



Paso Robles Public Schools

Special Education Review

September 11, 2009

Joel D. Montero
Chief Executive Officer



September 11, 2009

Kathleen McNamara, Ed.D., Superintendent
Paso Robles Public Schools
800 Niblick Road
Paso Robles, California 93446

Dear Superintendent McNamara:

In July 2009, the Paso Robles Public Schools and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for a study of the district's special education programs and services. Specifically, the agreement stated that FCMAT would do the following:

1. Determine if it would be cost effective for the district to operate additional special education programs for students with special needs rather than contracting with the San Luis Obispo County Office of Education to provide certain specialized services.
2. Review the organizational structure and staffing of the district's special education programs and services and provide recommendations for restructuring if the district plans to take back programs from the San Luis Obispo County Office of Education.

The attached final report contains the study team's findings with regard to the above areas of review. We appreciate the opportunity to serve you, and we extend our thanks to all the staff of the Paso Robles Public Schools.

Sincerely,

Joel D. Montero
Chief Executive Officer

FCMAT

Joel D. Montero, Chief Executive Officer

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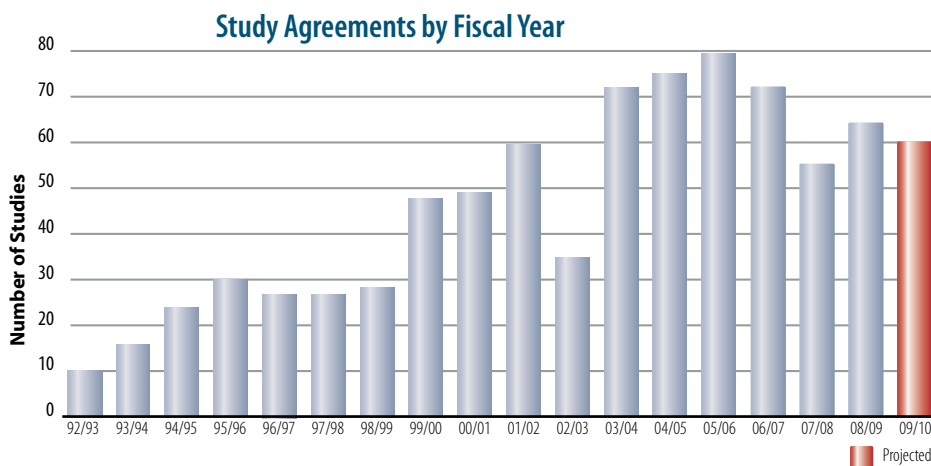
Foreword - FCMAT Background

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies (LEAs) in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that LEAs throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district's progress on the improvement plans.

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

Since 1992, FCMAT has been engaged to perform nearly 750 reviews for local educational agencies, including school districts, county offices of education, charter schools and community colleges. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.



Total Number of Studies..... 743

Total Number of Districts in CA..... 982

- Management Assistance..... 705 (94.886%)
- Fiscal Crisis/Emergency 38 (5.114%)

Note: Some districts had multiple studies.

- Districts (7) that have received emergency loans from the state.
(Rev. 1/22/09)

Introduction

Background

Paso Robles Public Schools is located in northern San Luis Obispo County on the central California coast. The district serves approximately 6,850 students in six elementary schools, two middle schools, one high school, one continuation school, one alternative school and one community day school.

The district's students with severe disabilities have historically been served by the San Luis Obispo County Office of Education through the regionalized service plan of the San Luis Obispo SELPA. This leaves the district with little local control over any aspect of the programs for its students even though the programs are located on district campuses. Transfer of programs would allow the district to more effectively respond to parents' concerns. The district has requested this study to review the feasibility of the taking back the operation of these programs into the district.

In July 2009 the Paso Robles Public Schools requested FCMAT's assistance to review the district's and county's special education programs and services. The study agreement specifies that FCMAT will perform the following.

1. Determine if it would be cost effective for the district to operate additional special education programs for students with special needs rather than contracting with the San Luis Obispo County Office of Education.
2. Review the organizational structure and staffing of the district's special education programs and services and provide recommendations for restructuring if the district plans to take back programs from the San Luis Obispo County Office of Education.

Study Guidelines

FCMAT visited the district from July 20-22, 2009, to conduct interviews of county office and district staff, collect data and review documents. This report is the result of those activities and is divided into the following sections:

- I. Executive Summary
- II. Regional Program Transfer
- III. Fiscal Review of Program Operation
- IV. Organizational Review
- V. Appendices

Study Team

The study team was composed of the following members:

William P. Gillaspie, Ed.D
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Fiscal Crisis and Management
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Sacramento, California

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FCMAT Special Education Consultant
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Laura Haywood
Public Information Specialist
Fiscal Crisis and Management
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Executive Summary

Paso Robles Public Schools is committed to the concept of transferring special education programs operated by the San Luis Obispo County Office of Education (county office) to the district. The study team identified five major areas of benefit to the Paso Robles students and district if 11 county-operated programs were transferred.

1. Local Control of Programs and Services

The county office retains full responsibility for program design, delivery, curriculum and staff supervision in the current model. This leaves the district with little local control over any aspect of the programs for its students even though the programs are located on district campuses. Transfer of programs would allow the district to more effectively respond to parents' concerns.

2. Flexibility in Service Provision

Flexibility in meeting individual student needs is limited when programs are contracted outside the home school district. In-district programs would offer a smoother transition along the full continuum of services.

3. Streamlined Referral Process

Students referred to county programs go through an additional intake process that can result in delayed services. District operation of these programs would eliminate this process, reduce referral time and cut costs.

4. Enhanced Education Opportunities

District-operated programs are considered part of the total school program, while county programs are more isolated. Students in district programs would have increased access to extracurricular and other schoolwide activities.

5. Cost Containment

The average encroachment of special education in California on districts' general funds is about 25%, but in many districts it reaches 50% or more. The encroachment in Paso Robles is approximately 60%. The cost of contracting for special education services with the county office, including program delivery and transportation, has increased each year. Transferring programs to the district offers opportunities to better contain those costs. The savings is estimated to be \$702,000 annually.

The district has followed the initial steps outlined in the SELPA Local Plan for transferring regional programs to the district, and has until October 2009 to finalize its decision. FCMAT reviewed the administrative structure of special education to determine the need for additional supports to facilitate a successful program transition. FCMAT recommends

adding at least one half-time psychologist and one to two speech pathologists to meet the increased service needs. No additional administrative supports are necessary.

Much needs to be done to define the roles and responsibilities of school site principals in the transition to district-based programs. A review of the physical location of programs will be necessary to ensure a balance of special education programs across the district. Training and support is needed for principals and general and special education staff.

The district's commitment to the successful transition of its students from county- to district-provided programs is evident. There is a strong focus on serving students and partnering with parents. A transition of this type is challenging and multifaceted, but the district has demonstrated a positive resolve and careful planning in its preliminary efforts that should ensure a successful and seamless transition to district programs.

Findings and Recommendations

Regional Program Transfer

Programs and Services

Although county special education programs are located on district sites, they operate in isolation from the schools. Special education students and staff have limited interaction with other students and staff. Teachers are hired, supervised and evaluated by the county office, which does not encourage involvement on the part of school site administrators. The county office also assumes full oversight of program design, curriculum and staff development.

The district can offer little information when it receives calls/concerns from parents over their student's county-provided special education program. There is no direct contact with county office staff to problem-solve day-to-day issues regarding individual student programs. Parents are confused by the district's limited information about their child and do not always understand the difference between county- vs. district-operated programs.

The county has no accountability to the district for the programs operated by the county. The district incurs a fiscal impact from formal due process cases involving its students who are enrolled in county programs, but has no local control over the resolution of those issues and the associated costs.

Site principals have limited experience working with the specialized programs operated by the county office. Principals will require training to ensure that the full benefit of local program control is achieved. The district faces further challenges due to the current state fiscal crisis. School site principals have recently experienced significant staffing and administrative decreases and will need support to develop an understanding of the needs of newly assigned special education programs at their site.

The San Luis Obispo Special Education Local Plan Area (SELPA) has developed a plan for the transfer of any program operated by the county office of education to a member district of the SELPA. This plan includes specific timelines regarding notification to the SELPA, transfer of facilities, equipment and personnel (see Appendix A). The district has followed the initial steps of the SELPA plan by notifying the SELPA of its intent to take back programs (see Appendix B). It has also developed an initial transition plan (see Appendix C).

Recommendations

The district should:

1. Convene a meeting with the superintendent, cabinet and school site principals to discuss the rationale for returning previously county-operated special education programs to the district. Gather input from the principals regarding the supports that will be necessary to successfully transition and operate these programs on school sites.
2. Refine the transition plan to ensure a seamless transition of student information from the county office to the district.
3. Complete an inventory of all program equipment, materials and curriculum to ensure continuity in program design and delivery.
4. Include parents in the planning process for transitioning programs from the county to the district.
5. Notify each parent about the transition of their child's special education program.
6. Create a staff development plan for principals and general education teachers to prepare for the transition of special education programs to the district.
7. Clearly define the roles and responsibilities of the school site principal and the special education department in the operation of all district special education programs.
8. Create opportunities for principals and the district office staff to solve programming issues on their sites. This should be done quarterly, or more often as needed.
9. Provide frequent updates regarding the transition of special education programs to district staff, school board, parents, community and the press.

Service Provision

There is limited flexibility in meeting individual students' needs when programs are county operated even though they are physically located on Paso Robles School District school sites. Under the current model the county office has full responsibility for the program design, curriculum and instructional methods of the programs. Limited dialogue occurs between the county office and school sites, and between the county office and the district regarding the transition of students along the full continuum of service. Opportunities to mainstream into general education environments are limited by the lack of coordination and communication between county and site programs.

Recommendations

The district should:

1. Coordinate efforts between the district and county office to ensure articulation of the program design, curriculum and instructional methods.
2. Develop strategies to ensure program continuity during the transition period, including but not limited to effective communication about the transition process, articulation with all stakeholders, progress reports etc.
3. Complete case reviews on each student transferring from county to district programs. Build program design around the unique needs of each student population, incorporating it into the overall instructional design of the school site where each program is located.
4. Notify each parent after the case review is completed to ensure confidence that continuity of program and services will occur.
5. Ensure that each principal makes personal contact with the students transferring into the program.

Referral Process

Students referred to county programs go through an additional intake process, which can result in delayed services and excess costs. District operation of these programs will eliminate this additional step in the process.

The transfer from county-operated to district-operated programs may require some adjustment to IEPs for designated students. This can be done through an IEP addendum, which should be completed prior to the official change.

Recommendations

The district should:

1. Develop a referral process for specialized settings to replace the current county process, and ensure that all staff are trained in the new process.
2. Conduct IEP meetings for necessary addendum adjustments.

Educational Opportunities

Students in county programs have limited access to extracurricular and schoolwide activities. The district recognizes the difficulty of operating a full range of programs to meet the unique needs of students with disabilities and is interested in exploring options to link with other districts to build capacity and provide necessary support services. Other districts have also expressed a desire to develop cooperative relationships with the Paso Robles district to provide a full range of options. The SELPA must be an active participant in any discussions about regional program development.

District and county office special education classes are not equally distributed throughout the district. This could cause an unequal distribution of responsibilities to site administrators, which should be considered in the district's planning.

Recommendations

The district should:

1. Explore options to increase access to extracurricular and schoolwide activities for new programs transitioning into the district.
2. Carefully consider the unique needs of this specialized population in accessing extracurricular and schoolwide activities.
3. Consider diversity training for general education students to build a solid foundation of ownership, compassion and support to new students.
4. Consider schoolwide mentor programs for students with severe disabilities to improve access to opportunities on the school site.
5. Balance the physical location of classes on school campuses and ensure that principals are involved in the planning process.
6. Maintain contact with the SELPA regarding the development of regional classes.

Cost Containment

The San Luis Obispo SELPA made a significant change in the Allocation Plan for the 2008-09 school year. In the past, the costs for the county office's programs were paid before income was distributed to the member districts. For the 2008-09 school year, the county office funds were distributed directly to the member districts and the districts were then billed by the county office for their services.

The county office had determined what the base cost would be for operating a program with a specific number of students enrolled. The total cost of the program was then divided by the number of students enrolled in the program, and each district with a student enrolled in the program was billed accordingly. The costs of any additional services required in that program (such as counseling, nursing, or additional aide support) were added to the base cost, and that total amount was divided among the districts with students in that program.

The SELPA allocation plan also requires the county office to maintain a 3% reserve. The 3% reserve was built into the base costs for the county office operation, and would not have significantly changed from one year to the next because the county expenses would remain fairly constant. The county costs should be reduced based on the reduced number of personnel, maintenance of facilities, administration etc. that result from the district operating programs for its students.

In addition to the change in the allocation of funds for county office programs, the county office receives 50% of any low incidence service dollars. This made sense when the county was the primary service delivery operator for low incidence students. If the district decides to operate any programs for low incidence students, then that premise may no longer be accurate and the distribution of those dollars should be re-evaluated.

There are three major factors to consider regarding the district's ability to contain costs for special education services:

1. The district already receives the funds to operate county programs through the SELPA allocation plan. This allows the district to focus on whether or not it has the ability to operate programs more efficiently without requiring changes to the allocation plan. This item will be reviewed in depth in the Fiscal Review section of this report.
2. The cost of contracting for special education services provided by the county has increased each year. Transferring programs to the district offers opportunities for better containment of those costs. This also will be reviewed in the Fiscal Review section of this report.
3. Despite a decline in the district's total K-12 enrollment in 2008-09, the special education enrollment has increased to 12%, exceeding the statewide average of 10.06%.

Recommendations

The district should:

1. Begin discussion with the appropriate committees of the SELPA regarding how to redistribute the low incidence service dollars to the districts that operate low incidence programs.
2. Begin discussion with the appropriate committees of the SELPA regarding the requirement for the county office to maintain a 3% reserve based on last year's expenditures. Focus on which year's expenditures should be the basis for the 3% reserve. Distribute any funds realized from the change in the amount of the reserve to the SELPA member districts.
3. Analyze the identification rates for special education by school site and psychologist to determine the cause of the high percentage of students identified for special education. Review district assessment and eligibility procedures and make adjustments accordingly.

Fiscal Review of Program Operation

Cost Comparison of Basic Programs

A cost comparison between the basic program operated by the county office and the basic program that could be operated by the district indicates a cost savings of approximately \$606,892 for the district to operate its own programs for this specialized population of students.

The Block Plus cost (base cost for operating a program with a specific number of students) in 2009-10 is projected at \$264,391. Included in this projection is one teacher, 1.23 aides, substitutes, percentages of a nurse, psychologist, speech therapist, related services providers, administrative support, instructional materials, maintenance, facilities, legal costs and indirect costs.

The district estimates its costs for a Block Plus program would be \$206,601. In its calculations, the district included a nurse at .05 FTE, a speech therapist at .15 FTE and a psychologist for .05 FTE. These were considered to be new positions. The .05 FTE nurse per class (.55 for the 11 classes) would be sufficient staff as projected by FCMAT. The .15 FTE for speech per class (1.65 for the 11 classes) would not be sufficient and would need to be increased by a total by .03 per class or .35 for the 11 classes. This would be a total projected increase of costs of \$2618 per class and an overall per-class savings of \$55,172.

The increased costs for additional speech therapists and psychologists changes the final projections for a Block Plus program operated by the district to \$200,493. With these calculations, the difference between the county office operating a Block Plus program and the district operating a Block Plus program is \$63,898. Operating 11 classes would yield a possible savings of \$702,878.

Base projection for district/class	\$206,601
Increase in speech FTE	+ 2,618
Decrease in psychologist FTE	- 8726
Total new cost	\$200,493

Total Cost Savings Based on Block Plus Projections		
	Cost/class	Cost/11 classes
County Office	\$264,391	\$2,908,301
District	\$200,493	\$2,205,423
Difference	\$ 63,898	\$ 702,878

The projection from the county office is not affected by the specific cost of staff, as the Block Plus amount is what is billed to a district based on average salary of certificated and classified staff. Actual costs for the district will not be based on average costs, but

actual costs, and therefore the savings indicated above may not be the actual savings incurred. However, the Block Plus figures will be used as the basis for any MOU with other districts that wish to send their students to a program operated by the district and is therefore an important consideration in the discussion of taking back programs. The MOU is discussed later in this report.

Any impact of the additional programs mentioned above, home/hospital and related services, to district students should be considered in determining actual cost savings to the district.

Related services for those district students currently in a county class are included in the Block Plus calculation made by the district. This calculation did not include serving district students in their current district programs. With the possible exception of the services of the occupational therapist, there are not sufficient students with a related service in a current county office and district program to warrant hiring a full-time staff member. The very small number of students requiring orientation/mobility, orthopedic, vision and deaf/hard of hearing services also makes it difficult to determine that it would be cost effective for the district to hire its own staff. The two largest districts in North County may have a sufficient number of students receiving adaptive physical education to hire staff collaboratively. However, the smaller districts in North County will still require these services, and how they would be provided must be taken into account.

For 2008-09, the cost for the district to contract with the county for all of the related services provided to students in non-county programs was \$185,033.39. Most of this projection was for an occupational therapist at a weighted factor of 1.37. The county has determined the appropriate weighted factor for each of the related services. The weighted factor is multiplied by the base amount to determine the actual cost of the related service. Therefore, the cost for occupational therapy services was \$70,026.45. Adaptive physical education teacher has a weighted factor of 1 and a cost of \$46,002.78, and vision services has a weighted factor of 3.2 and a cost of \$49,069.63. The number of students receiving these services changed during the year, so the cost billed was different between the April 7 and the June 18, 2009 reports. The county office bills by month on actual student count. Therefore, the amounts listed above may not reflect the final billing.

If the district were to consider incorporating any of the related services into its final letter of intent, it would first be necessary to evaluate each of the related services separately. In addition, it would be necessary to carefully consider collaboration with neighboring districts to serve North County students.

As of June 18, 2009, the county office was serving the following in district classes and district in county programs.

Related Service	District Program	County Office Program	Caseload Guidelines	Projected Cost to District, April 2009
Adaptive PE	22	11	45-50	\$46,002.78
Deaf/Hard of Hearing	0	1	20-24	0
Occupational Therapy	27	5	20-24	\$70,026.45
Orientation/Mobility	2	0	9-13	\$12,114.06
Orthopedic Services	0	0	20-24	\$ 7,820.47
Vision Services	1	0	9-13	\$49,069.63

In May 2009, 1.40 district students were receiving home/hospital services from the county office. The projected cost for those students was \$25,020. The students in this program are usually too ill to attend school, and are seen in their residence. Education Code requires no more than five hours per week of home/hospital program service per student. Often, the most severely ill students in a home/hospital program receive less than five hours of service per week because of their limited ability to attend to instruction. Even adding driving time, it is unlikely that the cost to the district would be \$17,871 per student. In other districts, home/hospital services are usually provided by district staff. Teachers are then paid an additional hourly rate based on the particular district's agreements.

Recommendations

The district should:

1. Take back the county operated programs as listed in the letter of June 24, 2009 (Appendix B).
2. Begin discussion with neighboring districts to determine the fiscal and program effectiveness of taking back some or all of the county office-provided related services.
3. Determine if adding the home/hospital program to the letter of intent would be fiscally sound and meet the needs of the students enrolled in the program.

Transportation

The district transports students out of district to programs in Atascadero, San Luis Obispo and Cuesta College. The programs in Atascadero and San Luis Obispo are for students with emotional disturbance. The Atascadero program is for elementary students. Although the district operates programs for middle and high school age students with emotional disturbance, it does not operate a program for elementary students. The program in San Luis Obispo is a more restricted program than the one operated by the district. If students were not able to attend that program, there could be a need for an out of county non-public school placement. Therefore, the district will need to continue utilizing and transporting students to these programs.

The district has expressed concerns about preschool age students traveling 45 minutes on a bus each way to access the Cuesta program for students with cochlear implants. The district has not yet determined the feasibility of providing this program itself. Therefore, SELPA should review the location of this regional program and consider ways to reduce the length of the bus ride for these students.

The district works cooperatively with the neighboring districts of Templeton and Atascadero to reduce the costs of transporting students out of district. The current cost incurred by the district is \$96,469. This includes the cost of two drivers traveling 22,860 miles. If the district determines that the students enrolled in the Cuesta program can be served more locally, it should be able to eliminate the need for one driver as well as significantly reduce mileage costs.

Elimination of one driver	\$48,000
Reducing miles from 22,860 to 11,430	<u>10,058</u>
Total Savings	\$58,058

Recommendations

The district should:

1. Request a SELPA review of the location of the regional class for students with cochlear implants to attempt to reduce the amount of time that preschool age students spend on the bus.

Facilities

The SELPA plan discusses how facilities owned by the county office would be transferred to a district when that district takes back programs. The plan differentiates between permanent and portable facilities. In both cases, the cost to a district is based on the original costs with a depreciation factor determined by the age of the facility.

District and county office staff met on July 23, 2009. The district arranged a three-year lease of the county office facilities that house the classes that the district will operate. This will give the district sufficient time to project facility costs, determine if it wishes to arrange the transfer of the county office facilities or move all programs into existing district classrooms. The agreement reached on July 23 allows for continuity of programs during this transition.

In considering the transfer of facilities, it should be noted that some of the county office facilities have been designed to meet the specific needs of the students housed at that facility. Other sites are more typical classrooms and are comparable to district classrooms. The current level of required maintenance of each of the county office classrooms has not, at this time, been determined.

Recommendations

The district should:

1. Lease the county office facilities for the next three years.
2. Determine the actual cost of transferring each facility based on the factors outlined in the SELPA plan.
3. Determine if a comparable or better district facility is available.
4. Factor in any maintenance that county and district facilities would require, as well as the moving costs.

Memorandum of Understanding: Regional Programs

In the 2008-09 school year, the district took back two classes for emotionally disturbed students. Students from neighboring districts are enrolled in those classes. In the San Luis Obispo SELPA agreement, signed by all districts in the SELPA, the following items affect the district when considering taking back additional classes:

1. Contracted classes operated by LEAs will be run on a fee-for-service model, and no off-the-top allocation will be provided to the LEAs who operate these programs.
2. A district must provide the COE with a year and a day notice of such intent to withdraw from use of COE service(s). The COE and the LEA may mutually agree on a withdrawal date that precedes this maximum.
3. The LEA must provide space for any qualified student in a contracted classroom. Eligibility will be determined by the district offering contracted services, based on published criteria, which is the same for all student provided with the service
4. A LEA which has taken a class/service back from the COE must allow all students who require such class/services to enroll. This includes opening new classes or adding service providers if necessary.
5. Agreements between LEAs concerning services for a specific student will be made based on the parameters established by IEP determined needs. A MOU on each student will be written after the contracting district establishes that the student is eligible for their program.
6. LEAs agree to involve each other in the development and modification of IEPs for students served under such contracts. The contracting LEA will invite the special education director from the sending LEA to all IEP/ITPs and/or manifestation determinations for students from the sending LEA. The appropriateness of the current placement will be addressed at all IEPs relating to a student covered under this agreement.
7. The contracting LEA is responsible for discipline of all students enrolled in its program.
8. The parties will share the costs involved in expulsion of a student from the sending LEA. If a student is expelled, the sending LEA will be responsible for the prorated daily costs.

The district has a financial agreement in place for billing districts for students placed in a district classroom. This billing agreement is based on a similar method as the county office method of billing. There is a base cost to operating the class that is divided by the number of students attending the class. Each out-of-district student is billed by dividing the base cost by the number of students. There is a difference in how the county office and district bill for additional services. The county office adds all additional costs into the base cost and then divides that amount by the total number of students. The district

bills the individual district for costs incurred by the student, and does not divide the costs among all students in the class. Therefore, the district of residence has control over costs and services for its students.

The district has expressed its commitment to work with all the districts in the North County to serve all eligible students. The SELPA guidelines listed above clarify the general responsibility of the sending and receiving districts, but do not outline the specific processes to be followed. This could lead to confusion.

The SELPA also has general procedures for enrolling, monitoring and serving students in special education programs as outlined in the SELPA Local Plan. The county office has very specific enrollment procedures, including the number of students in a specific type of class.

The district has not yet developed its procedures for including out-of-district students in its classes. The district must determine if it will use the county office processes or develop its own processes. In either case, how they will work collaboratively with the other districts in North County impacts the SELPA and will directly affect the success of the program transition.

Recommendations

The district should:

1. Continue using its current billing agreement for students attending a Paso Robles district class who reside in another district.
2. Convene a committee comprised of the North County special education directors and the SELPA Director to determine:
 - a. The referral process for districts to refer a student to a district program
 - b. Who will assess out-of-district students at their triennial evaluation
 - c. Who will monitor student progress and develop IEP goals
 - d. Who will attend IEP meetings
 - e. How any additional services will be determined
 - f. Who will be responsible for due process or complaint issues
 - g. The transfer back to district of residence process
 - h. The maximum number of students in a specific class
 - i. The process when a referral is made to a class that has reached the maximum number
 - j. Any additional areas of concern to both the district and potential referring districts

Organizational Review

Administrative Structure and Operation

In reviewing the administrative structure in the special education department, FCMAT focused on the potential organizational structure required to support the transition of 11 county programs to the district.

The district has a full-time director whose sole responsibility is to supervise the special education program, which has 807 students. At the district's request, FCMAT conducted an analysis of three districts identified as comparable to Paso Robles by School Services of California. The comparative analysis identified districts by income and expenditures on a statewide basis.

Special Education Administrative Support Ratios

District	ADA	Special Education Enrollment	Special Education Administration	Other Duties
Ramona City	6,590	823	1 Director	Pupil Personnel, Health Services
Manhattan Beach	6,332	553	1 Executive Director	Pupil Personnel, Health Services, District testing, 504, Home Hospital, Children's Service Programs
Ukiah Unified	6,339	770	1 Director	Principal of Pre-K
Paso Robles	6,875	807	1 Director	Health Services and 504

Enrollment figures based on Data Quest 2008-09. Special Education enrollment based on the pupil count submitted to CASEMIS on December 1, 2008.

FCMAT also conducted an analysis of additional special education program supports from the same comparable districts.

Special Education Program Supports: Psychologists/Program Specialists

District	Psychologists	Ratio to ADA	Statewide Average	Program Specialists
Ramona City	5	1:1318	1:1328	1
Manhattan Beach	7	1:905	1:1328	2.5
Ukiah Unified	4	1:1585	1:1328	0
Paso Robles	5	1:1375	1:1328	1

Statewide average is based on CBEDS numbers reported on DataQuest 2007-08

FCMAT estimates that the district could manage the transition of 11 new programs (65 students) with no additional administrative resources in the special education department. Greater efficiency could be achieved by restructuring the duties of the program specialist, psychologists and support staff. The district operates at a slightly higher ratio of students to psychologists. Additional resources for a half-time psychologist will be needed to support the additional programs. Currently, the program specialist/psychologist administers bilingual assessments. Those duties should be reassigned to allow a full-time commitment of program specialist services for program support to the school sites.

The district employs a full-time autism specialist. This position was allotted as a full-time equivalent in 2008-09 to prepare for the transition of programs back to the district and the growing needs of students with autism. FCMAT supports continued allotment of this resource in light of the program expansion.

Speech pathologists maintain caseloads of 58 to 68. The statewide SELPA average is 55. Additional staff may need to be added for the students returning to the district and for any other designated instruction needs in speech. FCMAT estimates that this need may require the addition of one to two additional speech pathologists.

Program support at the district and site level is key to the successful transition of programs from the county to the district. The district administration will need to create opportunities for discussion and development of a seamless transition process that includes the school site administrators.

Recommendations

The district should:

1. Redesign the duties of the special education program specialist to allow full-time commitment to the direct support of programs for staff, parents and students.
2. Maintain the full-time autism specialist position.
3. Review the caseloads for speech pathologists to ensure that caseloads are within the SELPA wide average of 55.

Appendices

Appendix A

Plan for Approving Transfer of Education Programs

Transfer of Regional Class Checklist

Action	Completion Date	Who is involved
Submit to the SELPA intent to transfer classes or discontinued use of COE provided DIS Related Services	Year and a Day Notice (6/30)	Any LEA requesting transfer or discontinuing use of COE provided related services
Submit a plan to SELPA for providing services (see list of requirements)	November 15	LEA requesting transfer
Provide Fee for Service schedule	December 15 and June 30	Any regional provider
Submit plan to Executive Committee for approval	January Executive Committee	SELPA
Submit plan to Governance Council for approval	January Governance Council Meeting	SELPA
Notify parents of changes and meeting date to give input	January 15	LEA/SELPA/COE
Develop new job descriptions and seek Board of Trustee approval	February-March	LEA
Schedule IEPs or addendums	February-June	LEA/ COE
Press Release	February	SELPA
Board of Trustee update	February	LEA
Develop contracts for LEA provided regional services	February 15	Any regional provider
Training of principals, staff, and parents concerning issues relating to the transfer	March-May	LEA/SELPA
Billing for students using DIS Related Services	October 15; January 30; April 30	Any regional provider
Regional providers establish ESY programs if applicable	June 1	Any regional provider

Appendix B

Notice of Intent to Take Back COE-Operated Programs

To: Jill Heuer, SELPA Director

From: Dr. Kathleen McNamara, PRPS Superintendent
Marcia Murphy, Director of Special Education

Date: June 24, 2009

Re: Notification of Intent for Returning Classes to Paso Robles Public Schools

Please accept this as Paso Robles Public Schools' (PRPS) notification of intent to begin the transfer process for **eight** special education classes and related services for the 2010-2011 school year, currently under the San Luis Obispo County Office of Education jurisdiction. PRPS is moving forward with becoming the lead administrative agency for:

- Little Acorns Preschool (Winifred Pifer, projected to become 2 classes)
- Meadowlark Education Center SH/SDC grades K-2
- Meadowlark Education Center SH/SDC grades 3-5
- Meadowlark Education Center Medically Fragile
- Daniel Lewis Middle School SH/SDC grades 6-8
- Paso Robles High School SH/SDC grades 9-12
- Paso Robles High School SH/SDC grades 9-12 (projected to become 18-22 program)
- North County Independent Skills program 18-22 (4 students)
- Occupational Therapist
- Speech Language Therapist
- Adaptive Physical Education
- School Nurse

The County Office of Education Student Services Department has done an excellent job developing very strong and effective programs. Our hope is that Paso Robles Public Schools can continue to offer a commensurate level of service to our special education population.

Our intent is to include all of our students under the umbrella of the District educational services by returning these classrooms to full District responsibility.

By October 15, 2009 PRPS will provide the SELPA with official notice of our intent. By November 15, 2009 per Education Code 56207, we will provide the SELPA with the required rationale and information necessary for a smooth transition.

Sincerely,

Kathleen McNamara Ed.D.
Superintendent
Paso Robles Public Schools

Marcia Murphy
Director of Special Education
Paso Robles Public Schools

CC: Julian Crocker;
Jeanne Dukes

Appendix C

Program Transfer Committees and Activities

Program Transfer Committees and Activities

To facilitate the smooth transfer of programs, the following committees should be formed and the following activities completed:

Personnel

Mission: To insure involved LEAs handle staff transfers in a consistent manner and that COE personnel are treated fairly. Help the labor unions resolve any issues that may arise.

Members: COE HR director, one representative of each district taking back a class.

Activities:

1. Develop new job descriptions if necessary
2. Develop a Q & A sheet for staff and union representatives
3. Meet with staff
4. Meet with union representatives at the individual LEA level

Facilities/Finance

Mission: To insure the proper transfer of facilities when appropriate. Develop reimbursement plans where necessary. Develop fee for services schedules.

Members: CBOs/facilities representatives from each involved LEA, the special education directors from each involved LEA, and COE facilities director and CBO

Activities:

1. Develop a Q & A sheet on facilities and fees for districts and boards
2. Develop and publish fee for services schedules for implementation year
3. Develop plans for "disposition of classrooms/equipment"

Public Relations/Staff Development

Mission: To insure that both the public/parents and impacted staff/administrators are aware and prepared for this change

Members: Involved LEA special education directors and assistant superintendents from districts taking back a class

Activities:

1. Develop and implement trainings for site administrators and staff, where necessary, to prepare them for the responsibilities of maintaining new classrooms
2. Develop procedural guidelines for administrators in reference to IEP meetings and parent complaints
3. Develop letters to parents and press releases relating to transfers
4. Develop a Q & A sheet for parents, community and boards
5. Information posted on various web sites
6. Press releases/news articles by districts

JH 052709

Plan for Approving Transfers of Education Programs

Background

When a district within the SLO SELPA has given notice to transfer a regional class operated by COE to the LEA, Education Code 56207 requires the SELPA to develop a plan for transfer which addresses all of the following:

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

This plan must be completed before the transfer can legally take place.

Proposed Plan for Approval of Transfers

When a LEA proposes the transfer of classes to their control, the LEA will develop a single document which contains at a minimum seven discrete sections addressing the areas above for each of the classes they intend to transfer. This document will be forwarded to the SELPA director for review of the required information. The SELPA office will develop a review summary of the district's document. The districts' documents and the review summary with a coversheet will be forwarded to Executive Committee and to Governance for approval. Transfer of each class will be reviewed and approved by the Governance Council.

Timeline for the Plan

The following timeline is proposed for the Plan to approve program transfers:

Submission of Proposals to SELPA Director	November 15 th
Executive Committee Review of Proposals	January meeting
Governance Vote on Proposals	*January meeting

*If a proposal is not approved at the January Governance meeting, there will be two more Governance meetings prior to March 15th.

Appendix D

Study Agreement



CSIS California School Information Services

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM
STUDY AGREEMENT
July 7, 2009

The FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT), hereinafter referred to as the Team, and the Paso Robles Public Schools, hereinafter referred to as the District, mutually agree as follows:

1. BASIS OF AGREEMENT

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

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

The scope and objectives of this study are to:

- 1) Determine if it would be cost effective for the District to operate additional special education programs for students with special needs rather than contracting with the San Luis Obispo County Office of Education to provide certain specialized services.
- 2) Review the organizational structure and staffing of the districts special education programs and services and provide recommendations for restructuring if the District plans to take back programs from the SLOCOE.

B. Services and Products to be Provided

- 1) Orientation Meeting - The Team will conduct an orientation session at the District to brief District management and staff on the procedures of the Team and on the purpose and schedule of the study.
- 2) On-site Review - The Team will conduct on-site meetings at the District office to gather documentation and conduct interviews. The Team will request assistance from the District in setting up interview schedules with staff.
- 3) Progress Reports - The Team will hold an exit meeting at the conclusion of the on-site reviews to inform the District representatives of significant findings and recommendations to that point.
- 4) Exit Letter - The Team will issue an exit letter approximately 10 days after the exit meeting detailing significant findings and recommendations to date and memorializing the topics discussed in the exit meeting.
- 5) Draft Reports - Sufficient copies of a preliminary draft report will be delivered to the District administration for review and comment.
- 6) Final Report - Sufficient copies of the final study report will be delivered to the District following completion of the review.
- 7) Follow-Up Support – Six months after the completion of the study, FCMAT will return to the District, if requested, to confirm the District's progress in implementing the recommendations included in the report, at no costs. Status of the recommendations will be documented to the District in a FCMAT Management Letter.

3. PROJECT PERSONNEL

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

- A. Dr. William Gillaspie, FCMAT Chief Management Analyst
- B. JoAnn Murphy, FCMAT Special Education Consultant
- C. Anne Stone, FCMAT Special Education Consultant

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

4. PROJECT COSTS

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

- A. \$500.00 per day for each Team Member, while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings.
- B. All out-of-pocket expenses, including travel, meals, lodging, etc. Based on the elements noted in section 2 A, the total cost of the study is estimated at \$14,000. The District will be invoiced at actual costs, with 50% of the estimated cost due following the completion of the on-site review and the remaining amount due upon acceptance of the final report by the District.
- C. Any change to the scope will affect the estimate of total cost.

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

5. RESPONSIBILITIES OF THE DISTRICT

- A. The District will provide office and conference room space while on-site reviews are in progress.
- B. The District will provide the following (if requested):
 - 1) A map of the local area
 - 2) Existing policies, regulations and prior reports addressing the study request
 - 3) Current organizational charts
 - 4) Current and four (4) prior year's audit reports
 - 5) Any documents requested on a supplemental listing
- C. The District Administration will review a preliminary draft copy of the study. Any comments regarding the accuracy of the data presented in the report or the practicability of the recommendations will be reviewed with the Team prior to completion of the final report.

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

6. PROJECT SCHEDULE

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

The timeline for the on-site portion of the review is contingent on approval of this agreement by the district's board, and may occur as soon as either July 20-22 or July 27-29 if approved at the July 14, 2009 meeting.

Orientation:	to be determined
Staff Interviews:	to be determined
Exit Interviews:	to be determined
Preliminary Report Submitted:	Six weeks following end of on-site work
Final Report Submitted:	to be determined
Board Presentation:	to be determined
Follow-Up Support:	If requested

7. CONTACT PERSON

Please print name of contact person: Gary Hoskins,
Assistant Superintendent of Business

Telephone 805 238 2222 FAX 805 237-3339

Internet Address ghoskins@pasoschools.org

Kathleen McNamara Ed.D, Superintendent July 14, 2009
Paso Robles Public Schools District Date

Gary Hoskins Ph.D. - Assistant Superintendent

Barbara Dean

Barbara (Dean) Murphy July 7, 2009
Fiscal Crisis and Management Assistance Team Date

In keeping with the provisions of AB1200, the County Superintendent will be notified of this agreement between the District and FCMAT and will receive a copy of the final report.