



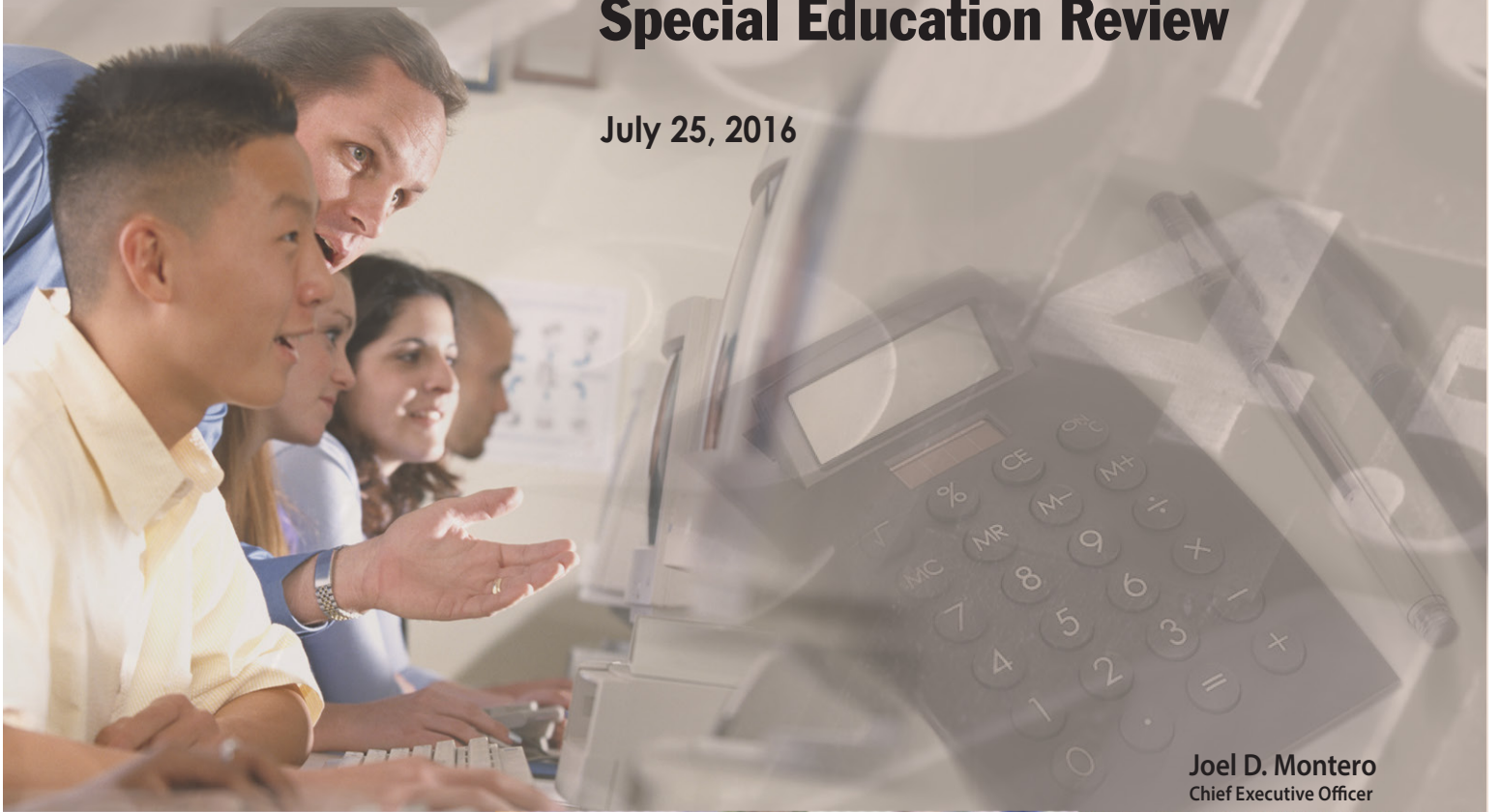
FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM

CSIS California School Information Services

Hayward Unified School District

Special Education Review

July 25, 2016



Joel D. Montero
Chief Executive Officer





July 25, 2016

Dr. Matt Wayne, Assistant Superintendent
24411 Amador Street
Hayward, California 94544

Dear Assistant Superintendent Wayne:

In February 2016, the Hayward Unified School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for a review of the district's special education programs and services. Specifically, the agreement states that FCMAT will perform the following:

1. Review the district's implementation of student success teams (SSTs), Response to Intervention (RtI), and multi-tiered systems of supports (MTSSs) and make recommendations as needed.
2. Determine whether the district overidentifies students for special education services compared to the statewide average, and make recommendations that will reduce overidentification if needed.
3. Determine whether the district provides a continuum of special education and related services to include an analysis of the least restrictive environment.
4. Analyze special education teacher staffing ratios, class and caseload size using the statutory requirements for mandated services and statewide guidelines.
5. Review the efficiency of staffing allocation of special education paraeducators throughout the school district.
6. Review the procedures for identifying the need for paraeducators, the process for monitoring the resources for allocating paraeducators and determining the ongoing need for continued support from year to year, (including classroom and 1:1 paraeducators).
7. Provide an analysis of all staffing and caseloads for related service providers: speech therapists, psychologists, occupational/physical therapists, behavior specialists, adaptive physical education teachers, credentialed nurses and others.
8. Review county office, NPS and NPA placements and make recommendations for improving the process for placement and cost efficiencies.

FCMAT

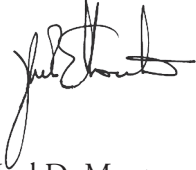
Joel D. Montero, Chief Executive Officer

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9. Review the revenues and allocations for Medi-Cal LEA and determine areas for greater efficiencies.
10. Evaluate transportation services for special education students to ensure efficiency, and identify potential cost savings by reviewing the special education transportation delivery system, including but not limited to the role of the IEP, routing, scheduling, operations and staffing.
11. Determine the district's general education fund contribution to special education and make recommendations for greater efficiency.

This final report contains the study team's findings and recommendations in the above areas of review. FCMAT appreciates the opportunity to serve the Hayward Unified School District, and extends thanks to all the staff for their assistance during fieldwork.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joel D. Montero', with a stylized flourish at the end.

Joel D. Montero
Chief Executive Officer

Table of Contents

Foreword	iii
Introduction	1
Background	1
Study and Report Guidelines	1
Study Team	2
Executive Summary	3
Findings and Recommendations	5
SST/RTI ² /MTSS	5
Identification Rate	9
Continuum of Services	11
Special Education Caseload	15
Instructional Assistants	19
Related Service Provider Caseloads	23
NPA, NPS, and Alternative Programs	29
Medi-Cal LEA	33
Transportation Services	35
Special Education Transportation Oversight	43
Fiscal Efficiencies	45
Appendices	49

About FCMAT

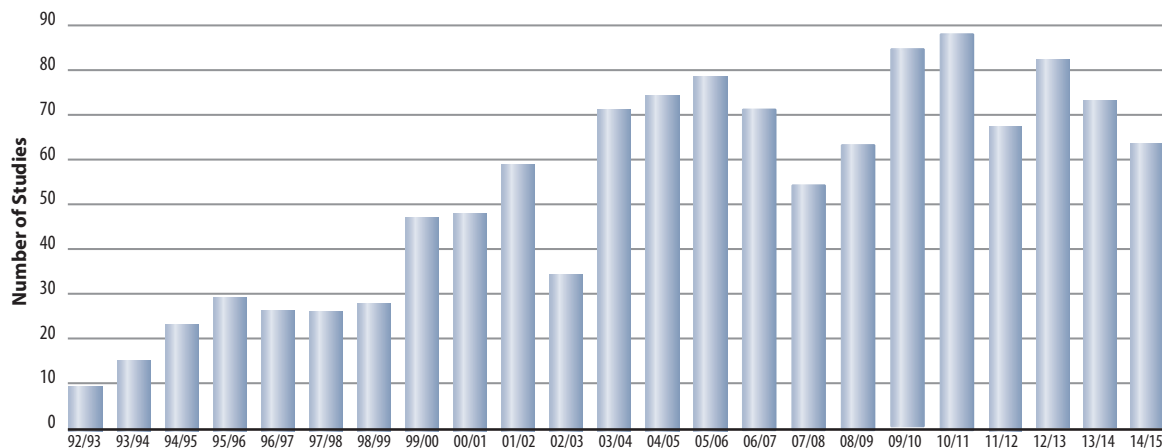
FCMAT's primary mission is to assist California's local K-14 educational agencies to identify, prevent, and resolve financial, human resources and data management challenges. FCMAT provides fiscal and data management assistance, professional development training, product development and other related school business and data services. FCMAT's fiscal and management assistance services are used not just to help avert fiscal crisis, but to promote sound financial practices, support the training and development of chief business officials and help to create efficient organizational operations. FCMAT's data management services are used to help local educational agencies (LEAs) meet state reporting responsibilities, improve data quality, and inform instructional program decisions.

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

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

FCMAT has continued to make adjustments in the types of support provided based on the changing dynamics of K-14 LEAs and the implementation of major educational reforms.

Studies by Fiscal Year



FCMAT also develops and provides numerous publications, software tools, workshops and professional development opportunities to help LEAs operate more effectively and fulfill their fiscal oversight and data management responsibilities. The California School Information Services (CSIS) division of FCMAT assists the California Department of Education with the implementation of the California Longitudinal Pupil Achievement Data System (CALPADS). CSIS also hosts and maintains the Ed-Data website (www.ed-data.org) and provides technical expertise to the Ed-Data partnership: the California Department of Education, EdSource and FCMAT.

FCMAT was created by Assembly Bill (AB) 1200 in 1992 to assist LEAs to meet and sustain their financial obligations. AB 107 in 1997 charged FCMAT with responsibility for CSIS and its state-wide data management work. AB 1115 in 1999 codified CSIS' mission.

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

In January 2006, Senate Bill 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 more than 1,000 reviews for LEAs, including school districts, county offices of education, charter schools and community colleges. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The team is led by Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

Introduction

Background

The Hayward Unified School District is comprised of 21 elementary schools, five middle schools, three high schools, an alternative high school, adult education center and Helen Turner Children's Center for preschool children. The district serves approximately 20,948 students; 2,508 of these students ages 0 to 22 are identified with special needs. The district covers approximately 40.5 square miles. Under the Local Control Funding Formula, the district has an unduplicated pupil count of approximately 82%.

The district is located in Alameda County and is part of the Mid-Alameda County Special Education Local Plan Area (SELPA), which consists of four unified school districts: Castro Valley, Hayward, San Leandro, and San Lorenzo. The student population is 63% Hispanic or Latino, 8% American Indian, 3% Pacific Islander, 7% Filipino, 11% African American, 7% white, and 2% of two or more ethnicities.

In February 2016 the district requested that FCMAT review its special education programs and services.

Study and Report Guidelines

FCMAT visited the district on April 12-15, 2016 to conduct interviews, collect data and review documents. This report is the result of those activities and is divided into the following sections:

- Executive Summary
- SST/RtI²/MTSS
- Identification Rate
- Continuum of Services
- Special Education Caseload
- Instructional Assistants
- Related Service Provider Caseloads
- NPA, NPS and Alternative Programs
- Medi-Cal LEA
- Transportation Services
- Fiscal Efficiencies
- Appendices

In writing its reports, FCMAT uses the Associated Press Stylebook, a comprehensive guide to usage and accepted style that emphasizes conciseness and clarity. In addition, this guide emphasizes plain language, discourages the use of jargon and capitalizes relatively few terms.

Study Team

The study team was composed of the following members:

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*As members of this study team, these consultants were not representing their respective employers but were working solely as independent contractors for FCMAT. Each team member reviewed the draft report to confirm accuracy and achieve consensus on the final recommendations.

Executive Summary

The district does not overidentify students with special needs; however, Special Education identification is increasing annually while the total district enrollment is declining. Although student success team (SST) forms exist and SST meetings occur, there are no interventions for students prior to Special Education identification. The knowledge of RtI2 among the staff varies throughout the district. No consistent protocol or discussion is in place for Response to Intervention. District staff acknowledge that they need to implement supports and services in addition to the adopted curriculum.

FCMAT analyzed the district's identification rate as compared to the statewide average.

The district's K-22 identification rate is 10.6%, which is within the state average of 10.7%. The state average for students 0-22 is 11.31%, and the district is slightly above that with an average of 11.9%.

Staff reported they are unaware of district Special Education procedures. The district has a Special Education task force that meets irregularly to hear concerns; however, it is not a problem solving or collaboration committee.

The district monitors Special Education teacher caseloads closely in conjunction with caseload standards established per the agreement between the Hayward Unified School District and Hayward Education Association, 2013-2016. The district guidelines exceed industry caseload standards in several different service areas.

The staff reported a need for consistent and thorough communication from Special Education administration to itinerant staff when procedural changes are made that impact collaboration and service to students. There is a lack of consistency and timeliness in notifying related service providers of IEP meetings.

Based on the total expenditures provided by the district, its 2015-16 budget for nonpublic schools is projected to decrease to \$3,743,142. Although 31 students have returned to the district, the budget for nonpublic schools has maintained in the range of \$3.7 million to \$4 million each of the last three years.

The district has averaged \$300,000 in net LEA Medi-Cal income for the last four years. To gain more revenue from this source, the district has changed providers and simplified procedures for tracking and submission of billable services. A conservative estimate is that the district should be able to increase annual LEA billing net income to \$900,000.

The district operates its own pupil transportation department and program for general education transportation and a vehicle maintenance program for district school buses and support vehicles. The district has a long history of transporting its Special Education students in cooperation with 10 other school districts through the South County Transportation Consortium. Approximately 758 (33.93%) of the district's 2,234 K-22 year old Special Education students with an Individualized Education Program have transportation listed as a necessary related support service.

MOE documents provided to FCMAT indicate the district's general fund contribution was \$21,069,079 (58%) in 2013-14 and \$25,573,234 (61%) in 2014-15. The district's 2015-16 second interim expenditure budget for Special Education is \$45,253,338. The district's general fund contribution is projected to be \$28,517,819, which is 63% of the Special Education budget. According to the March 2013 Special Education Task Force Report on the general fund contribution percentage to special education, the statewide average is 43%.

Findings and Recommendations

SST/RTI²/MTSS

FCMAT reviewed the district's implementation of Student Success Team (SST), Response to Intervention 2 (RtI²), and Multi-Tiered System of Supports (MTSS).

SST

Although the district does not overidentify students with special needs, Special Education identification is increasing annually while the total district enrollment is declining. By next year, if no changes to pre-intervention are made, the district will be at or above the state average for special education identification and will have increasing Special Education costs. It costs more to serve a student with an IEP than through interventions and general education supports. FCMAT reviewed multiple documents that demonstrated the district has the understanding and awareness of the purpose and process of these areas, and it appeared prior to onsite visits that the district had implemented SST processes, RtI² and MTSS. However, staff interviewed expressed that although SST forms exist and SST meetings occur, there are no interventions for students prior to Special Education identification. Staff reported that schools hold regular SST meetings and use consistent forms, yet nothing comes of the supports needed and documented after the SST meeting. Although every school has interventions written in their school site plans, the interventions are not consistently implemented.

The district does offer Youth Enrichment Program, which is an after school program for tutoring and homework support. Any student may attend. Although this is offered district-wide, there is no evidence of attendance and tracking or progress monitoring.

RTI²

The knowledge of RtI² among the staff is very inconsistent throughout the district. No consistent protocol or discussion is in place for RtI². Both RtI² and MTSS are necessary to build a comprehensive delivery system of interventions and supports for all district students. Consistent intervention, data collection and progress monitoring forms are not used. A few school sites have literacy interventions, yet they are not adequate for students' needs. The sites that do not generate additional funding are unable to provide intervention programs. The district does not offer common intervention options for all sites. The district could prioritize RtI² and MTSS through a district-wide committee. Many supports and resources are available in the community and the district; however, they are not coordinated nor organized for staff to access systematically.

The California Department of Education (CDE) has developed Response to Intervention and Instruction 2 (RtI²) as a general education approach of high-quality instruction and early intervention, prevention, and behavioral strategies. RtI² offers a way to eliminate the achievement gap through a school-wide process that provides assistance to every student, both high-achieving and struggling learners. The process utilizes all resources in a school and school district in a collaborative manner to create a single, well-integrated system of instruction and interventions informed by student outcome data. RtI² is fully aligned with research on the effectiveness of early intervention and the recommendations of the California P-16 Council. District staff have not received recent RtI² training. The district must ensure that it has a system in place to assist with the data collection components of RtI².

All staff need intensive RtI² training delivered by the Education Services Department. This is crucial to the implementation, as RtI² is a general education function and buy-in should be sought from the entire staff. The training should be clearly outlined in a strategic plan.

The district may want to bring in an expert or someone who has extensive knowledge in the field of RtI² to assist with the planning, training, and implementation phases.

In November 2008 the California Department of Education issued information regarding RtI² as guidance to California schools. Please see Appendix A.

MTSS

The district acknowledges it needs to implement supports and services in addition to the adopted curriculum. Recently, the district has coordinated with outside agencies for additional counseling and behavioral supports. Staff reported that although this is a start, the supports at the site are not regular and students require more than what is provided.

The district has a philosophy of site-based decision-making. Staff report that the levels of supports depend on site leadership, goals, and additional state and federal monies received due to Title 1 or socio-economic status. In addition, staff reported that many students at all sites may need the higher level of general education interventions.

Information on the CDE website states that MTSS incorporates many of the same components of RtI², such as:

- Supporting high-quality standards and research-based, culturally and linguistically relevant instruction with the belief that every student can learn including students of poverty, students with disabilities, English learners, and students from all ethnicities evident in the school and district cultures.
- Integrating a data collection and assessment system, including universal screening, diagnostics and progress monitoring, to inform decisions appropriate for each tier of service delivery.
- Relying on a problem-solving systems process and method to identify problems, develop interventions and evaluate the effectiveness of the intervention in a multi-tiered system of service delivery.
- Seeking and implementing appropriate research-based interventions for improving student learning.
- Using school-wide and classroom research-based positive behavioral supports for achieving important social and learning outcomes.
- Implementing a collaborative approach to analyze student data and working together in the intervention process.

However, MTSS has a broader scope than does RtI². MTSS also includes:

- Focusing on aligning the entire system of initiatives, supports, and resources.
- Promoting district participation in identifying and supporting systems for alignment of resources, as well as site and grade level.
- Systematically addressing support for all students, including gifted and high achievers.

- Enabling a paradigm shift for providing support and setting higher expectations for all students through intentional design and redesign of integrated services and supports, rather than selection of a few components of RtI² and intensive interventions.
- Endorsing Universal Design for Learning instructional strategies so all students have opportunities for learning through differentiated content, processes, and product.
- Integrating instructional and intervention support so that systemic changes are sustainable and based on CCSS-aligned classroom instruction.
- Challenging all school staff to change the way in which they have traditionally worked across all school settings.

MTSS is not designed for consideration in Special Education placement decisions, such as specific learning disabilities. MTSS focuses on all students in education contexts.

Both MTSS and RtI² rely on RtI²'s data gathering through universal screening, data-driven decision-making, and problem-solving teams, and are focused on the Common Core State Standards. However, the MTSS process has a broader approach, addressing the needs of all students by aligning the entire system of initiatives, supports, and resources, and by implementing continuous improvement processes at all levels of the system.

For more information and documents please refer to the California Department of Education website: <http://www.cde.ca.gov/ci/cr/ri/mtsscompri2.asp>

Recommendations

The district should:

1. Provide professional development for SST to site administration, certificated staff and parents regarding interventions to use prior to assessment.
2. Provide ongoing professional development on how to use data to demonstrate evidence of implementation and progress monitoring.
3. Collect data on how many SSTs were referred for assessment and the number of students who qualified for Special Education services.
4. Develop a strategic plan for the implementation of RtI².
5. Ensure that the plan is endorsed by the superintendent and presented to the Board of Trustees for approval and adoption.
6. Ensure that Education Services leads the RtI² implementation and provides intensive training.
7. Ensure that the staff is aware that RtI² is a general education function to be utilized by the entire staff.
8. Determine how to equitably distribute funds and services to meet the needs of all students.
9. Develop a systematic MTSS and provide ongoing training to all instructional staff.

Identification Rate

The district's K-22 identification rate is 10.6%, which is slightly less than the state average of 10.7%. The state average for students 0-22 is 11.31%, and the district is slightly above that with an average of 11.9%.

Identification for Dec. 1, 2015, Ages 6-22

Disability	District	County	State	Task Force Report
ID	8.9	6.6	6.0	10.4
HH	1.6	1.4	1.4	1.7
Deaf	.9	.3	.5	Included in HH
SLI	16	22.4	22.3	18.4
VI	.5	.6	.5	.6
ED	6.4	4.8	3.4	4.1
OI	1.7	1.3	1.7	1.8
OHI	10.6	10.3	10.6	10.2
SLD	38.8	36.4	39.5	45.5
DB	0	0	0	0
MD	1.2	1	.8	.8
AUT	12.7	14	12.6	10.4
TBI	.4	.3	.2	.3

Source: CALPADS October 2015, CASEMIS 12-1-2015, California's Task Force report March 2015

** All excludes infants and preschool age

According to California Special Education Management Information System (CASEMIS) reporting, the district's total student identification continues to increase. Over the last three years the district has increased the identification for Special Education by 224 students. From December 2014 through December 2015, 99 more students are identified with special needs. In particular, there is a rise in identification for infants (birth to 3 years old) and preschool age (4 and 5 year olds) of 53 students.

Students with emotional disabilities and autism spectrum disorders are two of the most costly disabilities to educate in schools. These students require unique strategies, therapies and additional services compared to most other disabilities. The district overidentifies students with emotional disturbance by 2%.

The district presented documents and interviews that indicate Special Education is the only intervention for students with needs, especially for behavior intervention. Students with emotional disturbance and autism display behavioral challenges. Interventions are not consistently provided prior to identification for Special Education.

There has also been an increase in the identification of students on the autism spectrum, with 53 students added over the last three years, which contributes considerably to the increase in Special Education costs.

Documents show a consistent decrease in overall identification from 8th grade to 9th grade. This is the time when students transition from middle school to high school. The identification increases once students enter 10th grade.

Recommendations

The district should:

1. Analyze the assessment procedures and identification eligibility of students identified as emotionally disabled and autistic. Provide necessary professional development to staff.
2. Strengthen the behavioral components of interventions in general education to ensure all strategies have been implemented prior to emotional disturbance and autism eligibility.
3. Review the increase in identification in 10th grade and provide professional development if findings occur.

Continuum of Services

The district is part of the Mid Alameda County SELPA, and looks to the SELPA to provide updated processes and procedures from the CDE and the Individuals with Disabilities Education Act (IDEA). The SELPA procedural handbook has not been updated since 2006 and the district does not use it. The district provided FCMAT with a rough draft Special Education handbook that the Special Education director has been developing for over a year. Staff reported they are unaware of district procedures for Special Education. The district has a Special Education task force that meets irregularly to hear concerns; however, it is not a problem solving or collaboration committee. Principals and Special Education providers are not given information regarding district best practices, interventions, compliance practices, or changes. Staff reported they do not have a venue for moving procedures and processes forward. The Special Education director is not represented as a decision maker or leader. The Special Education director should be authorized to develop processes, procedures, and guidelines and present them to a certificated leadership committee for input and to the district's Cabinet. A district-wide, systematic plan is needed to train and support all staff.

Program specialists are required to hold an administrative credential. They provide some direct supervision to certificated and classified staff. Program specialists receive ongoing information from the Special Education director and provide it to various site staff. Staff reported that the information is inconsistent and irregular. It is very challenging to get information to preschool providers who are on various campuses and do not have a program administrator. Two program specialists provide informal general oversight. Staff reported that Special Education providers are not consistently evaluated nor supervised. Interviews indicate that the Educational Services administrative structure at the district office is ineffective and it is hard to reach staff.

Although the district may have curriculum and materials available, Special Education staff are unaware how to access it.

IDEA is a federal law ensuring services to children birth through 22 years of age. It governs how states and public agencies provide early interventions, Special Education and related services to all eligible disabled children. In California, an early education program includes services designed to meet the unique needs of infants from birth to age 3 (EC 56426). Each state must ensure that a free appropriate public education (FAPE) is available to any individual child who requires Special Education and related services even though the child has not failed or been retained in a course or grade and is advancing from grade level to grade level (34 CFR 300.101(c)). A review of data and staff interviews indicates the district provides the required Special Education services.

Preschool Least Restrictive Environment

The preschool area of the Annual Performance Report contains two measures for the least restrictive environment (LRE):

1. Regular early childhood program and receiving a majority of Special Education and related services in the regular program.
2. Separate Special Education class, separate school or residential facility.

CDE establishes targets for each district in all areas of the Annual Performance Report.

The district has not met the statewide targets for increasing access to LRE, with 25.9% of students receiving Special Education in a regular program out of the required target of 32.9%. The district only maintains 30% of students in separate programs out of the required target of less than 34.4%, so it meets this portion of the indicator.

2014-15 District Level Special Education Annual Performance Report Measure for Hayward Preschool

Measure	Total Number of Students Receiving Special Education Ages 3-5	Number of Students in the Environment	Percent of Students in Environment Receiving Special Education	Target This Year	Target Met
Regular Program	290	75	25.9%	>32.9%	No
Separate Program		87	30.0%	<34.4%	Yes

Data Source: December 2014 CASEMIS Submission Items of Accountability, Age, and Federal Preschool Setting

Note: The total number of students also includes those who receive speech only, who are not calculated into the programmatic measures for least restrictive environment.

Staff reported that students are reassessed at the time of kindergarten transition to determine continued eligibility for Special Education. The CASEMIS report of December 1, 2015 shows a significant decrease in identified students from 2014 preschool age to 2015 kindergarten. The data from the exit data report, June 30, 2015, shows at least 17 students returned to general education and no longer eligible for Special Education.

K-12 Least Restrictive Environment

Indicator 5 on the District Level Special Education Annual Performance Report measures the district's efforts to decrease the average amount of time that students ages 6 through 22 receive Special Education apart from nondisabled peers.

There are three measures in the K-12 areas:

- A. In a regular class 80% or more of the day.
- B. In a regular class less than 40% of the day.
- C. In separate schools, residential facilities or homebound/hospital placement.

The table below from CDE indicates that the district has not met two of the three LRE goals. Students with special needs spend more time in specialized classrooms than in general education.

2014-15 District Level Special Education Annual Performance Report

Measure	Total Number of Students Receiving Special Education (ages 6-22)	Number of Students in the Environment	Percent of Students in Environment Receiving Special Education	Target This Year	Target Met
>80%	2113	1159	54.9%	>49.2%	Yes
<40%		536	25.4%	<24.6%	No
Separate Schools		140	6.6%	<4.4%	No

Data Source: December 2014 CASEMIS submission items - district of accountability, age, and a complete data field consisting of unduplicated federal school setting and percent in regular class. Retrieved from www.cde.gov April 16, 2015

Note: Separate schools include students in separate schools, residential facilities and homebound/hospital. It does not include students in correctional facilities or those that are parentally placed in private school. The total number of students also includes those who receive speech only, who are not calculated into the programmatic measures for least restrictive environment.

The district exceeded statewide targets for decreasing the percentage of time students receive Special Education services apart from their nondisabled peers, with 54.9% out of the target of 49.2%. However, the district did not meet its targets for serving students inside the regular class less than 40% of the day and in separate schools. In fact, the district declined in its LRE in this area from 2013-14 to 2014-15.

The district is required to exit students in grade 12, and exit ungraded students 18 and over, who graduate from high school with a regular diploma at a target rate of 69.25%. The district's graduation rate for 2014-15 is 49.71% and the 2013-14 graduation rate was 51.5%. Staff reported that students do graduate with a diploma, but it may be during their fifth year in high school. The annual performance report does not take this into consideration. Documents indicate that only 42 of 297, or 14%, of the 17-22 year old students either returned to general education, or graduated with a diploma or certificate of completion.

Districts are required to meet specific racial and ethnic proportionality related to identification for Special Education by disability ages 6 through 22. The district was disproportionate in emotional disturbance for African-Americans and whites for 2013-14 and 2014-15. Staff reported that these two areas plus the Hispanic population will be disproportionate in 2015-16. Staff reported that assessors and providers have received professional development for identifying students with special needs. Reports indicate that the district overidentifies students with emotional disturbance by 2% as compared to the rates of the county, state and task force. If the district attains average identification as compared to county and state, it may also see comparable average proportionality.

Under IDEA districts are required to assess children birth through 22 for Special Education eligibility within 60 days of receipt of parental consent for evaluation. The state monitors this closely, and the district met 96.5% of the 100% target for 2014-15 and 99.7% for 2013-14. The district could experience challenging legal compliance issues should these 160 students not be assessed timely.

Recommendations

The district should:

1. Continue to adhere to its procedures for transitioning students receiving services under Education Code (EC 56426) birth to 3 years old. Part C and eligible for services under Part B of IDEA.
2. Continue efforts and ability to meet LRE targets by maintaining students in programs with access to general education students.
3. Continue to reassess students transitioning from preschool Special Education to kindergarten.
4. Determine the cause of the disproportionality for students with emotional disturbance and develop a plan to correct.
5. Evaluate the graduation rate and specific needs for students to exit through, graduate with a diploma or earn a certificate of completion.
6. Determine the cause of overdue assessments and take corrective action.

7. Form a committee to analyze the unmet areas in the annual performance report and develop a strategic plan for meeting these indicators.
8. Form a leadership committee to develop procedures and address issues.
9. Develop, implement and train staff on a Special Education procedural handbook.
10. Develop regular job-alike articulation meetings to discuss issues and best practices in each service area.
11. Hold bi-monthly Special Education all-staff meetings to deliver consistent information regarding changes to program locations, IEP form changes, transitions, and other professional development.
12. Allot time to the Special Education director at each administrative cluster meeting to articulate changes or provide professional development.
13. Provide administrative oversight to preschool programs.
14. Consider evaluating the Special Education organizational structure at the district office.
15. Inform Special Education providers how to access general education and Special Education materials at their site and district-wide.

Special Education Caseload

The district monitors Special Education teacher caseloads closely using caseload standards established in the agreement between the Hayward Unified School District and Hayward Education Association, 2013-2016. District standards for resource specialists are consistent with Education Code, and the caseload standards for special day class (SDC) are largely consistent with industry standards, except the district guidelines exceed industry standards for high school mild-moderate SDC, middle school and high school moderate-severe SDC, middle school and high school structured teaching program (STP) SDC, and elementary school, middle school and high school deaf-hard of hearing SDC. The charts below describes district caseloads according to industry standards.

The teacher-to-student ratio for middle school and high school mild-moderate RSP services averages 1-to-21.26. If these caseloads were at the Education Code maximum of 1-to-28, the district could potentially reduce 6.50 FTE RSP teachers for a cost saving of approximately \$610,233. This is calculated at an average Special Education teacher rate of \$93,882, including salary and benefits. Staff indicate that some mild-moderate teachers maintain a portion of their caseload with students who receive relatively low amounts of weekly or monthly service that are essentially “consult only.” Many consult students continue in that status for a number of years rather than being exited from services. Maintaining students on consult from year to year may run counter to the basic Special Education intent to serve students in the least restrictive environment and is a less effective use of staff. Parents should receive an annual analysis of their student’s progress on IEP goals to clearly establish the potential readiness for exit.

Resource Specialist Program

Grade Span	Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Total Teacher Ratio	Education Code Guidelines
Elementary	22.0	546	27.49	1:24.82	1:28
Middle	10.0	202	8.33	1:20.20	1:28
High	17.0	372	16.52	1:21.88	1:28

Mild-Moderate Special Day Class

Grade Span	Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Total Teacher Ratio	Industry Standard T-FTE	District Ratio T-FTE*
Elementary	11.0	146	12.2	1:13.27	1:12-15	1:15
Middle	5.0	73	5.33	1:14.60	1:12-15	1:15
High	4.0	59	4.25	1:14.75	1:12-15	1:24

Moderate-Severe Special Day Class

Grade Span	Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Total Teacher Ratio	Industry Standard T-FTE	District Ratio T-FTE*
Elementary	12.0	108	36.00	1:9.00	1:10-12	1:12
Middle	2.0	22	6.40	1:11.00	1:10-12	1:15
High	5.0	65	16.25	1:13.00	1:10-12	1:15

Structured Teaching Program (STP-Autism) Special Day Class

Grade Span	Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Teacher Ratio	Industry Standard T-FTE	District Ratio T-FTE*
Elementary	11.0	86	33.00	1:7.80	1:8-10	1:9
Middle	1.0	5	3.00	1:5.00	1:8-10	1:12
High	N/A	N/A	N/A	N/A	1:8-10	1:12

Deaf-Hard of Hearing Special Day Class

Grade Span	Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Teacher Ratio	Industry Standard T-FTE	District Ratio T-FTE*
Elementary	3.0	20	3.05	1:6.67	1:8-10	1:12
Middle	1.0	10	2.13	1:10.00	1:8-10	1:15
High	N/A	N/A	N/A	N/A	1:8-10	1:15

Counseling Enriched Special Day Class

Grade Span	Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Teacher Ratio	Industry Standard T-FTE	District Ratio w/ 2 Paras*
Elementary	4.0	29	8.78	1:7.25	1:8-10	1:13
Middle	1.0	11	N/A	1:11.00	1:8-10	1:13
High	6.0	55	N/A	1:9.17	1:8-10	1:13

Special Day Class Autism - All Programs (Early Childhood Education)

Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Total per Teacher Ratio	Total per Adult Ratio	Industry Standard Adult-Student	District Ratio per Teacher*
5.0	43	13.22	1:8.60	1:2.36	1:3.00	1:8.0

Special Day Class (Early Childhood Education)

Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Total per Teacher Ratio	Total per Adult Ratio	Education Code Guidelines Adult-Student	District Ratio per Teacher*
3.0	44	8.13	1:14.67	1:3.95	1:5	1:9 / grouping

Resource Specialist Program (Early Childhood Education)

Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Total per Teacher Ratio	Total per Adult Ratio	Education Code Guidelines	District Ratio per Teacher
2.0	(Not provided)	4.07	(Not provided)	N/A	N/A	1:28.0

Deaf-Hard of Hearing Special Day Class (Early Childhood Education)

Total Teacher FTE	Total Students	Paraeducator FTE (6 hr.)	Total Per Teacher Ratio	Total Per Adult Ratio	Industry Standard T-FTE	District Ratio T-FTE*
1.0	14	2.03	1:14	1:4.62	N/A	1-9 / grouping

Special Education Co-Teaching Classroom (Early Childhood Education)

Total SE Teacher FTE	Total SE Students	Paraeducator FTE (6 hr.)	Total per SE Teacher Ratio	Total per SE Adult Ratio	Industry Standard Adult-Student	District Ratio per SE Teacher
2.0	26	2.03	1:13	1:6.45	N/A	1:7.0

* Class size per Hayward Unified School District and Hayward Education Association agreement 2013-2016

Recommendations

The district should:

1. Analyze mild-moderate and related service caseloads to determine the percentage of students receiving minimal levels of support. If significant, review individual student progress at the annual IEP for possible exit. Provide staff with professional development on exit strategies and criteria.
2. Conduct an in-depth analysis of middle and high school RSP caseloads to determine if a reduction in Special Education teaching staff is feasible.

Instructional Assistants

District-provided records and documents show that the district employs approximately 274 educators with titles such as paraeducator special education, paraeducator severe handicap, paraeducator deaf-hard of hearing and paraeducator health care. Most of the paraeducator positions are six-hour assignments. Many paraeducators serving the resource population have five-hour assignments. Staff indicate that the five-hour paraeducator positions create student coverage issues in some instances at the middle and high schools. The district is switching paraeducator Special Education assignments to severe handicap assignments through attrition. This designation provides a more broad range of duties as well as more flexibility in assignments and service to students. Based on converting all paraeducator assignments (K-12, preschool, health care and 1-to-1) to six-hour full-time equivalents (FTE), the district employs 260 FTE paraeducators. At an average cost for a six-hour FTE including salary and benefits of \$38,747, the total cost of all paraeducators is \$10,074,220. An analysis of district paraeducator staffing levels compared to industry standards follows below. There is no industry standard for 1-to-1 paraeducators. District documents show that the district employs approximately 33 1-to-1 paraeducators including those in the paraeducator health care category at an average cost (including salary and benefits) of \$1,278,651.

The assignment of paraeducators to student services such as RSP, mild-moderate SDC and moderate-severe SDC are found to be mostly within an average range of the industry standards, with several exceptions. K-6 autism SDC (structured teaching program), K-6 SH SDC, and 9-12 M/S SDC all average one full six-hour paraprofessional per class above the industry standard. If all K-12 paraeducator assignments were aligned with industry standards, the district would save 35.97 six-hour paraprofessional positions at an approximate cost (including salary and benefits) of \$1,393,730.

Staff interviews and document reviews indicate several additional areas of concern with the provision of paraeducator services. Newly hired paraeducators begin their assignments with little or no initial orientation or professional training except that provided by their supervising teacher. District staff have developed a Paraprofessional's Guide for orientation, but it is not consistently provided to new paraeducators. Paraeducators have one day of professional development per year. The district also provides the two-day Crisis Prevention Intervention (CPI) training for paraprofessionals who directly support students with significant behavior challenges. The CPI training typically consists of one day of prevention and de-escalation training and a second day of more severe behavior intervention. Many districts have most paraeducators and most Special Education teachers participate in only the first day of CPI training to gain valuable skills in de-escalation and management of challenging behaviors.

Interviewees indicated there is no official monthly oversight and tracking procedure for paraeducator assignments at the sites. This limits administration's ability to accurately analyze position control prior to adding new staff. The department has recently developed a new procedure for identifying the need for 1-to-1 paraprofessional support titled Procedures for Individualized Paraprofessional Support. Disseminating the new procedure and implementing it district-wide are critical next steps that require management support and cooperation at all levels. The new procedures contain language such as "... gathering of information (to) help inform IEP team in determining FAPE in LRE for the student's benefit." This language suggests a formal assessment process. Other districts that are implementing such procedures have decided to voluntarily make the procedure part of a formal assessment process with a signed assessment plan and all other steps included in a formal assessment. This can help ensure the provision of due process and may

enhance a district's defensibility in the event of dispute over the provision of additional paraeducator support.

Interviews with staff indicate that the paraeducators who travel daily between schools in an itinerant assignment, such as health care paraeducators, lose significant direct service time dealing with parking issues at school sites. In some cases the time lost is estimated at an hour a day.

Paraeducator Staffing Comparison K-12 (without 1-1)

Grade Span	Type of Service	Teacher FTE	Paraeducator FTE 6 Hr. (All Categories)	Avg. Para FTE per Teacher/Class FTE	Industry Standard Para FTE per Teacher/Class FTE	Para Over (+) Under (-) Industry Standard	Para Cost (+) Savings (-) to District
Elementary	RSP	22	27.49	1:1.25	1:1.0	+5.49	+\$212,721
Elementary	M/M SDC	11	12.20	1:1.11	1:1.0	+1.20	+\$46,496
Elementary	M/S SDC	12	34.00	1:2.83	1:2.0	+12.0	+\$464,964
Elementary	STP SDC (Autism)	11	33.00	1:3.00	1:2.0	+11.0	+\$426,217
Elementary	CE SDC (ED)	4	8.78	1:2.20	1:2.0	+0.78	+\$30,223
Elementary	DHH SDC	3	3	1:1.00	N/A	+/- 0	+/- 0
Middle	RSP	10	8.33	1:0.83	1:1.0	-1.67	-\$64,707
Middle	M/M SDC	5	5	1:1.00	1:1.0	+/- 0	+/- 0
Middle	M/S SDC	2	6.40	1:3.20	1:3.0	+0.40	+\$15,499
Middle	STP SDC (Autism)	1	3	1:3.00	1:2.0	+1.0	
Middle	CE SDC (ED)	1	N/A*	N/A	1:2.0	N/A	N/A
Middle	DHH SDC	1	2	1:2.00	N/A	N/A	N/A
High	RSP	17	16.52	1:0.97	1:1.0	-0.48	-\$18,599
High	M/M SDC	4	4	1:1.00	1:1.0	+/- 0	+/- 0
High	M/S SDC	5	16.25	1:3.25	1:2.0	+6.25	+\$242,169
High	CE SDC (ED)	6	N/A*	N/A	1:2.0	N/A	N/A

* A nonpublic agency provides middle school and high school CE SDC classroom therapeutic paraprofessionals.

Recommendations

The district should:

1. Continue, through attrition and paraeducator staff movement, to consolidate the existing paraeducator Special Education positions into the more flexible job category of paraeducator SH.
2. Review the use of five-hour paraeducator assignments to determine the effectiveness of their assistance in the full implementation of student IEPs.
3. Assign 1-to-1 paraeducators more consistently by developing strategies for implementing the Procedures for Individualized Paraprofessional Support. Ensure that the new policy and procedure is implemented district-wide.

4. Consult with Special Education legal staff to determine if the Procedures for Individualized Paraprofessional Support should be established as a formal assessment procedure.
5. Consider aligning paraeducator staffing ratios for K-6 STP SDC, K-6 M/S SDC, and 9-12 M/S SDC classes more closely with industry standards.
6. Develop a monthly internal procedure to monitor the status of existing paraeducator assignments based on direct, accurate, and current information from all school sites. Determine which department level staff position(s) could assume responsibility for acquiring the paraeducator status information. Assign these staff to communicate the information to the department administrator monthly. Assign the responsible administrator to prepare thorough reports on paraeducator status for review at monthly Special Education Department administrative meetings.
7. Develop a procedure for new paraeducator staffing requests that includes a thorough review of the monthly paraeducator status report to validate whether existing staff can be reassigned before requesting new staff.
8. Develop a joint training and orientation between the Special Education and Human Resources departments to provide to all new paraeducators before they assume their duties at the school site.
9. Consider assigning a Special Education Department position to oversee the professional development for paraeducators that encompasses skill building for all key duties. Consider offering opportunities for side-by-side training in the real work setting.
10. Consider having all Special Education teachers and paraeducators participate in the first day of Crisis Prevention Intervention training as an essential component of an overall district approach to positive behavior intervention.
11. Examine the parking problems encountered by itinerant district staff and make recommendations to decrease employee time lost to travel inefficiencies.

Related Service Provider Caseloads

Related

Related services are the developmental, corrective and other supportive services required to assist a child with a disability to benefit from Special Education (34 CFR 300.34). These services are written in the IEP and include but are not limited to speech pathology, psychological services, physical and occupational therapy, counseling, school health and nursing services.

Staff reported a need for consistent, thorough communication from Special Education administration to itinerant staff when procedural changes are made that affect collaboration and service to students. Related service providers are not notified of IEP meetings consistently or timely.

Psychologists

The Special Education Department lacks an accurate position control process for staffing.

The department provided FCMAT with two sets of data on psychologist staffing. One document is undated and reports 18.5 psychologists. Department records dated March 16 show 20.3 FTE psychologists assigned to Special Education, which FCMAT used in its analysis. Lottery funds are charged for 19 FTE of psychologist salaries.

Most psychologists are assigned to school sites performing duties common to this position such as initial assessments for Special Education eligibility, writing reports, participating in IEP team meetings and completing triennial evaluations. The district also has six psychology interns who receive paid stipends.

The district's contract language for psychologists limits the ratio of general enrollment per psychologist to 1,300-to-1. Kidsdata.org provides a statewide caseload average of 1,321-to-1 for K-12 school psychologists. Some of the district's psychologists perform a variety of assignments other than the typical K-12 school psychologist. Some serve both the infant and preschool services and are factored into the ratio.

The district website lists enrollment at 20,996 as of September 2015 per the CDE. This indicates the current ratio of general education enrollment per psychologist is 1,034-to-1. Per the caseload contract language, the ratio should be 1,300-to-1. Using district contract language of 1:1,300 the district is overstaffed by 4.1 FTE psychologists, for an excess cost of more than \$400,000.

The district has a 1.0 FTE behavior specialist position that supports disabled students with behavioral difficulties as needed. There is no assigned caseload. The position also supports general education students as needed and provides staff training and support.

School Psychologist/Behavior Specialist Caseloads

Program	No. of FTE	Enrollment	Industry Standard	Contract Standard	District Caseload Average
Psychologist	20.3	20,996	1,321:1	1,300:1	1,034:1
Behavior Specialist	1.0	20,996	N/A	N/A	N/A

Recommendations

The district should:

1. Clearly define the roles and responsibilities of the psychologists serving the infant and preschool programs.
2. Ensure that psychologists' caseloads and workloads are balanced.
3. Consider reducing psychologists 4.1 FTE.
4. Develop a consistent position control process for Special Education staffing in coordination with Human Resources.
5. Improve communication with the itinerant staff on procedural changes that affect collaboration and services to students.

Nurses

FCMAT found inconsistencies in the district data on nurse staffing. One document provided during the study showed 10.25 FTE. The original data indicated 8.0 FTE district nurses, with an additional 1.6 FTE assigned specifically to Special Education, which is the data used for this study. The staffing ratio for general education nurses is 2,625-to-1, which is slightly below the industry standard of 2,784-to-1.

Nurse Caseloads

Program	No. of FTE	Enrollment	Industry Standard	Contract Standard	District Average Caseload
Nurses (General Education)	9.25	20,996	2,784:1	None	2,625:1

Source: District provided staffing reports; kidsdata.org

One Special Education nurse supervises the specialized health care procedures provided by 20 full-time health care paraeducators. The nurse is responsible for developing the written procedures to be used for each student, training the paraprofessional implementing the procedures, and monitoring the quality of care in each case.

The nurse is required to secure substitute coverage when paraprofessionals are absent. The paraprofessionals call the nurse at home in the early morning, and the nurse then contacts or reassigns staff to provide coverage. In some instances the Special Education nurses must provide coverage for health care procedures. Typically, securing substitute coverage is a Human Resources function.

Staff reported that periodic meetings do not occur between program specialists, speech therapists, nurses, resource specialists, psychologists and behavior specialists. Staff reported that they do not receive timely notification of health assessments required on Special Education assessment plans or of notices for IEP meetings.

Recommendations

The district should:

1. Review the caseload and workload for district Special Education nurses to ensure that duties align with the job description.
2. Work with Human Resources/position control to determine the correct number of nursing positions.
3. Review/revise procedures for securing substitute coverage for paraprofessionals providing specialized health care.
4. Develop and maintain an adequate substitute pool for Special Education healthcare providers.
5. Enhance department communication through semi-annual meetings with school site Special Education staff (resource specialists, speech therapists) and itinerant staff (nurses, psychologists, behavior specialists, etc.).

Speech Therapists

The district employs 25.6 FTE speech therapists (6.4 FTE for preschool and 19.2 for K-12). In preschool, 1.8 speech therapists have no assigned caseload. The district reported that their duties are preschool assessments only. The remaining preschool speech staff (4.6 FTE) maintain an average caseload of 30.4 students who receive direct services. Using the caseload data provided by the Special Education Department, the district is overstaffed by 1.0 FTE in preschool direct services. A reduction in this area would yield a savings of approximately \$70,000.

Speech therapists serving the K-12 population are also assigned preschool students on their caseload. A teacher on special assignment makes that staffing determination. The director or assistant director of Special Education makes staffing assignments in most districts FCMAT reviews.

The Special Education office reports an average caseload for speech therapists (K-12) of 49, which is below the contractual caseload standard of 55-60. The district did not provide a record of preschool students assigned to the K-12 caseload. Using the caseload data provided by the Special Education Department, the district is overstaffed by 2.1 FTE in K-12 speech therapy. A reduction in this area would yield a savings of approximately \$140,000.

Speech Therapist Caseloads

Program	No. of FTE	Caseload	Contract Standard	District Average Caseload
Speech Therapist	1.8	0	40	0 (Assigned to assessment team)
Preschool	4.6	30.4	40	30.4

Program	No. of FTE	Caseload	Contract Standard	District Average Caseload
Speech Therapist K-12	19.2	49	55-60	49

Source data provided by the Special Education Department

Recommendations

The district should:

1. Verify the accuracy of the systems for gathering caseload information for speech and language services in both preschool and K-12 levels.
2. Consider staffing reductions of 3.0 FTE in speech therapy for a savings of approximately \$210,000.
3. Examine the assignment process and ensure that an administrator handles the speech therapy staffing and caseloads.

Adapted Physical Education

The district employs 2 FTE with average caseloads of 50, which is within the industry standard but exceeds the contract standard of 45 students. Although the teacher contract outlines compensation for general education teachers whose class size exceeds the caseload maximum established by the contract, no language indicates the next steps if the itinerant APE caseloads exceed the contract standard.

Adapted Physical Education (APE) Caseload

Program	No. of FTE	Average Caseload	Contract
APE	2.0	50	45

Source data provided by the Special Education Department

Recommendations

The district should:

1. Continue monitoring the caseloads of adapted physical education staff.

Occupational Therapist

The district employs 2.0 FTE occupational therapists who serve a total caseload of 124 students. The industry standard for OT student caseload is 1:45-55. The current caseloads exceed the industry standard; however, the district did not provide a breakdown of the direct and indirect services, which could impact the overall caseload.

Occupational Therapy Caseload

Program	No. of FTE	Industry Standard	Average Caseload
Occupational Therapy	2.0	45-55	62

Recommendations

The district should:

1. Monitor occupational therapy caseloads by tracking indirect and direct services.

Assistive Technology/Augmentative Communication

The district maintains a comprehensive sequence of support services and training to address the assistive technology and augmentative communication needs of disabled students. A 1.0 assistive technology specialist and a .8 augmentative communication specialist run an onsite technology lab and offer teachers access to training, equipment and supplies to create curriculum materials and use specialized equipment to support student learning in the moderate to severe classrooms.

Recommendations

The district should:

1. Continue to support classroom teachers and build technology proficiency.
2. Expand training to include paraeducators and general education teachers.

NPA, NPS, and Alternative Programs

FCMAT was asked to review the use of resources allocated for nonpublic schools/agencies and county programs and make recommendations for greater efficiency.

Education Code Section 56034 defines a nonpublic school as follows:

Nonpublic, nonsectarian school (NPS) means a private, nonsectarian school that enrolls individuals with exceptional needs pursuant to an individualized education program and is certified by the department. It does not include an organization or agency that operates as a public agency or offers public service, including, but not limited to, a state or local agency, an affiliate of a state or local agency, including a private, nonprofit corporation established or operated by a state or local agency, or a public university or college. A nonpublic school also shall meet standards as prescribed by the Superintendent and board.

The program specialist manages the nonpublic school or agency placement and services. The initial placement and services contracts are processed through the Business Department and approved by the governing board. In addition to NPS placements, the district has NPA contracts for applied behavior analysis (ABA aides), occupational and physical therapy, and mental health counseling services.

Over the past three years the district has built specialized district programs for students with autism, social-behavioral needs and emotional disorders, which returned 31 students from nonpublic schools to educational programs with the district.

District Enrollment of Students in Nonpublic Schools

School Year	Total Number of Students in Nonpublic Schools	Total Cost	Cost per Student
2013-14	108	\$4,384,086	\$40,593
2014-15	96	\$3,977,810	\$41,435
2015-16	77	\$3,743,142	\$48,612
Total Return	31	\$48,612	None

Source: Special Education Department, HUSD Master Contracts 2016

Based on the total expenditures provided by the district, the NPS budget is projected to decrease to \$3,743,142 in 2015-16. Although 31 students have returned to the district, the NPS budget has stayed in the range of \$3.7 million to \$4.4 million each of the last three years. In addition, the cost per student has increased by \$7,177 during the 2015-16 school year. This could be due to the intensity of needs in the current NPS population, restrictive out-of-state mental health placements or increased tuition costs. Ongoing communication between Special Education and Business departments is critical when increases of this magnitude occur.

Nonpublic Agencies

The district expenditures for NPAs have averaged \$2,541,070 per year. Some progress has been made to decrease the use of NPAs by hiring district staff.

Nonpublic agency (NPA) Education Code requirements are the same as for NPS. Education Code 56365(a) requires an NPA to be “under contract with the local educational agency to

provide the appropriate special education facilities, special education, or designated instruction and services required by the individual with exceptional needs if no appropriate public education program is available.”

A district may contract with an NPA or NPS when it determines it does not have the appropriate education placement/related service for a specific student or cannot hire staff to provide related services to students.

The district has hired 3 FTE speech therapists and has decreased the NPA budget. Its largest NPA expenditure is the mental health support costs of counseling enriched classes provided through Alameda County for students with emotional disturbance. The district has allocated \$511,920 for classroom support aides from Seneca who are utilized in some regional SELPA programs. FCMAT found no evidence of revenue from other districts in the SELPA accessing this program, which could offset a portion of costs.

The district could work through the Personnel Commission to create a behavioral aide job category and replace current NPA aides that cost \$78,000. The estimated cost of district aides in this category would be \$50,000, which could yield significant savings.

District Expenditures for Nonpublic Agencies

School Year	Alpha Vista	Seneca NPA	Alameda County
2013-14	\$1,676,397	\$677,485	\$1,438,674
2014-15	\$916,834	\$707,750	\$1,286,667
2015-16	\$237,035*	\$511,920.	\$900,000**

*Cost offset by the hire of 3 FTE therapists for \$170,448

** Costs as of 3/31/16

Source: Nonpublic Agency Individual Service Plans, Hayward USD 2016

Recommendations

The district should:

1. Closely monitor the NPS/NPA placements and services monthly and determine how to decrease the overall budget.
2. Have the director of Special Education and the Business Department closely examine all NPS individual service agreements for students for 2015-16 and determine why the cost per student has increased.
3. Develop and utilize a consistent tracking process to inform the business office of projected placements, services and costs of students.
4. Set up quarterly meetings for Business, Special Education and the assistant superintendent of education services to discuss tuition cost increases and the effect on the budget.
5. Review the scope and services required for counseling enriched programs and transition from NPA to district support aides whenever possible.

6. Build capacity through training and support to create counseling aides to assist students in counseling enriched classes.
7. Closely examine the contract and services provided by the mental health provider to ensure that the resource is maximized.
8. Create a behavioral aide position to eliminate NPA costs.
9. Ensure that a tracking system is in place to capture revenue for nondistrict students enrolled in regional counseling enriched programs.

Medi-Cal LEA

District staff have determined that they have not maximized all options for Local Education Agency (LEA) Medi-Cal billing. The free and reduced meal count from district data (April 2016) indicates that 68% of the total population is eligible for free and reduced meals. Of every 100 active IEPs that provide an LEA billable service, 86 should receive reimbursement. An analysis of the last four years shows that the district has averaged \$300,000 in net LEA Medi-Cal income. As a result the district has changed its provider and simplified procedures for tracking and submission of billable services. A conservative estimate indicates that the district should be able to increase annual LEA billing net income to \$900,000.

The district does not bill for transportation. Each day an eligible student is transported to and from school to receive a billable service, the district can be reimbursed \$18. The district should determine whether the Alameda County Office of Education bills for transportation for students attending county programs or if the district can capture these billable services to increase its revenues. Accessing reimbursement for transportation under LEA Medi-Cal billing is a major project in the Student Services Department for the 2015-16 school year. The district could also attempt to obtain reimbursement for 2014-15.

Recommendations

The district should:

1. Continue efforts to maximize reimbursement for LEA-Medi-Cal billable services.
2. Initiate billing through transportation for eligible services.
3. Increase provider accountability for compliance with billing expectations through incentives and other measures.

Transportation Services

The district operates its own pupil transportation department and program for general education transportation and a vehicle maintenance program for its school buses and other vehicles. Its Special Education students are transported in cooperation with 10 other school districts through the South County Transportation Consortium using an external contractor. Of the district's approximate 2,234 K-22-year-old students with an IEP, 758 (33.93%) have transportation identified as a necessary related service.

Transportation Department Funding and Finance

School transportation is arguably the most poorly funded program in California's education budget. It was fully funded up to 1977. School districts reported their operational costs and were fully reimbursed in the subsequent year. After Proposition 13, California gradually reduced the percentage of reimbursement. In the 1982-83 school year the state capped the funding for each district based on 80% of the reported costs at that time. There have been occasional cost of living adjustments over the years. As costs increased, the static funding covered ever-smaller percentages of the need. In the 2007-08 school year, the funding covered approximately 45% of the costs. Individual districts varied greatly around this number depending on demographics and need. During the Great Recession, California reduced all categorical program funding by approximately 20%. That cut to pupil transportation funding has not been restored. In the 2013-14 school year the Local Control Funding Formula (LCFF) was implemented. Most categorical programs were folded into this funding formula; however, pupil transportation funding was not. Funding was frozen at the 2012-13 level and there was a requirement for maintenance of effort, meaning that districts needed to spend at least as much as they received.

The district receives \$1,086,759 from the state for pupil transportation. The California Department of Education (CDE) had collected pupil transportation data (Form TRAN) that was published annually and used to compare revenue to expenses. With the LCFF, CDE no longer collects that data.

Below is a table that shows the most recent two years that data was available:

FCMAT Hayward Unified School District		
TRAN data table		
	2010-11	2011-12
	SD/OI	SD/OI
Buses	49	57
Pupils	612	614
Pupils w/IEP	612	614
Miles	901259.00	1004919.00
Revenue	\$ 272,439.00	\$ 275,069.00
Approved Costs	\$ 3,300,549.41	\$ 3,553,386.95
District Contribution	\$ 3,028,110.41	\$ 3,278,317.95
Cost/Mile	\$ 3.662	\$ 3.536
Cost/Pupil	\$ 5,393.055	\$ 5,787.275
SD/OI Refers to Severely Disabled/Orthopedically Impaired or special education transportation.		

Since the implementation of LCFF, the state no longer separates general education and Special Education transportation revenue. The revenue comes in a lump sum, but the amount that was specifically identified for severely disabled/orthopedically impaired (SD/OI) students was \$276,584, and the amount identified for general education students was \$810,175. The state revenue in the 2012-13 fiscal year covered approximately 19.3% of the district's transportation expenses. Statewide, in that year, school transportation revenue covered approximately 35% of all pupil transportation costs. The district's revenue is lower than the statewide average only because its need for transportation service has increased since revenue was capped 33 years ago.

In the 2014-15 fiscal year, the district's Special Education transportation budget was \$5,317,587.72. The district has budgeted \$5,611,971.92 for the 2015-16 fiscal year, an approximate increase of \$294,384.20. As of March 2016, the actual budget appears to be on track with the projected budget.

As of March 2016, the district has spent \$1,812,084 with Durham Transportation in the 2015-16 fiscal cycle. In addition to this contracted school bus Special Education service, a large number of students are transported by non-school bus contractors and parent in-lieu contracts. The district spends approximately 42% of its committed Special Education transportation expense as follows: \$77,935 with My Coyote Transportation, \$1,056,175 with Bell Transit Company, \$178,242 with American Logistics Company, and \$7,177.35 with West Shield for a total of \$1,319,529.35. The total transportation expense is \$3,131,613.35 as of March 2016. It is reasonable to have a small population of Special Education students requiring transportation to programs outside the district's geographical boundary, possibly traveling to specific programs or requiring one-on-one direct transportation. However, transporting nearly half of the district's students by non-school bus carriers in taxicabs or passenger vans rather than assigning them to Durham greatly increases expenses.

Recommendations

The district should:

1. Review the assignment of students to non-school bus carriers to reduce the Special Education transportation expense.

Special Education Routing and Scheduling

The district assigns transportation support to approximately 758 Special Education students using five external contractors. Approximately 33.93% of the district's 2,234 Special Education students have been identified as eligible for transportation as a necessary related service to gain access to their assigned education program. This is a significantly high percentage and is indicative of little oversight and control in assigning transportation as an appropriate and necessary related service in the IEP process. The district should examine its IEP assessment team criteria for transportation as a necessary and appropriate related service. Although district staff report having these criteria available to IEP teams, no evidence was found that the teams utilize any criteria or decision tree to identify and evaluate transportation as a related service. Additionally, no evidence was found to suggest that a process is in place to ensure that transportation is offered in the least restrictive manner under free and appropriate education standards.

During the 2015-16 budget cycle the district has utilized four different private transportation providers as well as parent in-lieu contracts to provide Special Education transportation. Durham Transportation is the district's primary school bus transportation contractor for its Special Education students, and is the only company under contract by the South County Consortium. At the time of FCMAT's fieldwork, Durham reported transporting only 526 of the district's 758 students (69.39%). The remaining 232 students (30.59%) are transported by these external contractors:

- American Logistics Corporation (ALC) = 19 students/2.50%
- Bell Transit = 113 students/14.90%
- Alameda-Contra Costa Transit District (AC Transit) = 16 students/2.11%
- Parent In-Lieu Contracts = 84 students/11.08%

School bus aides or monitors are district employees; none of the contractors provide this assistance. The district reported that three to four district paraeducators are generally assigned to students both in the classroom and during transportation. The district may want to assign students who require a bus aide or paraeducator during transport to a bus route that is assigned an aide. This could eliminate having multiple bus aides or paraeducators on a bus when one employee can supervise all students requiring assistance.

A staff member in the district's Special Education program assigns transportation support for Special Education students. This employee reviews the district's transportation request form for completeness and then selects and forwards specific data to a contractor. The employee also reviews invoices to ensure that all students billed by the contractor are current and appropriately assigned for service. In some cases, a district program specialist may specifically assign Bell Transit because of a student behavior or other special condition. Bell Transit utilizes non-school bus vehicles, possibly a taxicab or passenger van, for individualized service or with fewer students than a regular school bus route.

The district's program specialists and case managers appear to encourage parents to drive their students through in-lieu reimbursement contracts, believing it is less costly. In many cases, the in-lieu contract may be less costly than a non-school bus route assignment. Staff interviews appear to indicate that most case managers and program specialists assume that transportation for Special Education students is scheduled using Durham Transportation. However, as noted above, a significant number of students are assigned to ALC or Bell Transit for service. Earlier in the 2015-16 school year, an additional transportation provider, My Coyote, was also utilized. That company has ceased operations.

Staff report many examples of poor or inadequate service by Durham Transportation. Information gathered by Durham Transportation representatives shows that the company, like many East Bay transportation providers, has experienced staffing shortages as a result of the increased employment by technology companies that offer commuter services to their employees. Additionally, staff reported that the assignment of Special Education students to other transportation contractors was done, in part, because Durham had reportedly removed and refused to transport a significant number of students in the immediate past. However, further research revealed that Durham had worked with district staff to identify alternative transportation for just two students with severe and dangerous behaviors. In some cases, the Special Education director may decide to assign some students to Bell Transit or ALC in special circumstances such as behavior issues or Durham's inability to consistently transport a student timely.

Durham Transportation staff indicated that some Special Education students assigned to Durham do not appear to require specialized services. There also appears to be a general belief by district staff that Durham will not transport students to programs outside the district's geographical boundaries. However, Durham reports that it operates approximately six school bus routes for Hayward USD that transport students to programs in San Leandro, two routes that transport students to programs in Fremont and 15 to 20 routes that transport students to programs in San Lorenzo. Additionally, a few district students are transported under its NPS contract.

As referenced earlier in this report, the district has a Special Education procedures handbook and decision tree for program specialists and others to use in IEP assessments to determine appropriate and necessary need for a student to be assigned transportation as a related service. However, district staff report having not been trained specifically in appropriate identification of this related service, and the materials are not utilized. The district should review the procedures handbook and decision tree and provide technical training for use of these materials to all its program specialists and case managers.

The district lacks a supervisory or administrative employee responsible for ensuring the identification and assignment of Special Education students to the appropriate transportation provider. Additionally, the district does not appropriately oversee its assignment of students and service quality with its primary contractor, Durham Transportation. Individual case managers assign students to the transportation providers. Often, case managers or Special Education leadership may assign students to one of the non-school bus contractors because of service concerns with Durham Transportation.

With a few exceptions, liquidated damages are not consistently applied when necessary because the district does not effectively oversee and manage its Special Education transportation providers. The district could utilize its internal transportation program to provide this oversight. The district already has a transportation manager and would need to create a second dispatcher position for the direct responsibility.

Special Education Department staff stated a goal of 30-45 minute ride times for Special Education students. The Transportation Department stated there are 60-90 minute ride times for the most distant students. No state law or regulation governs the ride time of Special Education students, and no district board policy or administrative regulation addresses this. Shorter ride times equate to more buses and drivers on the road and more cost. On average, it costs \$129,031 every time another bus and driver is placed on the road (total Special Education transportation budget divided by the number of routes).

As noted in the previous section, the district utilizes ALC for some Special Education students. Some of these students are outside the district's geographic area. Others are placed on ALC routes due to passenger management issues. Some are placed due to a settlement by an Independent Dispute Resolution process the district employs. The Transportation Department is not aware of these placements. There should be discussion and a collaborative determination if such students could be transported on district routes.

Recommendations

The district should:

1. Examine its IEP assessment team criteria for identifying students requiring transportation support as a necessary and appropriate related service.

2. Develop specific criteria and a decision tree for identifying Special Education students requiring transportation as a necessary related service and to ensure transportation is provided in the least restrictive manner.
3. Determine whether students who require a bus aide or paraeducator during transport can be assigned to a bus route staffed with an aide.
4. Review its transportation procedures handbook and decision tree for Special Education support and provide technical training for the use of these materials to all district program specialists and case managers.
5. Identify a management level employee and program staff to appropriately assign transportation support per the IEP and provide effective oversight of the school bus contractor or other passenger vehicle contractor.

Contract Analysis

Sometime in the early to mid 1980s, Hayward USD and approximately 10 other school districts neighboring one another in the East Bay area joined together to form the South County Transportation Consortium (SCTC). The 11 districts that make up the SCTC are:

- Castro Valley USD
- Dublin USD
- Fremont USD
- Hayward USD
- Livermore Valley Joint USD
- New Haven USD
- Newark USD
- Pleasanton USD
- San Leandro USD
- San Lorenzo USD
- Sunol Glen USD

Durham Transportation has held the SCTC transportation contract for nearly the entire history of the consortium. For the last several years, consortium leadership has been severely lacking, and no district in the consortium appears willing or able to take the lead. As a result, the interests of each district are not represented. Durham leadership staff indicated they have essentially operated independently for each consortium district out of necessity. This has been a formidable challenge.

Effective with the beginning of the 2016-17 school year, Hayward USD has separated from the SCTC and has secured an independent contract with Durham Transportation to transport only Hayward USD Special Education students. Hayward staff also report that the Fremont USD has separated from the SCTC and will support its student transportation requirements by expanding its school bus fleet and staff. It is not clear if these moves will cause the SCTC to cease existence, or if the remaining nine districts will continue with it. However, Hayward USD takes the

position that it can provide improved transportation services for its Special Education students. Durham Transportation reported that it will provide service to Hayward USD only and will cease contract support for the SCTC effective with the 2016-17 school year. Durham then may be able to better support Hayward USD's needs because it will not have the staffing challenges associated with the SCTC.

Under the district's new contract with Durham, the district's chief business official will be responsible for Special Education transportation service, removing the responsibility from the Special Education director.

Durham Contract

The current Durham Transportation contract through the SCTC expired June 14, 2015. The contract was extended one additional year and will expire on June 14, 2016. The contract daily rate is \$27.93 per ambulatory student and \$46.33 per wheelchair student. Separate specialized rates are used for trips connected to routes and trips not connected to routes. Other specifics of the contract include the following:

- The contractor is responsible for school bus routing.
- Bus age limit is 12 years old.
- A 5% spare bus factor is required for the bus fleet and substitute drivers.
- Two-way radio communications must be available on all contract buses.
- Video surveillance is required on all contract buses.
- Liquidated charges may be applied on all missed or late routes.

The district's new contract with Durham Transportation does not appear to be as nearly as detailed. It does not include a rate sheet. The new contract should be based on a per-pupil amount and not a per-bus amount. Contracted services are to be as cost effective as possible; therefore, contracted services should be based on a per-pupil cost not per-bus cost. The district should ensure that the contract contains sufficient detail, including the agreed rate structure.

American Logistics Company (ALC)

The term of the district's contract with ALC is from August 31, 2015 through September 1, 2016. The fee structure is \$65 per each trip and \$2.50 for each mile over 12 miles. Wheelchair students cost \$25 and car seats cost \$5. An additional \$60 is charged for wait times in 15-minute segments. Monitors or bus aides, if requested, are \$25 per hour with a two-hour minimum.

ALC's February invoice showed 18 students had been transported for 20 days at a cost of \$33,925 for that period of time. The average cost per student per day is \$94.24.

The contract calls for independent operator oversight, which consists of the following:

- Operator background checks
- TB test
- Drug and alcohol testing

Bell Transit

The term of the district's contract agreement with Bell Transit is from August 1, 2015 through June 30, 2016. The total value of the contract is not to exceed \$50,000; however, the contract has far exceeded this limitation. Although there is no rate sheet, the fee structure appears to be billed at \$50 or \$75 per each trip. The February 2016 invoice showed \$201,525 for 20 days. The average cost per student per day is \$83.96. The contract does not appear to contain specifics other than drivers will be fingerprinted for background checks. No specific language is included for TB tests, drug or alcohol testing, or DMV pull notices of driving records.

Parent In-Lieu Transportation

The district's contract for parent in-lieu transportation reimbursement indicates that parents will only be reimbursed for a one-way ride (when the student is in the vehicle). The district budget identifies a payment span between \$2 per day and approximately \$66 per day. The average annual per student cost is \$1,200.15. Approximately 106 students are transported on parent in-lieu contracts, although many have not been on a parent contract for the full school year. Although the number of contracts is high compared to what FCMAT normally sees, several students attend a program called Wings Learning Center located across the Bay; these contracts cost the district an estimated \$10,000 to \$12,000 each. Assuming none of the district's contractors have routes to this program, this may be the least expensive way to transport these students.

Although paying a parent in lieu of district transportation may be most resourceful, the district may have contract routing to many of the program sites. Assigning students to an existing contract route would be less costly. Normally, parent in-lieu contracts are utilized for student transportation when a district does not have other students attending a program or special student needs require individual transportation and the student's parent or guardian is willing to transport.

The district's contract is missing several criteria:

- No parent requirement for minimal insurance coverage.
- No specific rate for each parent. No advance calculation is performed to determine a maximum amount to be reimbursed. Additionally, the prevailing IRS mileage reimbursement rate is not specifically included.
- No indemnification language is included.

West Shield

The district did not provide contract or billing data for this contract. However, in review of the district's budget, the total amount appears to be relatively insignificant and the services appear to be specific to specialty medical transportation, e.g., on a case-by-case basis per student needs. As of March 2016, the district had paid out \$7,177.35.

Recommendations

The district should:

1. Ensure sufficient contract detail is identified, including the agreed rate structure, in the new service contract with Durham Transportation.

2. Review and modify its service contract with Bell Transit to be more inclusive of company and operator requirements.
3. Examine and modify its parent in-lieu contracts to include specific language for protection of the student and the district, and to stipulate mileage reimbursement amounts and parameters.
4. Create a student medical transportation contract to include cost structure, operator and company background requirements and minimum insurance requirements.

Special Education Transportation Oversight

The district operates a Maintenance, Operations & Transportation (MOT) Department. A transportation manager, lead dispatcher and lead mechanic manage the general education and activity trips. The transportation coordinator supervises and assigns duties to 15 school bus drivers, two substitute school bus drivers and one floater position. The district runs 16 general education home-to-school bus routes transporting approximately 2,700 students daily.

With the addition of a second transportation dispatcher, the district will have the pupil transportation oversight personnel in place to assign students to the district's external school bus contractor, Durham Transportation, or other qualified Special Education pupil transportation provider. Additionally, staff will have the necessary knowledge and experience to monitor, manage and ensure that service levels are met. The transportation coordinator could act as the central liaison between the district and contractors for instruction, clarification and problem resolution. The transportation program staff has the necessary understanding and knowledge to monitor contract performance levels and apply necessary liquidated damages if necessary. Transportation personnel can help assess external contract language to ensure all safeguards, driver background and driving record data are met and monitored. The district's transportation dispatcher staff could be given access to the external contractor's two-way radio communications and global positioning system data as a means to regularly and continuously monitor performance levels. Positioning the district's MOT Department and transportation program staff as the oversight and district management authority removes a burden from district Special Education staff that do not have nor are expected to have pupil transportation background knowledge and expertise.

Recommendations

The district should:

1. Examine the increased efficiencies, supervision, enhanced communications and contractor performance that could be achieved by assigning its transportation program staff to oversee all transportation assignment and contractor management responsibilities.

Fiscal Efficiencies

FCMAT was asked to determine the general education fund contribution to Special Education and make recommendations.

Districts have little control over Special Education revenues. California distributes funds to Special Education local plan areas (SELPA) based on their member districts' total average daily attendance (ADA), not on identified Special Education students.

The reporting methods of districts, county offices, and SELPAs can vary. Some districts include transportation while others do not, and there are variations in how Special Education funds are allocated through a SELPA's approved allocation plans. Therefore, it is not always possible to accurately compare a district's general fund contribution to that of other districts. However, a district may need to address a general fund contribution that is excessive or increasing.

Maintenance of effort (MOE) is the federal statutory requirement that a district must spend the same amount of state and local money on Special Education each year, with limited exceptions. In considering how to reduce the overall general fund contribution, the district is required to follow the guidelines in the MOE document (20 USC1413 (a)(2)(A)). The MOE document from the California Department of Education (CDE) lists the following as exceptions that allow the district to reduce the amount of state and local funds spent on Special Education:

1. The voluntary departure, by retirement or otherwise, or departure for just cause, of Special Education or related services personnel who are replaced by qualified, lower-salaried staff.
2. A decrease in the enrollment of children with disabilities.
3. The termination of the obligation of the agency to provide a program of Special Education to a particular child with a disability that is an exceptionally costly program, as determined by the State Educational Agency, because the child:
 - a. Has left the jurisdiction of the agency;
 - b. Has reached the age at which the obligation of the agency to provide FAPE (free and appropriate public education) to the child has terminated; or
 - c. No longer needs the program of Special Education.
4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.

MOE documents provided to FCMAT indicate the district's general fund contribution was \$21,069,079 (58%) in 2013-14 and \$25,573,234 (61%) in 2014-15. The district's 2015-16 second interim expenditure budget for Special Education is \$45,253,338 based on the MOE document. The district's general fund contribution is projected to be \$28,517,819, which is 63% of the Special Education budget. According to the March 2013 Special Education Task Force Report on the general fund contribution percentage to Special Education, the statewide average is 43%.

Several factors affect a district's general fund contribution, including revenue received to operate the programs and the expenditures for salaries, benefits, staffing and caseloads, nonpublic school and nonpublic agency costs and transportation. Litigation can also increase a district's general fund contribution.

The Local Control Funding Formula (LCFF) was enacted with the passage of the 2013-14 Budget Act, replacing the previous K-12 finance system with a new funding formula. The new formula for school districts and charter schools is composed of uniform base grants by grade spans (K-3, 4-6, 7-8, 9-12) and includes additional funding for targeted students. Under the previous K-12 finance system there was a transfer of revenue limit ADA funding generated from the special day classes from the unrestricted general fund to the Special Education program. Special day class ADA is no longer reported separately and the CDE determined that this transfer will no longer take place. The implementation of the LCFF has automatically increased the amount of many districts' general fund contribution to Special Education because of this accounting change.

Effective in 2013-14, Special Education transportation revenue became an add-on to the LCFF. It is no longer restricted Special Education revenue. This accounting change has increased the amount of many districts' general fund contribution to Special Education.

The district's Special Education contribution has increased by \$7,448,740 (35.4%) since 2013-14.

The table below shows the Special Education revenue the district receives from both state and federal resources. The revenue data provided to FCMAT was posted to the district's Special Education program in its financial system. Since 2013-14 the district's revenue received to operate Special Education programs has increased by \$1,175,346, or 7.7%.

Special Education Revenues from 2013-14 to Projected 2015-16

Description	2013-14	2014-15	Projected 2015-16	Difference from 2013-14 to projected 2015-16
IDEA Entitlement	\$3,148,402	\$3,083,895	\$3,583,845	+\$435,443
IDEA Preschool	\$413,839	\$363,496	\$418,249	+\$4,410
IDEA Mental Health	\$225,568	\$232,237	\$230,401	+\$4,833
Early Intervention Grant	\$92,146	\$114,086	\$114,086	+\$21,940
State Infant Funding	\$170,117	\$175,438	\$172,553	+\$2,436
State Preschool Sequester Funding	\$4,122	\$4,122	\$0	-\$4,122
State Mental Health	\$1,167,942	\$1,178,757	\$1,208,470	+\$40,528
AB602 State Apportionment	\$9,869,368	\$10,102,685	\$10,305,655	+\$436,287
Interagency Services/Other Local	\$152,605	\$192,577	\$386,196	+\$233,591
Total Revenues	\$15,244,109	\$15,447,293	\$16,419,455	+\$1,175,346

School districts throughout the state face a continuing challenge in funding the costs to serve Special Education students. Districts are faced with mounting increases in the differences between the federal and state government funding and the mandated costs for these vital student services.

The table below shows the district's Special Education program expenditures. The expenditure data is based on the MOE documents provided to FCMAT. Since 2013-14 the district's expenditures to operate Special Education programs have increased by \$8,920,148, or 24.6%.

Special Education Expenditures from 2013-14 to Projected 2015-16*

Description	2013-14	2014-15	Projected 2015-16	Difference from 2013-14 to projected 2015-16
Certificated Salaries	\$11,284,551	\$14,240,930	\$16,163,217	+\$4,878,666
Classified Salaries	\$7,381,713	\$9,074,890	\$9,680,326	+\$2,298,613
Benefits	\$3,351,447	\$4,944,247	\$5,957,043	+\$2,605,596
Materials and Supplies	\$215,898	\$428,918	\$207,397	-\$8,501
Contracts and Operating	\$13,859,691	\$12,750,665	\$13,027,952	-\$831,739
Capital Outlay	\$5,861	\$7,156	\$11,633	+\$5,772
State Special Schools	\$38,688	\$38,110	\$26,857	-\$11,831
Subtotal, Direct Costs	\$36,137,849	\$41,484,916	\$45,074,425	+\$8,936,576
Indirect Charges	\$195,341	\$170,696	\$178,913	-\$16,428
Total Expenditures	\$36,333,190	\$41,655,612	\$45,253,338	+\$8,920,148

*Excludes the Program Cost Report Allocation.

The table below compares the district's December 1 Special Education pupil count and the expenditures per identified pupil. Since 2013-14 the district's Special Education pupil count has increased by 224 pupils, or 9.8%, and the expenditures per identified Special Education pupil have increased by \$2,136 per pupil, or 13.4%.

Description	2013-14	2014-15	Projected 2015-16	Difference from 2013-14 to projected 2015-16
December 1 Identified Pupil Count	2,284	2,409	2,508	+224 (+9.8%)
Expenditures per Pupil	\$15,908	\$17,292	\$18,044	+\$2,136 (+13.4%)

Recommendations

The district should:

1. Monitor the district's general fund contribution through the annual MOE and determine if expenditures can be reduced using any of the exemptions allowed.
2. Monitor attendance rates, including rates in special day classes.
3. Establish monthly meetings of the special education director and the assistant superintendent of business services that include the following topics:
 - Budget development and monitoring
 - Maintenance of effort requirements
 - Additional staff requests or change in assignments

- Nonpublic school and/or agency contracts, invoices and new placements
 - Due process or complaint issues
 - Staff caseload
 - Identified student counts
 - Identified needs
4. Assign the Business Services Department to implement zero-based budgeting. Have each department build and propose its 2016-17 budget including staffing. Have the Special Education, Business, and Human Resources departments review all staffing and assignments through this process. Assign staff to review how positions are used and charged to the district budget.

Appendices

Appendix A - Response to Instruction and Intervention Guidance from the CDE

Appendix B - Study Agreement

Appendix A

Definition

Response to Instruction and Intervention (RtI²) is a systematic, data-driven approach to instruction that benefits every student. California has expanded the notion of RtI² to communicate the full spectrum of instruction, from general core to supplemental or intensive, to meet the academic and behavioral needs of students. RtI² integrates resources from general education, categorical programs, and special education through a comprehensive system of core instruction and interventions to benefit every student.

Core Components

A cohesive RtI² process integrates resources from general education, categorical programs, and special education into a comprehensive system of core instruction and interventions to benefit every student. The following core components are critical to the full implementation of a strong RtI² process:

1. **High-quality classroom instruction.** Students receive high quality and culturally relevant, standards-based instruction in their classroom setting by highly qualified teachers.
2. **Research-based instruction.** The instruction that is provided within the classroom is culturally responsive and has been demonstrated to be effective through scientific research.
3. **Universal screening.** School staff assesses all students to determine students' needs. On the basis of collected data, school staff members determine which students require close progress monitoring, differentiated instruction, additional targeted assessment, a specific research-based intervention, or acceleration.
4. **Continuous classroom progress monitoring.** The classroom performance of all students is monitored continually within the classroom. In this way, teachers can identify those learners who need more depth and complexity in daily work and those who are not meeting benchmarks or other expected standards and adjust instruction accordingly.
5. **Research-based interventions.** When monitoring data indicate a student's lack of progress, an appropriate research-based intervention is implemented. The interventions are designed to increase the intensity of the students' instructional experience.
6. **Progress monitoring during instruction and interventions.** School staff members use progress monitoring data to determine the effectiveness of the acceleration or intervention and make any modifications, as needed. Carefully defined data is collected on a frequent basis to provide a cumulative record of the students' progress, acceleration, and/or response to instruction and intervention.
7. **Fidelity of program implementation.** Student success in the RtI² model requires fidelity of implementation in the delivery of content and instruc-

tional strategies specific to the learning and/or behavioral needs of the student.

8. **Staff development and collaboration.** All school staff members are trained in assessments, data analysis, programs, and research-based instructional practices and strategies. Site grade-level or interdisciplinary teams use a collaborative approach to analyze student data and work together in the development, implementation, and monitoring of the intervention process.
9. **Parent involvement.** The active participation of parents at all stages of the process is essential to improving the educational outcomes of their students. Parents are kept informed of the progress of their students in their native language or other mode of communication, and their input is valued in making appropriate decisions.
10. **Specific learning disability determination.** The RtI² approach may be one component of the process for determining a specific learning disability as addressed in the IDEA of 2004 statute and regulations. As part of determining eligibility, the data from the RtI² process may be used to ensure that a student has received research-based instruction and interventions.

RtI² is to be used in schools in the following three ways:

1. **Prevention.** All students are screened to determine their level of performance in relation to grade-level benchmarks, standards, and potential indicators of academic and behavioral difficulties. Rather than wait for students to fail, schools provide research-based instruction within general education.
2. **Intervention.** Based on frequent progress monitoring, interventions are provided for general education students not progressing at a rate or level of achievement commensurate with their peers. These students are then selected to receive more intense interventions.
3. **Component of specific learning disability (SLD) determination.** The RtI² approach can be one component of SLD determination as addressed in the Individuals with Disabilities Education Act (IDEA) 2004 statute and regulations. The data from the RtI² process may be used to demonstrate that a student has received research-based instruction and interventions as part of the eligibility determination process.

Response to Intervention should include a systematic approach at all school sites, but not necessarily the same specific interventions.

Tier I. Benchmark: Screening and Targeted Instruction

Tier II. Strategic: Targeted Short-term Interventions

Tier III. Intensive: Interventions with Increased Intensity

In September of 2009, the California Department of Education issued a document titled Determining Specific Learning disability Eligibility Using Response To Intervention and Instruction RtI², which provides guidance to LEAs using RtI² and describes the collaboration

process among all staff members. This document outlined the components of organizational change and defines each staff member's role and responsibilities at the district level and school site level.

Components of Organizational Change

An RtI² approach, with its focus on student outcomes and quality instruction, increases accountability for all learners. Systemic change at the district, site, and classroom levels that impacts instruction, intervention, and identification is necessary due to the focus of RtI² on prevention that begins in the general education classroom. A system implementing RtI² promotes collaboration and shared responsibility for the learning of all students across all personnel and programs located in a given school (general education, teachers of English language learners, Title 1, special educators/related services providers, administrators, and parents). Changing a school involves changes at the district level and the school site level. There are unique aspects of an RtI model at the secondary level that will require careful planning and articulation.

Professional Development

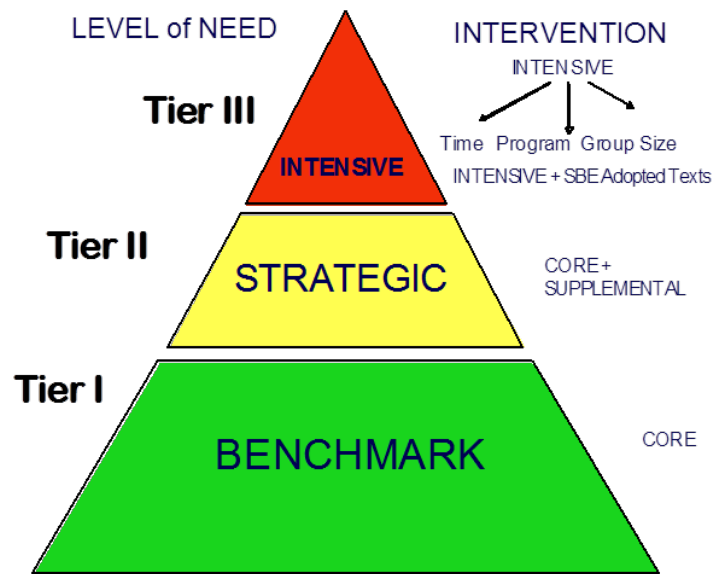
Effective implementation of an RtI² process requires that professional development needs are examined so that administrators, teachers, support personnel, and paraeducators possess the requisite skills to implement effective RtI². Successful implementation of RtI² depends on the ability of all educators, including paraprofessionals and other specialists, to use RtI² practices reliably and with fidelity. The reliability and validity with which RtI² practices are implemented will be determined, to a great extent, by the quality of both the pre-service and in-service professional development models used to translate research into effective practice. In-service professional development needs to occur both within and across administrative structures at the state, district, and site levels.

In a tiered intervention model, teachers should implement a wide variety of instructional strategies and conduct ongoing assessment of student progress as a part of their instructional practice. When an effective RtI² program is implemented, professional development decisions should be linked to ongoing assessment and student need. Subsequent professional development should be geared toward meeting these identified needs. Teachers will be challenged to examine current practices, hone existing skills, and acquire new knowledge and skills to ensure high-quality targeted instruction. An emphasis on early intervention for preventing school failure is part of an RtI² approach.

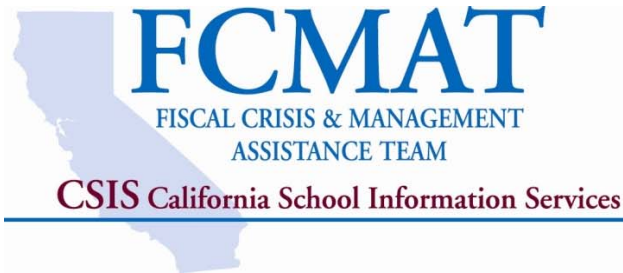
Professional development that addresses relevant areas essential to effective implementation of RtI² and improved student outcomes is critical to the success of RtI. Teachers and specialists should have opportunities to participate in focused, quality, ongoing professional development relating to RtI² processes, procedures, and practices. Special education teachers and paraprofessionals who provide instructional support to students in the core curriculum should also be included in this training along with their general education colleagues. All educators should be trained in the district-adopted intervention program in order to effectively meet the needs of students in the tiered intervention model.

Effective RtI² implementation is based on the idea that all educators are responsible for student learning. All educators will need to assemble relevant assessment data through continuous progress monitoring and respond appropriately to the findings. School site teams will design, interpret, and assess data as well as suggest instructional approaches. By providing more intensive interventions, educators will utilize a variety of scientific, research-based methods and materials. Administrators will determine needed roles and competencies, existing skill levels, and profes-

sional development requirements in order to provide relevant and ongoing training activities in these critical areas.



Appendix B



FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM DRAFT STUDY AGREEMENT February 3, 2016

The Fiscal Crisis and Management Assistance Team (FCMAT), hereinafter referred to as the team, and the Hayward Unified School District, 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 assign professionals to study specific aspects of the district's 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.

In keeping with the provisions of Assembly Bill 1200, the county superintendent will be notified of this agreement between the district and FCMAT and will receive a copy of the final report. The final report will also be published on the FCMAT website.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

The scope and objectives of this study are to:

1. Review the district's implementation of student success teams (SSTs), Response to Intervention (RtI), and multitiered systems of supports (MTSSs) and make recommendations as needed.
2. Determine whether the district overidentifies students for special education services compared to the statewide average, and make recommendations that will reduce overidentification if needed.

3. Determine whether the district provides a continuum of special education and related services to include an analysis of the least restrictive environment.
4. Analyze special education teacher staffing ratios, class and caseload size using the statutory requirements for mandated services and statewide guidelines.
5. Review the efficiency of staffing allocation of special education paraeducators throughout the school district.
6. Review the procedures for identifying the need for paraeducators, the process for monitoring the resources for allocating paraeducators and determining the ongoing need for continued support from year to year. (including classroom and 1:1 paraeducators)
7. Provide an analysis of all staffing and caseloads for related service providers: speech therapists, psychologists, occupational/physical therapists, behavior specialists, adaptive physical education teachers, credentialed nurses and others.
8. Review county office, NPS and NPA placements and make recommendations for improving the process for placement and cost efficiencies.
9. Review the revenues and allocations for Medi-Cal LEA and determine areas for greater efficiencies.
10. Evaluate transportation services for special education students to ensure efficiency, and identify potential cost savings by reviewing the special education transportation delivery system, including but not limited to the role of the IEP, routing, scheduling, operations and staffing.
11. Determine the district's general education fund contribution to special education and make recommendations for greater efficiency.

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 supervisory personnel on the team's procedures and the purpose and schedule of the study.
2. On-site Review - The team will conduct an on-site review at the district office and at school sites if necessary.

3. Exit Meeting - The team will hold an exit meeting at the conclusion of the on-site review to inform the district of significant findings and recommendations to that point.
4. Exit Letter – Approximately 10 days after the exit meeting, the team will issue an exit letter briefly memorializing the topics discussed in the exit meeting.
5. Draft Report - Electronic copies of a preliminary draft report will be delivered to the district’s administration for review and comment.
6. Final Report - Electronic copies of the final report will be delivered to the district’s administration and to the county superintendent following completion of the review. Printed copies are available from FCMAT upon request.
7. Follow-Up Support – If requested, FCMAT will return to the district at no cost six months after completion of the study to assess the district’s progress in implementing the recommendations included in the report. Progress in implementing the recommendations will be documented to the district in a FCMAT management letter.

3. **PROJECT PERSONNEL**

The study team will be supervised by William P. Gillaspie, Ed. D., Deputy Administrative Officer, Fiscal Crisis and Management Assistance Team, Kern County Superintendent of Schools Office. The study team may also include:

<i>A. Jackie Kirk-Martinez, Ed.D.</i>	<i>FCMAT Lead Consultant</i>
<i>B. Don Dennison</i>	<i>FCMAT Consultant</i>
<i>C. Jackie Martin</i>	<i>FCMAT Consultant</i>
<i>D. JoAnn Murphy</i>	<i>FCMAT Consultant</i>
<i>E. Michael Rea</i>	<i>FCMAT Consultant</i>
<i>F. Tim Purvis</i>	<i>FCMAT Consultant</i>

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

4. **PROJECT COSTS**

The cost for studies requested pursuant to Education Code (EC) 42127.8(d)(1) shall be as follows:

- A. \$500 per day for each staff member while on site, conducting fieldwork at other locations, preparing and presenting reports, or participating in meetings. The cost of independent FCMAT consultants will be billed at their actual daily rate.

- B. All out-of-pocket expenses, including travel, meals and lodging.
- C. 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 the district's acceptance of the final report.

Based on the elements noted in section 2A, the total estimated cost of the study will be \$39,500.

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

Payments for FCMAT's 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 during on-site reviews.
- B. The district will provide the following if requested:
 - 1. Policies, regulations and prior reports that address the study scope.
 - 2. Current or proposed organizational charts.
 - 3. Current and two prior years' audit reports.
 - 4. Any documents requested on a supplemental list. Documents requested on the supplemental list should be provided to FCMAT only in electronic format; if only hard copies are available, they should be scanned by the district and sent to FCMAT in electronic format.
 - 5. Documents should be provided in advance of fieldwork; any delay in the receipt of the requested documents may affect the start date and/or completion date of the project. Upon approval of the signed study agreement, access will be provided to FCMAT's online SharePoint document repository, where the district will upload all requested documents.
- C. The district's administration will review a preliminary draft copy of the report resulting from 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 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 different phases of the study:

Orientation:	April 12, 2016 at 9 a.m.
Staff Interviews:	April 12-13, 2016, 9 a.m. – 4:30 p.m.
Exit Meeting:	April 15, 2016 at 10:30 a.m.
Preliminary Report Submitted:	to be determined
Final Report Submitted:	to be determined
Board Presentation:	to be determined, if requested
Follow-Up Support:	if requested

7. **COMMENCEMENT, TERMINATION AND COMPLETION OF WORK**

FCMAT will begin work as soon as it has assembled an available and appropriate study team consisting of FCMAT staff and independent consultants, taking into consideration other jobs FCMAT has previously undertaken and assignments from the state. The team will work expeditiously to complete its work and deliver its report, subject to the cooperation of the district and any other parties from which, in the team's judgment, it must obtain information. Once the team has completed its fieldwork, it will proceed to prepare a preliminary draft report and a final report. Prior to completion of fieldwork, the district may terminate its request for service and will be responsible for all costs incurred by FCMAT to the date of termination under Section 4 (Project Costs). If the district does not provide written notice of termination prior to completion of fieldwork, the team will complete its work and deliver its report and the district will be responsible for the full costs. The district understands and agrees that FCMAT is a state agency and all FCMAT reports are published on the FCMAT website and made available to interested parties in state government. In the absence of extraordinary circumstances, FCMAT will not withhold preparation, publication and distribution of a report once fieldwork has been completed, and the district shall not request that it do so.

8. **INDEPENDENT CONTRACTOR**

FCMAT is an independent contractor and is not an employee or engaged in any manner with the district. The manner in which FCMAT's services are rendered shall be within its sole control and discretion. FCMAT representatives are not authorized to speak for, represent, or obligate the district in any manner without prior express written authorization from an officer of the district.

9. INSURANCE

During the term of this agreement, FCMAT shall maintain liability insurance of not less than \$1 million unless otherwise agreed upon in writing by the district, automobile liability insurance in the amount required under California state law, and workers compensation as required under California state law. FCMAT shall provide certificates of insurance, with additional insured endorsements, indicating applicable insurance coverages upon request.

10. HOLD HARMLESS

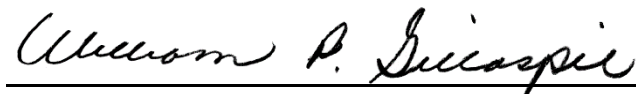
FCMAT shall hold the district, its board, officers, agents and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of its board, officers, agents and employees undertaken under this agreement. Conversely, the district shall hold FCMAT, its board, officers, agents and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of its board, officers, agents and employees undertaken under this agreement.

11. CONTACT PERSON

Name: Dawn Riccoboni, Assistant Superintendent, Business Services
 Telephone: (510) 784-2680
 Fax: (510) 782-7213
 E-mail: driccoboni@husd.us

Dawn Riccoboni, Assistant Superintendent
 Business Services
 Hayward Unified School District

Date


 William P. Gillaspie, Ed. D.
 Deputy Administrative Officer
 Fiscal Crisis and Management Assistance Team

February 3, 2016

Date