should communicate regularly with internal staff and all user departments regarding their responsibilities for accounting procedures and internal controls. The communications should be written whenever possible, particularly when it (1) affects many staff or user groups; (2) is an issue of high importance; or, (3) when the communication reflects a change in procedures. Procedure manuals are necessary to communicate responsibilities. The departments also should be responsive to user department needs, thus encouraging a free exchange of information between the two (excluding items of a confidential nature).	3	2	NR	NR	NR	NR	NR	NR
2.2	The financial departments should communicate regularly with the Governing Board and community on the status of district finances and the financial impact of proposed expenditure decisions. The communications should be written whenever possible, particularly when it affects many community members, is an issue of high importance to the district and board, or reflects a change in policies.	7	4	NR	NR	NR	NR	NR	NR

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
2.3	The Governing Board should be engaged in understanding globally the fiscal status of the district, both current and as projected. The Governing Board should prioritize district fiscal issues among the top discussion items.	8	0	NR	NR	NR	NR	NR	NR
2.4	<b>The District should have formal policies and procedures that provide a mechanism for individuals to report illegal acts, establish to whom illegal acts should be reported and provide a formal investigative process.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
3.1	Develop and use a professional development plan, i.e., training business staff. The development of the plan should include the input of business office supervisors and managers. The staff development plan should at a minimum identify appropriate programs officewide. At best, each individual staff and management employee should have a plan designed to meet their individual professional development needs.	0	0	NR	NR	NR	NR	NR	NR
3.2	Develop and use a professional development plan for the in-service training of school site/department staff by business staff on relevant business procedures and internal controls. The development of the plan should include the input of the business office and the school sites/departments, and be updated annually.	2	2	NR	NR	NR	NR	NR	NR
4.1	The Governing Board should adopt policies establishing an internal audit function that reports directly to the Superintendent and the audit committee or Governing Board.	0	0	NR	NR	NR	NR	NR	NR
4.2	<b>Qualified staff should be assigned to conduct internal audits and be supervised by an independent body, such as an audit committee.</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>5</b>
4.3	Internal audit findings should be reported on a timely basis to the audit committee, Governing Board and administration, as appropriate. Management should then take timely action to follow up and resolve audit findings.	0	0	NR	NR	NR	NR	NR	NR

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report. NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
4.4	<b>Internal audit functions should be designed into the organizational structure of the district. These functions should include periodic internal audits of areas at high risk for non-compliance with laws and regulations and/or at high risk for monetary loss. (Added since the 2000 Report)</b>	New	0	0	1	1	2	3	5
5.1	The budget development process requires a policy-oriented focus by the Governing Board to develop an expenditure plan, which fulfills the district's goals and objectives. The Governing Board should focus on expenditure standards and formulas that meet the district goals. The Governing Board should avoid specific line item focus, but should direct staff to design an overall expenditure plan focusing on student and district needs.	4	0	NR	NR	NR	NR	NR	NR
5.2	The budget development process includes input from staff, administrators, board and community.	8	0	NR	NR	NR	NR	NR	NR
5.3	Policies and regulations exist regarding budget development and monitoring.	6	2	NR	NR	NR	NR	NR	NR
5.4	The district should have a clear process to analyze resources and allocations to ensure that they are aligned with strategic planning objectives and that the budget reflects the priorities of the district.	6	0	NR	NR	NR	NR	NR	NR
5.6	<b>The district must have an ability to accurately reflect their net ending balance throughout the budget monitoring process. The first and second interim reports should provide valid updates of the district's net ending balance. The district should have tools and processes that ensure that there is an early warning of any discrepancies between the budget projections and actual revenues or expenditures.</b>	0	0	2	3	4	5	6	6
5.7	The district should have policies to facilitate development of budget that is understandable, meaningful, reflective of district priorities, and balanced in terms of revenues and expenditures. (Added since the 2000 Report)	New	0	NR	NR	NR	NR	NR	NR

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
6.1	<b>The Budget Office should have a technical process to build the preliminary budget that includes: the forecast of revenues, the verification and projection of expenditures, the identification of known carryover and accruals, and the inclusion of expenditure plans. The process should clearly identify one-time sources and uses of funds. Reasonable Average Daily Attendance (ADA) and Cost of Living Adjustment (COLA) estimates should be used when planning and budgeting. This process should be applied to all funds.</b>	3	0	2	3	3	5	7	7
6.2	An adopted budget calendar exists that meets legal and management requirements. At a minimum, the calendar should identify statutory due dates and major budget development activities.	8	8	NR	NR	NR	NR	NR	NR
6.3	Standardized budget worksheets should be used in order to communicate budget requests, budget allocations, formulas applied and guidelines.	7	7	NR	NR	NR	NR	NR	NR
7.1	The district should adopt its annual budget within the statutory time lines established by Education Code Section 42103, which requires that on or before July 1, the Governing Board must hold a public hearing on the budget to be adopted for the subsequent fiscal year. Not later than five days after that adoption or by July 1, whichever occurs first, the Governing Board shall file the budget with the county superintendent of schools. [EC 42127(a)]	8	8	NR	NR	NR	NR	NR	NR
7.2	Revisions to expenditures based on the State Budget should be considered and adopted by the Governing Board. Not later than 45 days after the Governor signs the annual Budget Act, the district shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect funding available by that Budget Act. [EC 42127(2) and 42127(i)(4)]	5	0	NR	NR	NR	NR	NR	NR

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report. NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
7.3	<b>The district should have procedures that provide for the development and submission of a district budget and interim reports that adhere to criteria and standards and is approvable by the county office of education.</b>	7	0	3	3	3	4	6	6
7.4	The district should complete and file its interim budget reports within the statutory deadlines established by Education Code Section 42130, et seq.	4	0	NR	NR	NR	NR	NR	NR
7.5	The district should arrange for an annual audit (single audit) within the deadlines established by Education Code Section 41020.	8	8	NR	NR	NR	NR	NR	NR
7.6	Standard management practice dictates the use of an audit committee.	0	0	NR	NR	NR	NR	NR	NR
7.7	<b>The district should include in its audit report, but not later than March 15, a corrective action for all findings disclosed as required by Education Code Section 41020.</b>	3	0	0	3	3	4	5	6
7.8	The district must file certain documents/reports with the state as follows: <ul style="list-style-type: none"> <li>• J-200 series - (Education Code Section 42100)</li> <li>• J-380 series – CDE procedures</li> <li>• Interim financial reports - (Education Code Section 42130)</li> <li>• J-141 transportation report (Title V, article 5, Section 15270)</li> </ul>	3	2	NR	NR	NR	NR	NR	NR
7.9	<b>The district must comply with Governmental Accounting Standard No. 34 (GASB 34) for the period ending June 30, 2003. GASB 34 requires the district to develop policies and procedures and report in the annual financial reports on the modified accrual basis of accounting and the accrual basis of accounting. (Added since the 2000 Report)</b>	New	0	2	2	2	2	4	6

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
<b>7.10</b>	<b>The first and second interim reports should show an accurate projection of the ending fund balance. Material differences should be presented to the board of education with detailed explanations. (Added since the 2000 Report)</b>	New	0	2	3	4	5	6	6
7.11	Education Code Section 410209(c)(d) (e)(g) establishes procedures for local agency audit obligations and standards. Pursuant to Education Code Section 41020(h), the district should submit to the county superintendent of schools in the county that the district resides, the State Department of Education, and the State Controller's Office an audit report for the preceding fiscal year. This report must be submitted "no later than December 15." (Added since the 2000 Report)	New	0	NR	NR	NR	NR	NR	NR
<b>8.1</b>	<b>All purchase orders are properly encumbered against the budget until payment. The district should have controls in place that ensure adequate funds are available prior to incurring financial obligations (Reworded since the 2000 Report)</b>	0	0	2	2	3	4	5	6
<b>8.2</b>	<b>There should be budget monitoring controls, such as periodic reports, to alert department and site managers of the potential for overexpenditure of budgeted amounts. Revenue and expenditures should be forecast and verified monthly.</b>	0	0	2	3	3	4	5	6
8.3	Budget revisions are made on a regular basis and occur per established procedures and are approved by the board.	8	2	NR	NR	NR	NR	NR	NR
<b>8.4</b>	<b>The district uses an effective position control system, which tracks personnel allocations and expenditures. The position control system effectively establishes checks and balances between personnel decisions and budgeted appropriations.</b>	4	2	2	2	3	5	6	6

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report. NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
<b>8.5</b>	<b>The routine restricted maintenance account should be analyzed routinely to ensure that income has been properly claimed and expenditures within the guidelines provided by the State Department of Education. The district budget should include specific budget information to reflect the expenditures against the routine maintenance account. (Added since the 2000 Report)</b>	New	1	2	3	4	5	6	7
8.6	The district should monitor both the revenue limit calculation and the special education calculation at least quarterly to adjust for any differences between the financial assumptions used in the initial calculations and the final actuals as they are known. (Added since the 2000 Report)	New	0	NR	NR	NR	NR	NR	NR
8.7	The district should be monitoring the site reports of revenues and expenditures provided. (Added since the 2000 Report)	New	0	NR	NR	NR	NR	NR	NR
9.1	The district budget should be a clear manifestation of district policies and should be presented in a manner that facilitates communication of those policies.	2	0	NR	NR	NR	NR	NR	NR
9.2	Clearly identify one-time source and use of funds.	5	3	NR	NR	NR	NR	NR	NR
<b>10.1</b>	<b>The Governing Board must review and approve, at a public meeting and on a quarterly basis, the district's investment policy. [GC 53646]</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>11.1</b>	<b>An accurate record of daily enrollment and attendance is maintained at the sites and reconciled monthly.</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>
11.2	Policies and regulations exist for Independent Study, Home Study, inter/intradistrict agreements and districts of choice, and should address fiscal impact.	5	5	NR	NR	NR	NR	NR	NR
11.3	Students should be enrolled by staff and entered into the attendance system in an efficient, accurate and timely manner.	7	7	NR	NR	NR	NR	NR	NR

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
<b>11.4</b>	<b>At least annually, the district should verify that each school bell schedule meets instructional time requirements for minimum day, year and annual minute requirements.</b>	<b>6</b>	<b>6</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>7</b>
11.5	Procedures should be in place to ensure that attendance accounting and reporting requirements are met for alternative programs, such as ROC/P and adult education.	8	6	NR	NR	NR	NR	NR	NR
11.6	The district should have standardized and mandatory programs to improve the attendance rate of pupils. Absences should be aggressively followed up by district staff.	0	3	NR	NR	NR	NR	NR	NR
11.7	School site personnel should receive periodic and timely training on the district's attendance procedures, system procedures and changes in laws and regulations.	4	3	NR	NR	NR	NR	NR	NR
11.8	Attendance records shall not be destroyed until after the third July 1 succeeding the completion of the audit (Title V, CCR, Section 16026).	4	4	NR	NR	NR	NR	NR	NR
11.9	The district should make appropriate use of short-term independent study and Saturday school programs as alternative methods for pupils to keep current on classroom course work.	8	6	NR	NR	NR	NR	NR	NR
12.1	The district should adhere to the California School Accounting Manual (CSAM) and Generally Accepted Accounting Principles (GAAP) as required by Education Code Section 41010. Furthermore, adherence to CSAM and GAAP helps to ensure that transactions are accurately recorded and financial statements are fairly presented.	9	0	NR	NR	NR	NR	NR	NR

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
12.2	<b>The district should timely and accurately record all information regarding financial activity for all programs (unrestricted and restricted).  Generally Accepted Accounting Principles (GAAP) require that in order for financial reporting to serve the needs of the users, it must be reliable and timely. Therefore, the timely and accurate recording of the underlying transactions (revenue and expenditures) is an essential function of the district's financial management.</b>	9	0	2	3	3	4	5	6
12.3	<b>The district should forecast its revenue and expenditures and verify those projections on a monthly basis in order to adequately manage its cash. In addition, the district should reconcile its cash to bank statements and reports from the county treasurer on a monthly basis. Standard accounting practice dictates that, in order to ensure that all cash receipts are deposited timely and recorded properly, cash be reconciled to bank statements on a monthly basis.</b>	7	0	2	3	3	4	5	5
12.4	<b>The district's payroll procedures should be in compliance with the requirements established by the Alameda County Office of Education, unless fiscally independent (Education Code Section 42646). Standard accounting practice dictates that the district implement procedures to ensure the timely and accurate processing of payroll.</b>	3	3	3	3	3	4	6	7
12.5	<b>Standard accounting practice dictates that the accounting work should be properly supervised and work reviewed in order to ensure that transactions are recorded timely and accurately, and allow the preparation of periodic financial statements.</b>	9	0	2	3	3	5	7	8

The identified subset of standards appears in bold print. Narratives for these standards are provided in this report.  
NR indicates standard not reviewed

<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
12.6	Federal and state categorical programs, either through specific program requirements or through general cost principles such as OMB Circular A-87, require that entities receiving such funds must have an adequate system to account for those revenues and related expenditures.	9	0	NR	NR	NR	NR	NR	NR
12.7	<b>Generally accepted accounting practices dictate that, in order to ensure accurate recording of transactions, the district should have standard procedures for closing its books at fiscal year-end. The district's year-end closing procedures should be in compliance with the procedures and requirements established by the Alameda County Office of Education.</b>	2	0	3	3	4	5	6	7
12.8	The district should comply with the bidding requirements of Public Contract Code Section 20111. Standard accounting practice dictates that the district have adequate purchasing and warehousing procedures to ensure that only properly authorized purchases are made, that authorized purchases are made consistent with district policies and management direction, that inventories are safeguarded, and that purchases and inventories are timely and accurately recorded.	2	2	NR	NR	NR	NR	NR	NR
12.9	The district has documented procedures for the receipt, expenditure and monitoring of all construction-related activities. Included in the procedures are specific requirements for the approval and payment of all construction-related expenditures.	8	2	NR	NR	NR	NR	NR	NR
12.10	<b>The accounting system should have an appropriate level of controls to prevent and detect errors and irregularities.</b>	6	2	2	2	3	4	5	6
13.1	The Governing Board adopts policies and procedures to ensure compliance regarding how student body organizations deposit, invest, spend, raise and audit student body funds. [EC 48930-48938]	5	5	NR	NR	NR	NR	NR	NR

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<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
13.2	Proper supervision of all student body funds shall be provided by the board. [EC 48937] This supervision includes establishing responsibilities for managing and overseeing the activities and funds of student organizations, including providing procedures for the proper handling, recording and reporting of revenues and expenditures.	5	5	NR	NR	NR	NR	NR	NR
13.3	In order to provide for oversight and control, the California Department of Education recommends that periodic financial reports be prepared by sites, and then summarized by the district office.	0	0	NR	NR	NR	NR	NR	NR
13.4	In order to provide adequate oversight of student funds and to ensure the proper handling and reporting, the California Department of Education recommends that internal audits be performed. Such audits should review the operation of student body funds at both district and site levels.	0	0	NR	NR	NR	NR	NR	NR
<b>14.1</b>	<b>A reliable computer program that provides reliable multiyear financial projections is used.</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<b>14.2</b>	<b>The district annually provides a multiyear revenue and expenditure projection for all funds of the district. Projected fund balance reserves should be disclosed. [EC 42131] The assumptions for revenues and expenditures should be reasonable and supportable.</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
14.3	Multiyear financial projections should be prepared for use in the decision-making process, especially whenever a significant multiyear expenditure commitment is contemplated. [EC 42142]	0	0	NR	NR	NR	NR	NR	NR
15.1	Comply with public disclosure laws of fiscal obligations related to health and welfare benefits for retirees, self-insured workers compensation, and collective bargaining agreements. [GC 3540.2, 3547.5, EC 42142]	2	2	NR	NR	NR	NR	NR	NR

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<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
15.2	When authorized, the district should only use nonvoter approved, long-term financing such as certificates of participation (COPS), revenue bonds, and lease-purchase agreements (capital leases) to address capital needs, and not operations. Further, the general fund should be used to finance current school operations, and in general should not be used to pay for these types of long-term commitments.	0	0	NR	NR	NR	NR	NR	NR
15.3	For long-term liabilities/debt service, the district should prepare debt service schedules and identify the dedicated funding sources to make those debt service payments. The district should project cash receipts from the dedicated revenue sources to ensure that it will have sufficient funds to make periodic debt payments. The cash flow projections should be monitored on an ongoing basis to ensure that any variances from projected cash flows are identified as early as possible, in order to allow the district sufficient time to take appropriate measures or identify alternative funding sources.	6	3	NR	NR	NR	NR	NR	NR

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<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
16.1	<b>The State Administrator/Governing Board must ensure that any guideline that they develop for collective bargaining is fiscally aligned with the instructional and fiscal goals on a multiyear basis. The State Administrator/Governing Board must ensure that the district has a formal process where collective bargaining multiyear costs are identified and expenditure changes/reductions are identified and implemented as necessary prior to any imposition of new collective bargaining obligations. The State Administrator/Governing Board must ensure that there is a validation of the costs and the projected district revenues and expenditures on a multiyear basis so that the fiscal resources are sufficient to fund collective bargaining settlements on an ongoing basis. The public should be informed about budget reductions that will be required for a bargaining agreement prior to any contract acceptance by the Governing Board. The public should be given an opportunity to comment. (Reworded since the 2000 Report).</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>7</b>	<b>8</b>
17.1	There should be a process in place for fiscal input and planning of the district technology plan. The goals and objectives of the technology plan should be clearly defined. The plan should include both the administrative and instructional technology systems. There should be a summary of the costs of each objective and a financing plan should be in place.	5	3	NR	NR	NR	NR	NR	NR

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<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
17.2	Management information systems must support users with information that is relevant, timely, and accurate. Needs assessments must be performed to ensure that users are involved in the definition of needs, development of system specifications, and selection of appropriate systems. Additionally, district standards must be imposed to ensure the maintainability, compatibility, and supportability of the various systems. The district must also ensure that all systems are compliant with the new Standardized Account Code Structure (SACS), year 2000 requirements, and are compatible with county systems with which they must interface.	5	5	NR	NR	NR	NR	NR	NR
17.3	Automated systems should be used to improve accuracy, timeliness, and efficiency of financial and reporting systems. Needs assessments should be performed to determine what systems are candidates for automation, whether standard hardware and software systems are available to meet the need, and whether or not the district would benefit. Automated financial systems should provide accurate, timely, relevant information and should conform to all accounting standards. The systems should also be designed to serve all of the various users inside and outside the district. Employees should receive appropriate training and supervision in the operation of the systems. Appropriate internal controls should be instituted and reviewed periodically.	5	5	NR	NR	NR	NR	NR	NR
17.4	Cost/benefit analyses provide an important basis upon which to determine which systems should be automated, which systems best meet defined needs, and whether internally generated savings can provide funding for the proposed system. Cost/benefit analyses should be complete, accurate, and include all relevant factors.	9	5	NR	NR	NR	NR	NR	NR

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<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
17.5	Selection of information systems technology should conform to legal procedures specified in the Public Contract Code. Additionally, there should be a process to ensure that needs analyses, cost/benefit analyses, and financing plans are in place prior to commitment of resources. The process should facilitate involvement by users, as well as information services staff, to ensure that training and support needs and costs are considered in the acquisition process.	9	6	NR	NR	NR	NR	NR	NR
17.6	Major technology systems should be supported by implementation and training plans. The cost of implementation and training should be included with other support costs in the cost/benefit analyses and financing plans supporting the acquisition.	9	4	NR	NR	NR	NR	NR	NR
17.7	Food service software should permit point-of-sale transaction processing for maximum efficiency. (Added since the 2000 Report)	New	0	NR	NR	NR	NR	NR	NR
17.8	Administrative system users should be adequately trained in the use of administrative systems and should receive periodic training updates to ensure that they remain aware of system changes and capabilities. (Added since the 2000 Report)	New	0	NR	NR	NR	NR	NR	NR
17.9	Business office computers, computer screens, operating systems, and software applications used for administrative system access should be kept up to date. (Added since the 2000 Report)	New	2	NR	NR	NR	NR	NR	NR
18.1	The district has a comprehensive risk management program. The district should have a program that monitors the various aspects of risk management including workers compensation, property and liability insurance, and maintains the financial well being of the district.	3	3	NR	NR	NR	NR	NR	NR
18.2	The district should have a work order system that tracks all maintenance requests, the worker assigned, dates of completion, labor time spent and the cost of materials.	5	5	NR	NR	NR	NR	NR	NR

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<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
18.3	The district should control the use of facilities and charge fees for usage in accordance with district policy.	4	3	NR	NR	NR	NR	NR	NR
18.4	The maintenance department should follow standard district purchasing protocols. Open purchase orders may be used if controlled by limiting the employees authorized to make the purchase and the amount.	0	0	NR	NR	NR	NR	NR	NR
18.5	District-owned vehicles should only be used for district purposes. Fuel should be inventoried and controlled as to use.	3	3	NR	NR	NR	NR	NR	NR
18.6	Vending machine operations are subject to policies and regulations set by the State Board of Education. All contracts specifying these should reflect these policies and regulations. An adequate system of inventory control should also exist. [EC 48931]	2	2	NR	NR	NR	NR	NR	NR
18.7	Capital equipment and furniture should be tagged as district-owned property and inventoried at least annually.	7	7	NR	NR	NR	NR	NR	NR
18.8	The district should adhere to bid and force account requirements found in the Public Contract Code (Sections 20111 and 20114). These requirements include formal bids for materials, equipment and maintenance projects that exceed \$50,000; capital projects of \$15,000 or more; and, labor when the job exceeds 750 hours or the materials exceed \$21,000.	0	0	NR	NR	NR	NR	NR	NR
18.9	Materials and equipment/tools inventory should be safeguarded from loss through appropriate physical and accounting controls. (Added since the 2000 Report)	New	0	NR	NR	NR	NR	NR	NR

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<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
19.1	In order to accurately record transactions and to ensure the accuracy of financial statements for the cafeteria fund in accordance with generally accepted accounting principles, the district should have adequate purchasing and warehousing procedures to ensure that: <ul style="list-style-type: none"> <li>• Only properly authorized purchases are made consistent with district policies, federal guidelines, and management direction.</li> <li>• Adequate physical security measures are in place to prevent the loss/theft of food inventories.</li> <li>• Revenues, expenditures, inventories, and cash are recorded timely and accurately.</li> </ul>	3	3	NR	NR	NR	NR	NR	NR
<b>19.2</b>	<b>The district should operate the food service programs in accordance with applicable laws and regulations.</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>6</b>
20.1	In the process of reviewing and approving Charter schools, the district should identify/establish minimal financial management and reporting standards that the Charter school will follow. These standards/procedures will provide some level of assurance that finances will be managed appropriately, and allow the district to monitor the Charter. The district should monitor the financial management and performance of the charter schools on an ongoing basis, in order to ensure that the resources are appropriately managed.	9	6	NR	NR	NR	NR	NR	NR
21.1	The district should have procedures that provide for the appropriate oversight and management of mandated cost claim reimbursement filing. Appropriate procedures would cover: the identification of new mandates for which the district might be eligible for reimbursement; identification of changes to existing mandates; training staff regarding the appropriate collection and submission of data to support the filing of mandated costs claims; forms, formats, and time lines for reporting mandated cost information; and, review of data and preparation of the actual claims.	2	2	NR	NR	NR	NR	NR	NR

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<b>Standard to be addressed</b>		Jan. 2000 rating	Sept. 2003 rating	March 2004 rating	Sept. 2004 rating	Sept. 2005 rating	Sept. 2006 rating	Nov. 2007 rating	Dec. 2008 rating
22.1	<b>The district should actively take measures to contain the cost of special education services while still providing an appropriate level of quality instructional and pupil services to special education pupils.</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>6</b>

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