

Choosing our Future

A Community-wide Call to Action

Proposal to Transform Fresno Unified School District

**Prepared by
FUSD Superintendent's Advisory Task Group
January 26, 2005**

To the Reader

A preliminary version of this report was presented to the FUSD Board of Trustees on December 9, 2004. Since then, four town hall meetings and multiple other presentation and discussion sessions have been held with stakeholders throughout the District. Interested parties have also submitted written suggestions for consideration by the Superintendent's Advisory Task Force.

This report includes many changes to the preliminary report based on the input received in these forums and through these sources. A fifth overarching academic goal has been added to the four that were included in the preliminary report. One recommendation has been added and numerous edits have been made to add clarity to the report's findings and recommendations. A large number of suggestions and recommendations have been forwarded to the implementation task forces for consideration as this plan is further fleshed out and implemented.

The Task Force is grateful to the many individuals in the community – parents, students, District employees and other interested parties – who took their time to attend meetings and submit written documents. Their contributions have helped the Task Force produce a better report, stronger recommendations and a more effective path to implementation. Superintendent Chuck McCully has referred to this report as “a blueprint for the future of Fresno Unified.” As with all blueprints, it is subject to “change orders.” The Task Force wants to encourage a continued flow of new ideas and recommendations. The reader should see this report as being in “loose leaf,” as a work-in-process that can and will be improved upon as we proceed with the implementation process.

It has been gratifying to see the high degree of commitment to FUSD from so many quarters, and more importantly, the willingness of so many people to roll up their sleeves and participate in the District's turn-around process. What began as a somber and sobering assessment of the District's problems has turned into an energetic, enthusiastic and committed crusade to fix those problems. The expectation has changed from “staving off disaster” to “becoming a high performing district.” Frustration and despair has been turned into hope and aspiration for a return to excellence.

Choosing our Future

Preface

“I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion”

Thomas Jefferson

Most of us would agree that, next to the values inculcated by family, the quality of the education received by our children is the most important predictor of their future success, and that their success will in turn define the future of our community. If we share this view, we have to answer for ourselves, why is it that we have allowed so many of the children of Fresno Unified School District (FUSD) to receive a sub-standard education for so long? Why is it that a once-thriving school district has lurched from crisis to crisis, for more than two decades, until we find ourselves now with more than 50% of our schools in the bottom ten percent of California schools and on the verge of a State take-over?

We know there have been many well-intentioned efforts to help the schools. We are well aware of the heroic efforts by people within the district to create safe havens for children in the midst of chaos and neglect. We honor the many community people who have done everything they can to help kids, teachers and the schools. We accept that the district became overwhelmed with changes, many of which were outside of its control. Like many urban districts, the flight of upwardly mobile families coupled with an influx of students with unmet physical and emotional needs at base levels have created enormous challenges for the district. Once a situation becomes chronic and systemic, the skills and resources necessary for change increase in both complexity and number. The fact remains that others with similar challenges have succeeded where we have not. It is time to get past our denial and our tendency to blame others and take responsibility as a community for the futures of our children.

Ask a dozen people how we got to where we are and you'll get a dozen answers. It's our Board, our Superintendent, our unions, our demographics, and on and on the list goes. The fact is, the answer lies in the mirror. We have all played a role. We elect the Board. They choose the Superintendent. Our labor contracts carry signatures not just from union leaders, but from the administration acting on the board's authority. Other California school districts also have to deal with the enormously burdensome California Education Code, just as we do. Our demographics are no more challenging than those of many other school districts with much higher academic achievement and fiscal stability. Too many of us have taken the easy road. Only 40% of us cast our vote for Board Trustees on Election Day. Of those of us who vote, too many of us are happy to remain disengaged,

leaving the challenges of the District to the Board and Superintendent, as if they each come with an “S” branded on their chest. Good schools in good school districts are characterized by extensive and constructive engagement from parents, business partners and civic organizations.

There are some who believe that a State take-over is yet another easy way out, when all it does is delay the date when we finally must step up to take control of our own destiny. When the State takes over, it’s because a loan must be granted to the District. The priority of the State then becomes paying back the loan, not improving academic achievement. Once we go through the painful adjustments required to pay off the loan, which could take years, the State will return control of the District to us. Then, we can resume work on improving academic achievement, work that will have laid dormant for many years, and, at the expense of how many children? As Thomas Jefferson said some 200 years ago, when the people have exercised their control in a way that shows them to be unenlightened, you don’t take power away from them; what you do is enlighten them.

Thus, the purpose of this report is to help all of us understand the issues facing the district so we can come together to make enlightened decisions that will bring about the changes that are required to **give our children the education they deserve and need to be successful citizens of our community**. We can choose to engage constructively and collaboratively to build a strong educational foundation for our children and our community or we can sit on the sidelines and point fingers while the problems remain unsolved. Either way, we are *Choosing our Future*. We hope readers of this report will realize that the **Fresno Unified School District is our responsibility** and respond constructively to the community-wide call to action that is implicit throughout this report.

No attempt has been made in this report to sugar-coat the situation faced by FUSD. The challenge is daunting. But we *can* turn FUSD around. Other large urban districts with challenging demographics have done it: Garden Grove and Long Beach in California, Seattle and Houston, to name a few. We can do it too. Indeed, we must. Every year, about 80,000 children are enrolled at FUSD. The future of our community rests on the quality of education we provide to them.

Choosing our Future

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I. Task Force Mission

“Broke and Broken” was the headline of a special section in the Fresno Bee last year. The headline portrayed the region’s entrenched unemployment, but it might well have portrayed the condition of the Fresno Unified School District. As painful as it is, as unfair as that portrayal might be to some schools within the District which are performing admirably, the fact is that, academically and financially, FUSD is broken. We must face up to the truth in order to work together to create a new truth.

In July 2004, shortly after being appointed interim Superintendent for Fresno Unified School District, Dr. Walt Buster asked a group of citizens to conduct an independent assessment of the District. It was Dr. Buster’s perception that a high level of mistrust had developed between different stakeholders in the community who were all crucial to building a successful future of FUSD, and that restoration of trust might be facilitated by an independent evaluation of the District, carried out by a group of civic leaders with a passion for education and a track record of collaborative problem-solving. The group that was assembled, nine people with diverse backgrounds, became known as the *Superintendent’s Advisory Task Force* (“the Task Force”). A short bio of each of the Task Force members is included in Appendix “A”.

Shortly after the formation of the Task Force, Dr. Buster concluded that the District’s budget was out of balance and could not be balanced without serious jeopardy to the children of the District. This, in turn, resulted in assignment by the County Superintendent of Education of a Fiscal Management Crisis Assistance Team (FCMAT) as a Fiscal Advisor to help develop a District budget in compliance with the standards and criteria of the State Board of Education.

The Task Force might have chosen to await the results of the FCMAT report before conducting its work, but concluded instead that producing a balanced budget was only part of the solution to the problems of the District. In fact, the Task Force concluded that the shape of a sound, balanced budget required that the community first reach consensus on the academic performance goals of the District. In a school district where over 50% of the schools are in the bottom “decile” (lowest 10%) of the State in terms of academic performance, it is imperative that all resources be directed to improvement in student achievement. That, after all, is the mission of the District; and the obligation of the Board and Superintendent is to ensure that all resources, human and capital, are aligned in support of this objective.

It is important to state early in this report that the Task Force has seen plenty of evidence during the course of its work, that the overwhelming majority of employees of the District – teachers, support staff and administrators – are dedicated and hard-working people who care deeply about our children and our community. Indeed, we have seen many instances of heroic dedication on the part of teachers, classified workers and administrators. It is, however, much harder to guide a boat when not everyone is rowing in the same direction. At the end of the day, everyone is exhausted, but the boat hasn’t gone anywhere, which doesn’t do much for morale. What has been lacking in the District has been alignment behind an agreed set of goals and strategies.

The preceding paragraphs are not intended to downplay the urgency of addressing the fiscal situation of the District, but rather to ensure that the fiscal fix is arrived at in the context of an unrelenting focus on student achievement. As will be discussed later in this report, the threat of a State take-over is real and imminent. FUSD's opportunity to fix its academic achievement issues will be foregone if it does not promptly get its fiscal house in order.

The Task Force, therefore, defined its **mission** as follows:

- Recommend **student achievement goals and success indicators** for consideration by the board, administration, teachers and all other community stakeholders.
- Recommend **instructional and operational strategies to achieve the goals.**
- Recommend **human resource policies and organizational approaches that support the goals and strategies.**
- Recommend **budget and financial management strategies that create a clear nexus between the District's goals and strategies and the use of financial resources**
- Recommend **engagement strategies for all stakeholders in the District and community.**

The Task Force is convinced that we can not only turn the District around and avoid a State take-over but that we can once again take our place among the highest performing school districts in the State. Our hopeful outlook is based on the commitment to change expressed by the new leadership of the District; the unprecedented spirit of collaboration from all stakeholders that is emerging as we face this crisis; and, most of all, the quality of our employees. Despite the present crisis, we have a strong base from which to build. If we are to bring about beneficial change for the children who will be attending the District's schools in the 2005-06 school year, the budget must be produced in February 2005, which requires that the process of aligning goals and strategies be completed by January 2005.

It will take some difficult fiscal decisions to get us where we want to go. Our Task Force is committed to the notion that those decisions should be aimed at creating a teaching environment that enables our teachers to do the best possible job of exercising their passion for teaching our children. That is priority one.

II. Methodology

Recognizing that time is of the essence, the methodology employed by the Task Force in the preparation of this preliminary report involved several concurrent activities:

- A historical review of FUSD's academic performance and finances;
- Benchmarking of the District's academic and financial performance with that of other districts of comparable size and demographics;

- Visits to high-achieving districts in California, identified through the benchmarking process;
- Research of published information;
- Consultation with the FCMAT Team;
- Consultation with Board members, outgoing Interim Superintendent Walt Buster, incoming Interim Superintendent Chuck McCully, union leaders, principals, teachers, staff managers, the Association of California School Administrators (ACSA) and other stakeholders, student groups and parent groups; and,
- Consultation with education organizations, including the *Bay Area School Reform Collaborative (BASRC)*, *School Services* and *Just for Kids*.

Time did not allow the Task Force to evaluate the District’s capital plan. It should be observed, however, that in the course of it’s work the Task Force found that “best practices” districts have either eliminated or are in process of eliminating their multi-track year-round schools, having found that they tend to adversely affect student achievement.

District accounting and measurement of student achievement are complex subjects. Appendices C and D provide a brief description of how it all works; a glossary of some key terms, such as “ADA”, “API”, “AYP”, “General Fund” and “Categorical Funds”; and a list of web sites for those who want to learn more.

Readers will detect differences in writing style in the appendices that are part of this report. While the report represents a consensus view from all nine Task Force members, various members took responsibility for drafting different Appendices of the report.

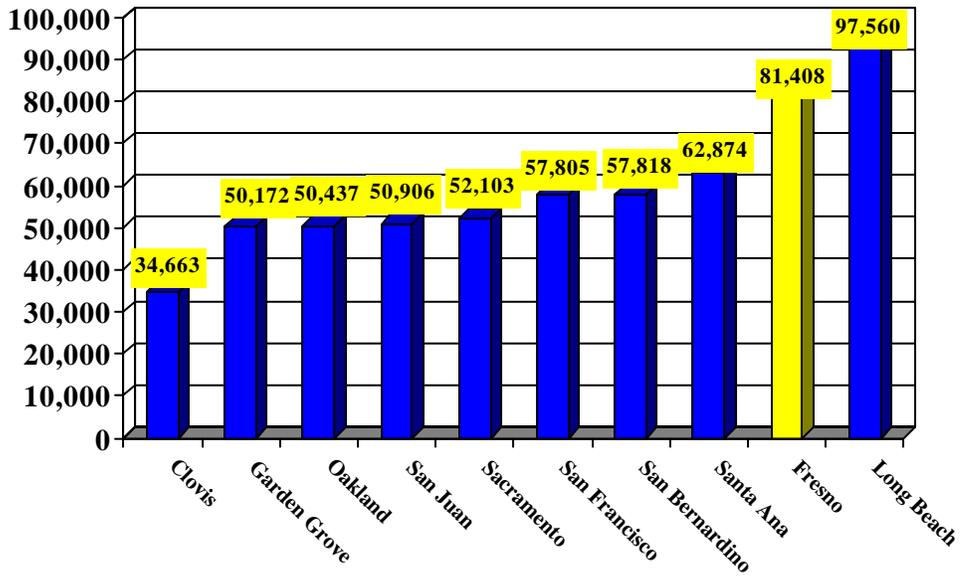
III. Ten-City Benchmarking

For benchmarking purposes, the Task Force selected the eight California school districts that most closely resembled Fresno in size (50,000 to 100,000 students) and demographics. The Clovis school district was added only because the Task Force felt readers would want to see that comparison, even though Clovis is considerably smaller and has significantly different demographics than the other benchmark districts. All benchmark data is included in Appendix “C” and where relevant in the body of this report.

The following charts and graphs show key statistics for the ten benchmark districts, including Fresno Unified. Where applicable, State averages are also shown. All data is from published sources, using the latest year for which comparable data is available.

Graph No.1

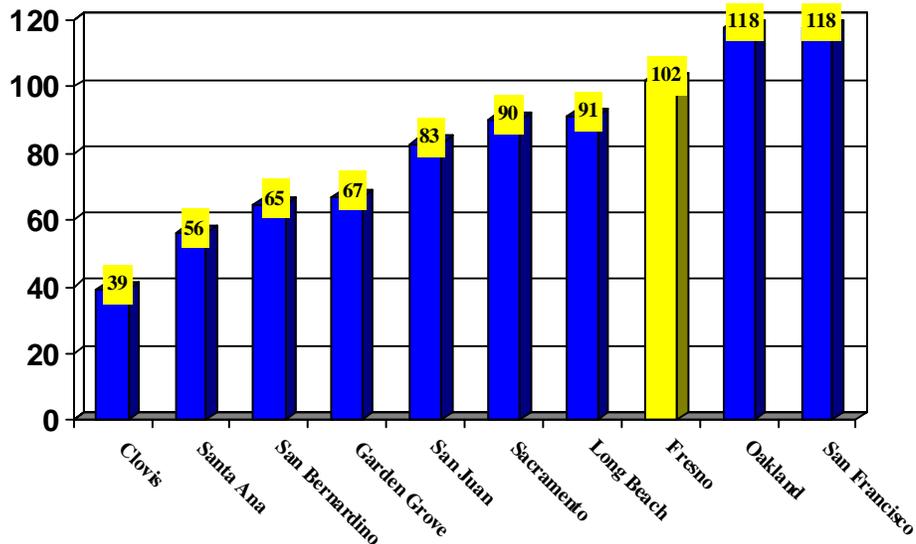
2003-04 Student Enrollment



Source: CDE Dataquest

Graph No.2

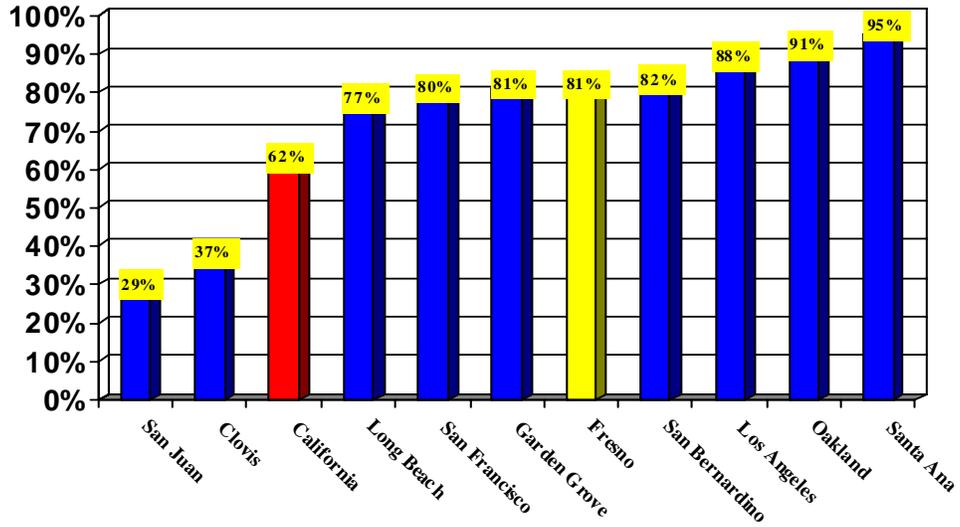
2003-04 Number of Schools



Source: CDE Dataquest

Graph No. 3

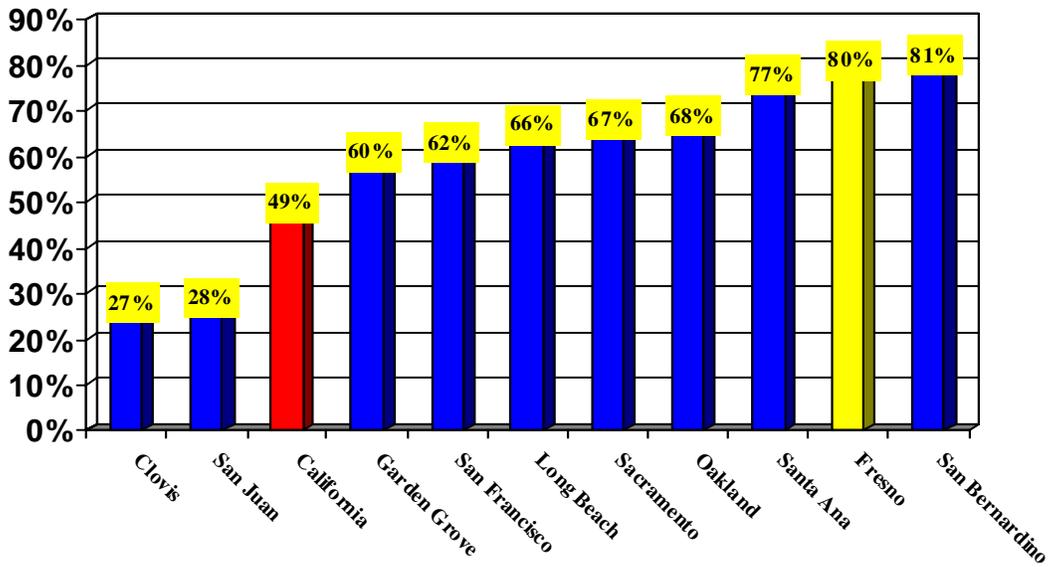
2003-04 Percentage of Minority Students



Source: CDE Dataquest

Graph No. 4

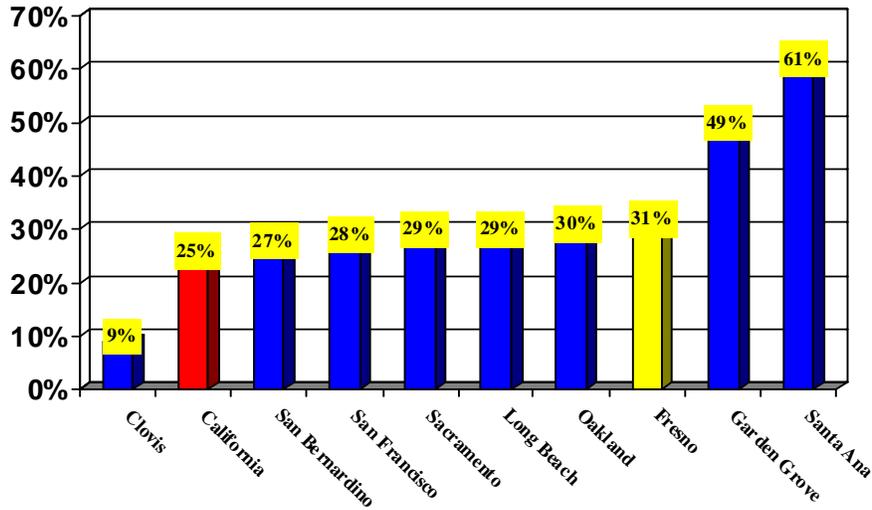
Percentage of Students Receiving Free/Reduced Lunch



Source: CDE Dataquest

Graph No. 5

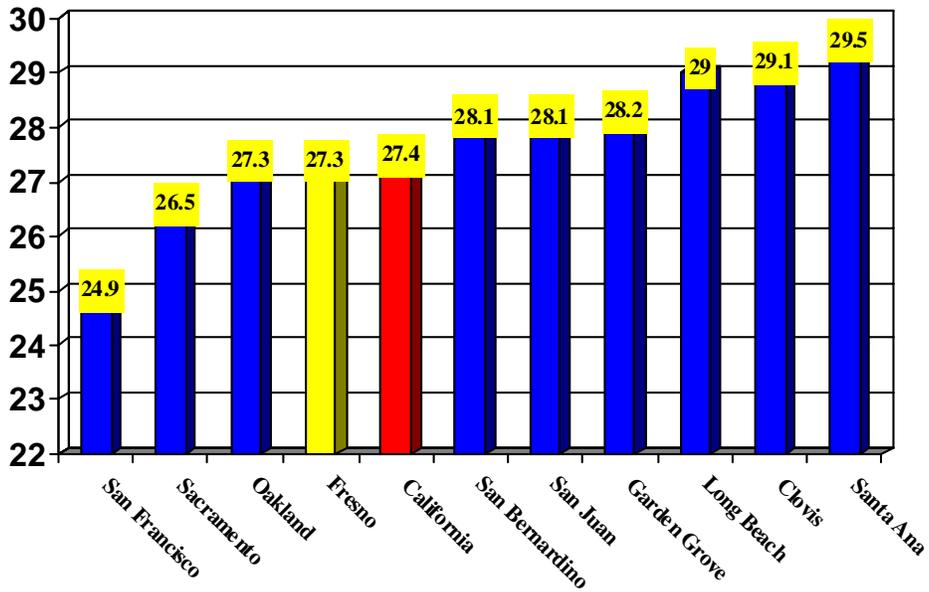
2003-04 Percentage of Enrollment
as English Learners



Source: CDE Dataquest

Graph No. 6

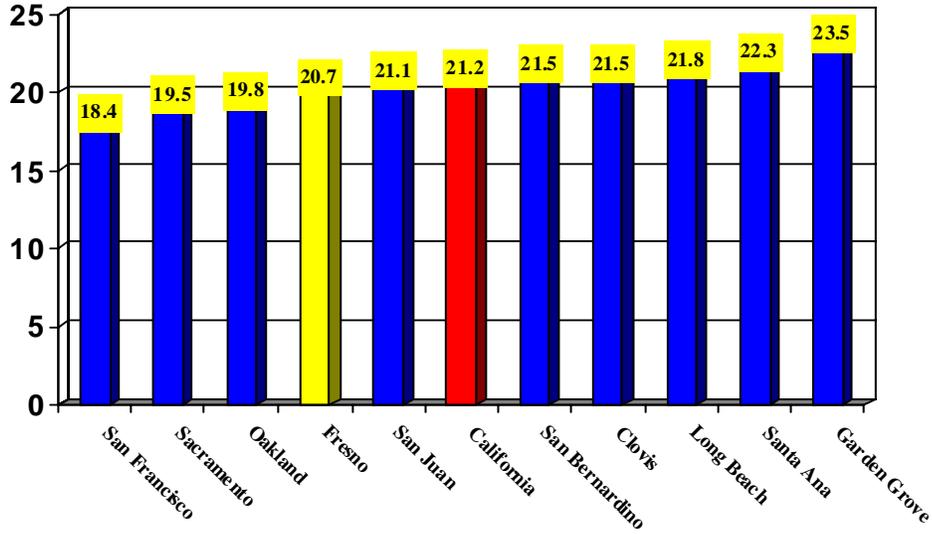
2003-04 Average Class Size



Source: CDE Dataquest

Graph No. 7

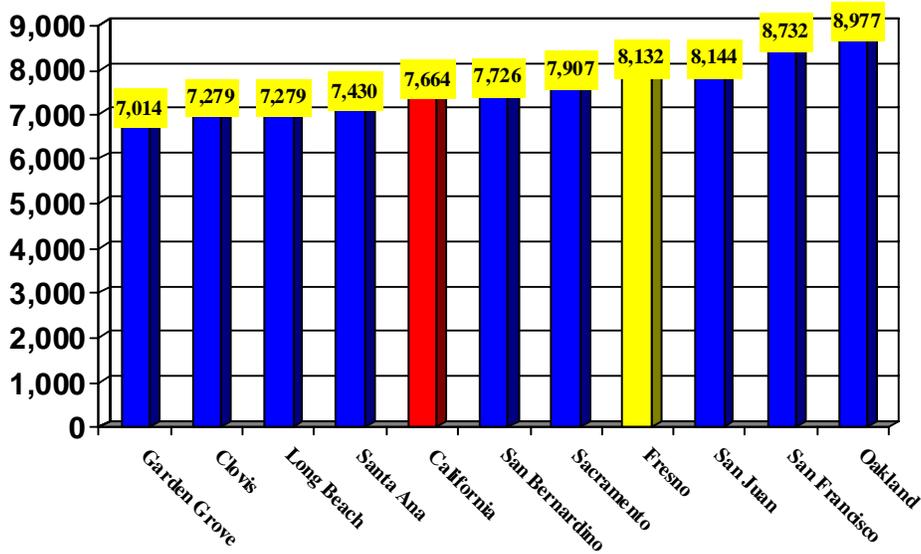
2003-04 Pupil Teacher Ratio



Source: CDE Dataquest

Graph No. 8
Current Year Total Revenue per ADA

Total General Fund (Unrestricted & Restricted) Revenues for 2002-03 per ADA



Source: Bargaining Hunter

Summarizing the preceding graphs, FUSD has:

- the second largest enrollment in the benchmark group, after Long Beach Unified;
- more students per school, on average, than all districts except Long Beach Unified;
- comparable ethnic diversity, except for Clovis and San Juan, although the mix of ethnic groups varies significantly;
- higher poverty level (as measured by the percent of students receiving free and reduced lunch) than all other districts, except Santa Ana (although all districts except Clovis and San Juan are at 60% or higher).
- An average number of English Language Learners (EL), although considerably lower than Santa Ana and Garden Grove;
- The fourth lowest class size and teacher/pupil ratio; and
- The fourth highest total revenue per ADA, after Oakland, San Francisco and San Juan (*Note that Clovis is significantly lower than Fresno*).

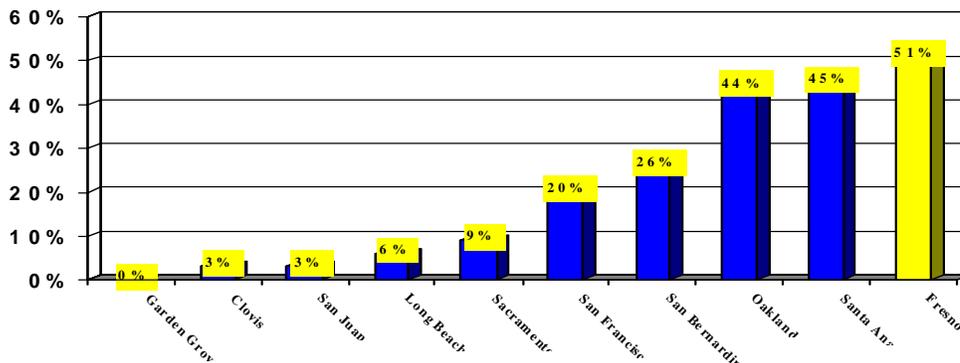
The graphs below show comparative student achievement data for the ten districts. Fresno has:

- The highest percentage of schools in the bottom decile (the lowest 1/10th of the State);
- The second lowest percentage of schools in the 6-10 decile range (the top 50% of the State);
- The third highest number of schools in “AYP Program Improvement” levels one through four; and
- An Academic Performance Index (API) that ranks second from the bottom.

The percentage of FUSD schools that are in the bottom 10% of the State is a particularly appalling statistic in light of the fact that California today ranks 48th among the 50 U.S. States in NAEP reading and math scores (See Rand Report, “*California’s K-12 Public Schools – How Are They Doing?*”). That suggests that 51% of our schools are among the lowest ranked in the nation. If we are to turn around the social and economic prospects of our region, the process must begin with turning our schools around. For definitions of these performance measurement terms, please see Appendix C.

Graph No. 9

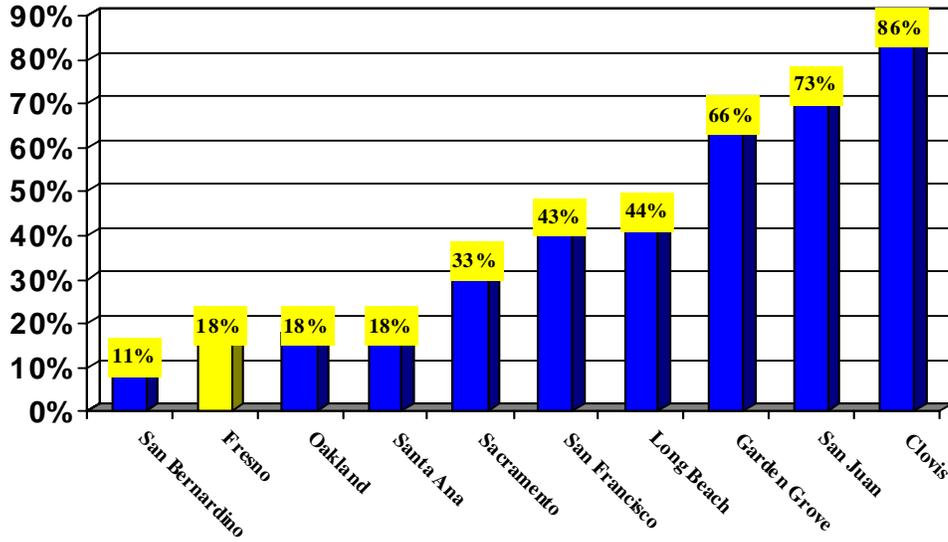
Percentage of District Schools with 2002-03 API in Decile 1



Source: CDE Dataquest

Graph No. 10

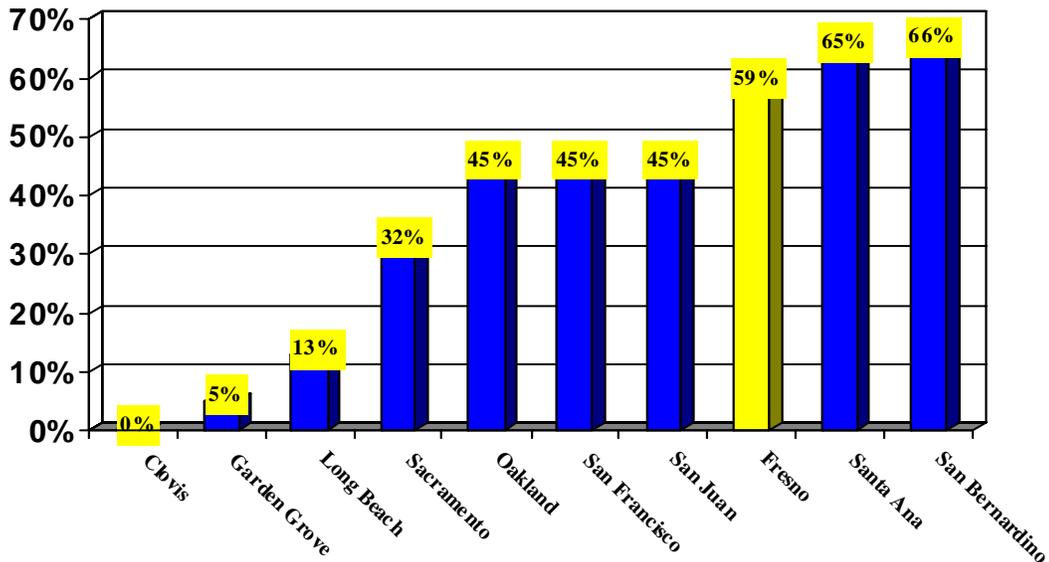
Percentage of District Schools
with 2002-03 API in Deciles 6-10



Source: CDE Dataquest

Graph No. 11

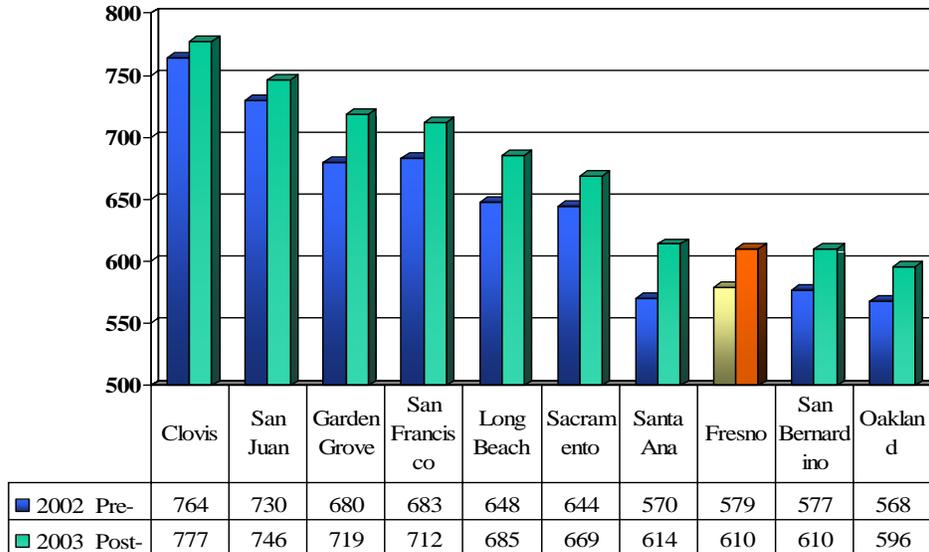
Percentage of District Schools in Program Improvement Levels
1-4 in 2004-05



Source: CDE Dataquest

Graph No. 12

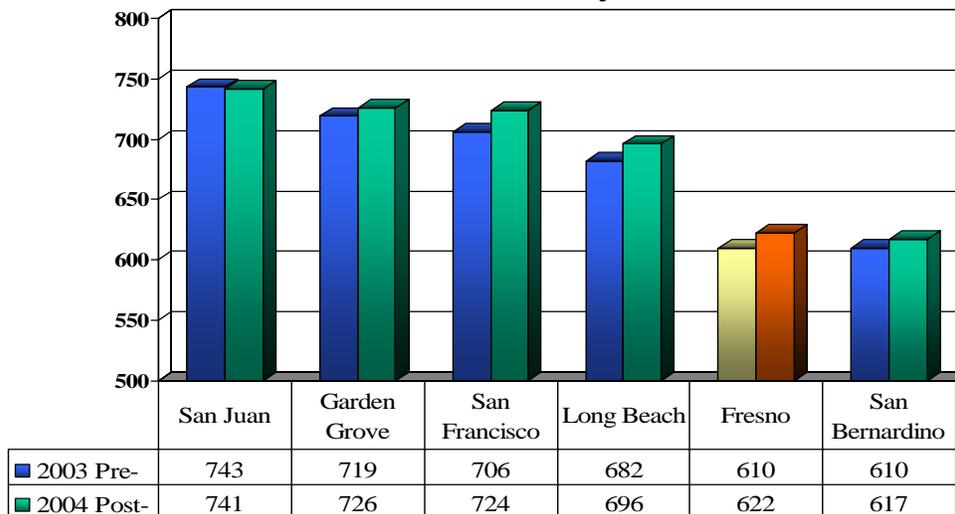
**Academic Performance Index (API)
2002 Pre- and 2003 Post- Scores**



Source: CDE Dataquest

Graph No. 13

**Academic Performance Index (API) 2003 Pre- and
2004 Post- Scores by District**



* Note: Data not available for other benchmark districts

Source: CDE Dataquest

Additional benchmark information for the ten districts can be found in Appendix E.

IV. Benchmarking Against “Best Practices” Schools

Two districts were identified by the Task Force as “best practices” schools, the Long Beach School District and the Garden Grove School District. Both have demographics that are every bit as challenging as Fresno Unified. Both have much better student achievement records and financial stability than FUSD, and both have received widespread State and national recognition as “high-performing” urban schools. To a much greater degree than FUSD, both districts have recognized the enormous change in their student population over the last twenty years, from the highly homogeneous demographics of the 70’s to the highly diverse student bodies of today, and they have adjusted their instructional, organizational and fiscal policies accordingly. Case studies for each of the districts included in Appendix “F” of this report. There is a high degree of congruence in the practices used by both districts to achieve their enviable results. These practices have had a significant influence on the Task Force recommendations.

Demographic Comparisons
Table No. 1

	<u>FUSD</u>	<u>LBUSD</u>	<u>GGUSD</u>
Enrollment	81,222	97,212	50,066
# Schools	101	89	67
% Minority	81.6	82.9	82.3
Largest Ethnic	Hispanic	Hispanic	Hispanic
% English Learner	32.3	32.8	52.7
% Free Lunch	76.3	65.2	60.1
Average Class Size	27.3	29.0	28.2

School Funding
Table No. 2

	<u>FUSD</u>	<u>LBUSD</u>	<u>GGUSD</u>
Revenue Limit per ADA	5,037	4,808	4,790
Federal Revenue per ADA	1,019	690	447
Other State Revenue per ADA	1,795	1,596	1,519
Other Revenue	<u>323</u>	<u>184</u>	<u>258</u>
Total General Fund Revenue per ADA	8,132	7,278	7,014
% Revenue Unrestricted	69	72	75
Unrestricted GF Revenue per ADA	5,624	5,269	5,251

**Academic Performance
Table No. 3**

	<u>FUSD</u>	<u>LBUSD</u>	<u>GGUSD</u>
% Ranking in API Deciles 6 to 10	18%	44%	68
% Ranking in API Deciles 1	51%	6%	0
% in AYP Program Improvement L1	21%	7%	5
% in AYP Program Improvement L2	14%	1%	0
% in AYP Program Improvement L3	6%	1%	0
% in AYP Program Improvement L4	<u>19%</u>	<u>3%</u>	<u>0</u>
Total % in Program Improvement	59%	13%	5%

**Expulsions and Drop-Out Rates
2002-03
Table No. 4**

	<u>FUSD</u>	<u>LBUSD</u>	<u>GGUSD</u>
Expulsion Rate per 1,000 students	5.9	0.4	1.5
1 Year Drop Out Rate	6.2	3.1	0.8
Total Drop Out Rate*	23.1%	12.8%	3.5%

**4 Year Derived Rate (9-12)*

To summarize, Garden Grove and Long Beach have:

- Very comparable demographics to Fresno;
- Larger class sizes;
- Receive less funding per ADA;
- Yet they have far lower drop out rates and are producing dramatically better academic performance than Fresno Unified.

The Task Force understands that these top-level demographic comparisons do not tell the complete picture. For example, the fact that our Asian population is comparable in size to that of the other two districts does not reveal that we have a much higher percentage of Asian refugees than do the other two districts, or the fact that our poverty rate is accompanied by a higher use of drugs and alcohol than the other districts. Yes, our challenges may be larger in some respects, but the disparity in our academic achievement is so enormous compared to the other two districts that it cannot be dismissed on account of these differences. And, in any case, however difficult they may be, our challenges must be faced.

It's clear from looking at the benchmark districts that, within a reasonable range, average class size bears little correlation with academic achievement. While Garden Grove and Long Beach, with larger average class sizes have made enviable progress on academic achievement, FUSD is going in the opposite direction, the number of schools in Program Improvement having increased from 2002-03 to 2004-05. The fact that the two districts

have larger class sizes than Fresno is more economically significant than might appear at first glance. If FUSD were to increase its average class size from 27.2 to the Long Beach average class size of 29.0, the result would be an annual operating savings to FUSD of approximately \$8 million.

FUSD funding per ADA is about 14% higher than the two other districts, largely because its higher poverty rate makes the District eligible for more restricted programs. If only unrestricted funding is measured, the FUSD funding differential declines to 7%. It should be noted that restricted programs bring with them additional administrative burdens.

It's interesting to contrast the FUSD expulsion rate and drop-out rate with these two "best practices" districts:

- Although both LBUSD and GGUSD have tough policies to enforce codes of behavior for students, including zero tolerance for certain kinds of offenses, it is evident from the numbers that judgment and discretion take precedence over "by the book" policies. While both districts are committed to not allowing disruptive behavior in the classroom, they are also committed to discipline policies that keep children in school. In-school suspensions are the norm at both districts. Instead of rewarding inappropriate behavior by sending students home, they are required to remain in school and continue their education, but in an environment that does not adversely affect other students.
- For the most part, the policies used by LBUSD and GGUSD to minimize drop-outs are baked into their academic strategies. They have fewer drop-outs because rigorous implementation of their retention policies prevent children from being promoted before they are ready, and because they avoid losing transient students through a policy of uniform cross-district curriculum, textbooks, EL and program improvement programs. Both districts rigorously enforce their retention policies for children that do not meet academic standards, but they also work hard to bring those children along. Summer school is mandatory for students that are retained.

Visualize the following situation. Jesse is in the 4th grade. He is an English Learner at School "A" and is enrolled in an EL program. Three months into the school year, his family relocates within the district and Jesse transfers into School "B", which also has an EL program, but it's different than the one at School "A". The math textbooks used in School "B" are also different than in School "A". What is the likelihood that Jesse will fall behind and, literally, get lost in transition? What is the likelihood that Jesse will be a future drop-out?

V. How We Got to Where We Are

This report is intended to help us look forward, to identify a path that will enable us to make FUSD a high-performing school district, but it is instructive to spend a moment to understand how we got to where we are so we can learn from our mistakes; to disabuse ourselves of the idea that there is a single major cause that will lend itself to a “silver bullet” solution; and to stop making excuses for ourselves. Understanding the complex causative reasons for our current state of affairs will, hopefully, help us understand that the solutions will also be complex.

Keeping up with the demands and constraints of the State Education Code has certainly not helped FUSD. Stacked on top of each other, the volumes that define the Education Code are over 5 feet high. And the decline in State funding has not helped either. FUSD has had to deal with State cuts in education funding for each of the last three years. Declining enrollment, an affliction that affects most urban schools in the nation, has exacerbated the problems by reducing the funding available to carry out District programs. But, as will be evident in this report, other California Districts have been able to deal with these issues far more effectively than FUSD.

When the Task Force visited the Garden Grove Unified School District, the Superintendent showed a class picture taken at Garden Grove in 1960 and another class picture taken this year. The contrast was stark. The 1960 picture showed a very homogeneous group of Caucasian kids, while the 2004 picture showed a highly diverse group of children. GGUSD today is 52% Hispanic, 28% Asian, 17% Caucasian. As compared to the 60's, the likelihood that a class picture taken at the beginning of the year will look the same at the end of the year is virtually nil – student transiency is as big an issue in Garden Grove as it is in Fresno. In 1976, 2% of GGUSD students were English Learners, compared to 53% in 2004. What were not shown in the pictures were the underlying socio-economic conditions in which many of the children of 2004 live, compared to those of 1960. Many of Garden Grove's children lack the most basic preparation for entering school and go home to environments that are not conducive to doing homework.

Readers will recognize that the preceding paragraph describes a demographic and socio-economic change that is very similar to that experienced at FUSD, but the difference is that GGUSD has adjusted in ways that FUSD has not. As shown above, by any measure of academic achievement, GGUSD is materially outperforming FUSD. Last year GGUSD received the Broad Foundation Prize as the best urban district in the nation.

Some would argue that FUSD is too big. Perhaps, but Long Beach Unified School District (LBUSD) is larger than FUSD, every bit as diverse, and was recognized by the Broad Foundation as the best urban school district in the nation in 2003.

Are FUSD's class sizes too large? Not really. Both GGUSD and LBUSD have larger average class size.

Is it the unions? Both GGUSD and LBUSD are unionized, and both districts pride themselves on excellent union-management relationships that keep a clear focus on the mission of the district: to give children the best possible education. To the extent that the terms of FUSD's bargaining agreements are hampering the academic achievement aspirations of the District, it must be recognized that these are agreements signed by two parties.

Well then it must be the Board and/or their choice of Superintendent. But, we elect the board, don't we? The fact is that we must all assume responsibility for where we are. As will be discussed later in this report, **"best practices" schools are characterized by:**

- **Clear and sustained goals and strategies;**
- **Academic achievement always at the top of the pyramid of goals;**
- **All decisions at all levels are focused on the best interest of the kids;**
- **Stable leadership;**
- **Understanding and respect of the roles of each stakeholder, from student and parent to board member; from teacher and food service worker to principal.**
- **Excellent fiscal management;**
- **A culture of extensive, constructive engagement by all stakeholders;**
- **Recognition that there are no easy answers – that it takes hard work, every day, to deal with the enormous challenge of bringing the best possible education to our kids; and**
- **An unrelenting commitment to continuous improvement.**

As with any analysis of the kind presented in this report, many of the issues identified in this report are known to FUSD officials, and a good number of them are being addressed. Credit is due to all those who are working hard to effect the necessary changes. What this report aims to do is to bring all components of the picture into a single view in order to create a **cohesive and comprehensive path to successful reform**. Having said that, time constraints in the preparation of this report have prevented the Task Force from doing in depth analysis of some important topics, such as Special Education and FUSD's capital projects plan.

VI. Principal Findings

A. Academic Performance

1. FUSD's academic performance lags all other benchmark districts.

We have seen above that FUSD's academic performance does not compare favorably to LBUSD or GGUSD. In fact, it compares unfavorably to all the benchmark districts. While the threat of a State take-over of FUSD for financial

reasons has been the focus of much attention, there has not been enough attention paid to the real and present threat of a state take-over of some of FUSD's schools for academic performance reasons. Fresno ranks below the California average in all subjects and grade levels (see Appendix E for California Standards Test comparisons). Fixing this academic achievement problem – indeed aspiring to become a high-performing school – should be the paramount objective of FUSD officials, with support of all community stakeholders.

2. “Best Practices” districts have overarching *Academic Goals* that drive all other district decisions.

As with any organization, every school district has goals and strategies at different levels of the organization. Individual schools each have goals and strategies designed around their specific mission within the overall District, and the assistant superintendent for elementary schools will have goals and strategies that are different than those of his or her counterpart for secondary education, but it is imperative that districts have certain goals that align the activities of all members of the district. It is instructive to look at how GGUSD has defined its district goals. They have two goals, and they take priority over any other consideration in the District's decision-making.

GGUSD District Goal # 1

Students in our district five years or longer will meet grade-level proficiency in core academic subjects as measured by the CST.

- Students will increase a minimum of one performance level per year.
- In progressing toward “Proficient”, students at “Far Below” will progress in 1 year to “Below”, and those at “Below” in year 1 to “basic”; those at “Basic” will progress in 2 years to “Proficient.”
- All grade-level proficient students will maintain the “Proficient” performance level.
- No student will drop in academic performance level in progressing toward or maintaining “Proficient.”

GGUSD District Goal # 2

All English Learners will advance one level per year in English language proficiency until English Proficient as measured by the California English Language Development Test (CELDT).

- Students will gain one overall language proficiency level annually until they reach English proficiency.
 - Those reaching English proficient level will maintain it until reclassified FEP.
- Local ELD assessments will be used during the school year to monitor progress.

These are challenging goals. While neither goal statement explicitly mentions reduction of the achievement gap between socio-economic groups, clearly that is a very large part of what is intended. As the GGUSD superintendent put it to the Task Force, “if the kids are with us for five years, we ‘own’ them – it’s our responsibility to bring them up to proficient levels”. GGUSD is currently at a 68% achievement rate for both goals, so they have a long way to go, but their tenacious pursuit of these goals has had a highly desirable impact on the District’s academic performance.

3. “Best Practices” districts are unrelenting about fixing underperforming schools.

Garden Grove today has no schools in Program Improvement – not a single one! It wasn’t always that way. They have worked relentlessly through “intervention teams” to fix the schools that needed fixing. Long Beach had 17 schools in Program Improvement two years ago and all but three have now met all the criteria to be removed from Program Improvement.

How do these “Best Practices” Districts do it?

- They are clear about goals and expectations.
- They provide a consistent academic program throughout the district, so that transient kids don’t get lost in transition.
- They provide massive, consistent training to all administrators and teachers.
- They provide lots of support to school administrators and are not afraid to be prescriptive when necessary.
- They reassign or dismiss instructional employees who have failed to perform adequately and have not responded effectively to counseling (see C.10 below).

4. Some Fresno Unified Schools have done remarkably well in the midst of systemic dysfunction. FUSD should learn from these internal “best practices” schools as well as “best practices” in high performing districts.

An unfortunate fall-out of having a school district with so many failings is that it leads some to label all schools in the district as failures. That, of course, is patently unfair. Forkner, Gibson, Malloch and Manchester GATE elementary schools as well as Edison Computech Middle School score API’s above 800 and are fully AYP compliant; and several others are near that level.

Other schools are making significant progress. Notably, the dramatic progress at McCardle Elementary School has caused it to be nominated recently as a “Blue Ribbon School, one of only 34 California schools so recognized. Among other elementary schools, Addams, Del Mar, Jefferson, Kirk, Lawless and Sunset all achieved API growth greater than 35 points from 2003 to 2004. While these schools are not yet fully AYP compliant, they are certainly moving in the right direction. We need to better understand what has caused Sunset to raise its API by a remarkable 125 points in the last two years, and Kirk to raise its scores by 106 points in the same period. What instructional practices are they using that may be transferable to other schools in the District?

Among Middle Schools, Kings Canyon and Tehipite also made API jumps of more than 35 points last year (Tehipite is up 73 points in the last two years). Among High Schools, Bullard High and McLane made API improvements of more than 20 points *and* have fully met AYP requirements. CART, a charter school operated in joint venture with Clovis Unified, is a world-class model for project-based instruction.

It is instructive to look at comparisons of performance across the District. Much research has been done that demonstrates a correlation between the socio-economic status of students and academic success. It should not surprise us, therefore, to find that most of our highest performing schools in FUSD are in areas with high socio-economic levels. The comparison of elementary schools shown below makes this point clear. *(Readers should note that these are 2004 numbers for elementary schools only and should not be confused with K-12 comparisons for prior years shown elsewhere in this report).*

<u>School</u>	<u>API</u>	<u>% English Learners</u>	<u>% Free and Reduced Meals</u>
FUSD	643	43	79
Forkner	846	5	9
Gibson	849	1	13
Malloch	821	5	16
Lowell	537	56	100
Columbia	524	45	100
Lincoln	501	44	100

It should also not surprise us that magnet schools perform better than other schools in the District. Because magnets Computech and Manchester were designed to meet the needs of high performing and GATE students, these schools attract high-achieving students whose absence from their neighborhood schools detracts from the overall effectiveness of the neighborhood schools. Other magnet programs serve a broader range of students, but they tend to be students with highly motivated parents who self-select into magnet programs. The drain on neighborhood non-magnet schools isn't just the students; it is the participation of their motivated parents, also.

<u>School</u>	<u>API</u>	<u>% English Learners</u>	<u>% Free and Reduced Meals</u>
Computech	871	1	45
Manchester GATE	863	3	44

What should surprise us, favorably, is the relatively strong performance of certain schools from low socio-economic areas in FUSD. The following chart is indicative of what is possible. Note the significant disparity in API scores between the top three schools and the bottom three schools listed, all with similar percentages of English learners and students who receive free and reduced lunch. It is noteworthy that all six schools have made progress, but Jackson, Wishon and Aynesworth have all shown significantly higher API growth in the last two years than the other three schools. We need to understand what is causing this divergence in growth of achievement scores. What practices are being used in the higher performing schools that might be replicable in the lower performing schools? What unique challenges do the lower performing schools have that need to be addressed? Are there variables typically outside the control of the District (such as housing density, emergency housing or foster care with frequent clients turnover, etc.) which contribute to the divergence? Might the District influence those variables if it engages collaboratively with other agencies? The District needs to aggressively analyze all variables, tackle those within its control, and influence those within the control of others.

<u>School</u>	<u>API</u>	<u>API 2-Yr. Growth 2002-04</u>	<u>% English Learners</u>	<u>Free and Reduced Meals</u>
Jackson	687	107	41	100
Wishon	638	77	31	100
Aynesworth	632	92	44	100
Lowell	537	60	56	100
Columbia	524	48	45	100
Lincoln	501	44	44	100

It is instructive, also, to see how schools in low socio-economic areas in the high performing districts compare to FUSD schools in comparable areas. Note, in particular, that all of these schools have higher percentages of English learners than the above sampling of schools from FUSD. What can we learn from their instructional practices? What are they doing to reach these children and give them life-changing opportunities to succeed?

<u>School</u>	<u>API</u>	<u>% English Learners</u>	<u>Free and Reduced Meals</u>
<u>Garden Grove</u>			
Skylark	723	78	93
Heritage	689	76	87
Russell	670	81	93
<u>Long Beach</u>			
Signal Hill	775	50	94
Roosevelt	735	62	99
King	730	63	99

The above comparisons are not intended to enable the reader to draw conclusions. They do suggest that we need to look deeper. We are likely to find instructional practices that are yielding superior results and should be replicated in other schools. We are also likely to find unique challenges in certain schools that need to be addressed creatively.

B. Instructional & Operational Strategies

- 1. “Best Practices” districts have “core” academic strategies that are more consistently and rigorously applied throughout the district than is the case at FUSD.**

“Alignment” is the by-word at “best practices” districts. For core subjects, there are uniform curricular adoptions, and every classroom in every school in the district is required to utilize the adopted programs. They may supplement with additional materials. But they may not choose to use a different adoption. “Best practices” districts align content/performance standards, instructional materials, curriculum, interventions, assessment/evaluation, grading practices, and professional development. Teacher preparation, both at induction and inservice, is aligned, also. There is no room for doubt at any level about what students should know and be able to do. Benchmarking is done frequently, and it is consistent across the district. Teachers have assisted in developing pacing charts. And standards-based report cards are used to make sure that parents and students are clear on where the student is, compared to grade level.

2. Not all student achievement is about test scores.

While academic test scores are important as a measure of “basic” student skills, they are not the only measure of student achievement. Successful school districts are those that prepare students to be upstanding, effective members of society. It is important that schools offer students a diverse curriculum that enables them to find a good match for their skills, aptitudes and interests, and provide opportunities for them to learn how to interact effectively with others.

Even though “best practices” schools encourage all students to pursue a college placement path, they also have strong Regional Occupational Programs (ROP) and they would not dream of cutting back their music programs or their P.E. classes in tough economic times.

3. “Best Practices” schools are intensely data-driven, practice differentiated instruction and are increasingly moving towards real-time intervention strategies.

“Best practices” schools drive instruction from a continuous analysis of data. What are we doing well? What lessons are the students “getting” and “not getting”? What do we need to re-teach before we move on to the next subject of instruction? How do we need to modify our instructional practices? The data are analyzed by subject, by grade, by sub-group, even by individual student.

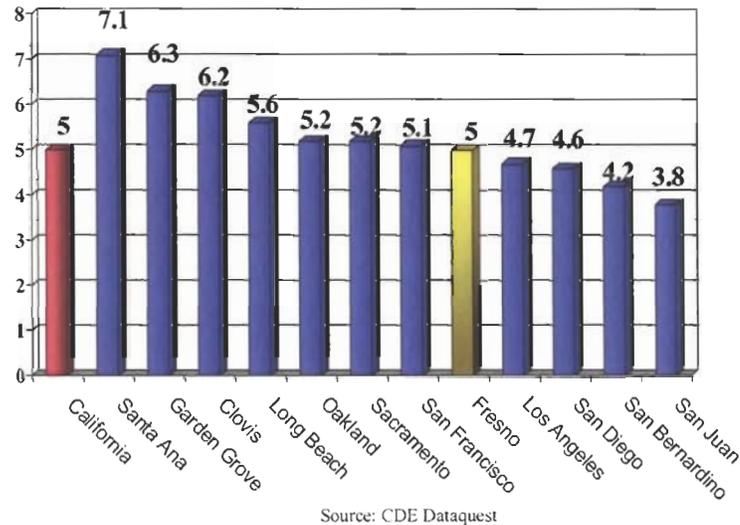
The technology exists today for teachers to be able to assess student performance every day. It’s possible to get real-time assessments and compare how each student is doing compared to others in the class, to others in the school, even to others throughout the district. But few schools are making effective use of this technology. The result is delayed discovery by teachers of where students are lagging, and a more difficult remedial process than if teachers were to intervene more immediately. The same data enables teachers to get real-time information on which students are ahead of the class, so that they can be moved along with challenging supplementary assignments that will fully tap their potential. Real-time data is the foundation for differentiated instructional strategies, and “best practices” districts are using the available technology to make huge improvements in academic achievement.

FUSD has state-of-the-art technology. It’s Assessment Information System (AIS) is as advanced as that of any other district in the benchmark group. What has been lacking is a comprehensive and intensive training program for teachers on the use of the system and the application of real-time intervention strategies for improvement of student achievement.

It’s worth noting that FUSD has more computers per student and per teacher than either GGUSD and LBUUSD.

Graph No.
14

2003-04 Students Per Computer



4. “Best Practices” schools provide extensive and consistent professional development to all certificated and classified staff.

There has been no lack of expenditure by FUSD on professional development, but for the most part the training provided has been conducted as if the District was a loose association of private practitioners, each school doing its own research on available training programs, each implementing its own training philosophies. New teachers receive a one day “orientation” program. There has been no district-wide training philosophy, no training standards, no commonly adopted training programs. This is true for administrators and for curriculum and other specialists, as well. Classified employees are rarely included in training opportunities; they train one another, as best they can.

Contrast this to GGUSD and LBUSD, where a percentage of categorical funding is set aside centrally for “core” district-wide training programs that each teacher must undergo. At LBUSD, each new teacher must undergo two years (it was three years until recently) of mandatory training – a minimum of 20 days per year. And every teacher, even those with over 30 years of tenure, must keep up with training programs selected by the district to advance district-wide academic achievement goals. That’s what it takes to build a durable, effective culture of academic improvement.

When Districts perform as poorly as FUSD in comparison with other schools with similar demographics, there are some who will point to the

teachers, but as Merrill Vargo, CEO of the Bay Area School Reform Collaborative (BASRC) is fond of saying, “I know of no teacher who comes to school at the beginning of the year saying, ‘I’m going to leave my “A” game at home this year.’ What really happens is that the District’s professional development programs have not kept up with the changed expectations brought about by programs like “No Child Left Behind;” or the instructional practices have not kept up with changed demographics; or the District has simply not stayed up with instructional “best practices.”

5. “Best practices” districts place high priority on creating school environments that are safe, motivate learning and are intolerant of disruption. They have strong character education programs and clear and consistently enforced student conduct policies.

Clear and uniform implementation of policies to retain students who are significantly below grade level, over time, reduces the likelihood that there are significant numbers of students who are unable to do the work as they are passed from one grade to another. “Best practices” districts understand that keeping students productively engaged in their schoolwork does more to create safe school environments than imposition of elaborate systems of punishment. They do not shrink, however, from removing students who pose a safety hazard to themselves or to others. Safety services at “best practices” districts blend the expertise of educators who can devise instructional alternatives for problem students, mental health professionals, and law enforcement professionals.

“Best practices” districts would consider it unthinkable to have a student conduct system which is solely designed to punish transgressions. Instead, they utilize a strong and consistently-applied program of character education, so that there is no doubt in the minds of students and adults alike as to what constitutes appropriate conduct. At the same time, “best practices” districts impose sanctions against inappropriate or illegal conduct. The rules and the consequences are understood by all.

In a four-year study conducted between 1999-2002 reported in the Journal for Character Education, schools with higher total character education implementation were found to have higher scores on academic measures for the year prior to their application, the year of their application and the subsequent two years. The following school character education indications were found to correlate with higher API scores and with the percentage of students scoring at or above the 50th percentile on the SAT9:

- Ensuring a clean and psychologically secure physical environment.
- Promoting and modeling fairness, equity, caring, and respect.
- Students contribute in meaningful ways to the school and community.
- Policies and practices in place to promote a caring community and positive social relationships.

It is noteworthy that GGUSD and LBUSD have a far lesser rate of expulsions than does FUSD. In 2002-03, FUSD expelled significantly more *elementary* school kids (111 of them) than was the case for all K-12 expulsions at either LBUSD or GGUSD. Los Angeles Unified, which had 746,000 students, expelled 374 of them, while Fresno Unified, with roughly one-tenth as many students, expelled 439 students.

GGUSD and LBUSD have a rigorously applied zero tolerance policy towards certain kinds of offenses, particularly for secondary school students. But the bias in “best practices” schools is toward progressive discipline and towards keeping kids in school. They have on-campus truancy centers (generally in partnership with the local police department). Suspensions are served at on-campus facilities. In short, their management of disruptive conduct is aligned with their overarching student achievement goals.

- 6. Special needs children, who can best be served by Special Education or by Alternative Education programs, have borne the brunt of a confusing array of legal requirements, of well-meaning but inadequately implemented strategies such as inclusion in regular classroom, and of out-and-out defaults of recognizing their needs and providing appropriate services.**

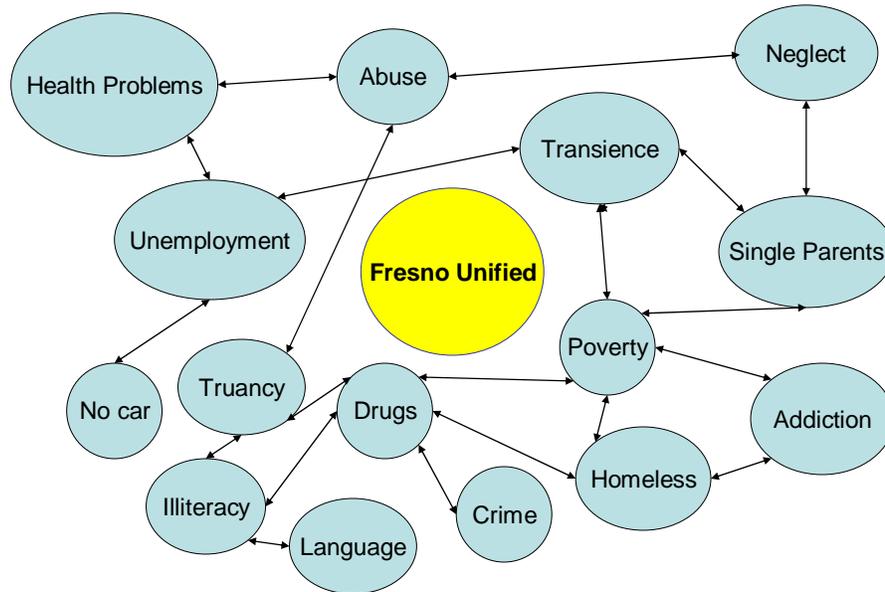
Time constraints have not allowed the Task Force to do justice to these very important topics. It is clear, however, that there are many children whose special needs are not such that they qualify for Special Education, but who cannot be served at this point in regular classrooms. The magnitude and severity of this problem is huge, and its implications are immense. This is a first-tier issue; not a lower-tier issue.

- 7. “Best practices” districts create a tight nexus between Student Support Services and “Academic Goals.”**

James confided in his teacher that he has decided to kill himself. He is ten years old. Upon referral to one of the handful of school social workers in the district, it is discovered that he is weary of being responsible for the care of his four younger siblings while his mother deals with her bouts of mental illness by calming herself with alcohol. The school social worker connects his mother with mental health treatment and arranges transportation. The preschool siblings are enrolled in a preschool program. Child Protective Services monitors the well-being of the children. James can finally act like a normal ten-year-old.

In urban districts like FUSD, GGUSD and LBUSD, it is important to understand that many students come from home environments that leave much to be desired. One of the Task Force members designed this graphic to paint the picture.

Community Challenges



Some would suggest that these challenges are beyond the scope of the District’s educational mission. Yet these children show up at school every day. What is the option? The costs to society are immense when we fail to attend to people’s needs early on in their life—costs in *dollars* for health care, mental health care, crime suppression and incarceration, public assistance, and other costly programs, in *lost productivity* in our economic system, and in diminished capacity to be effective *parents* for the succeeding generation.

Again, “alignment” is the by-word. Alignment of central support services to support student achievement is more than just a catch-phrase. All the pieces have to fit together. And all are data-driven. Resources are not distributed based on where there is a friendly and cooperative principal, as is sometimes the case in Fresno Unified. Rather, they are distributed after careful study of quantitative and qualitative information regarding student needs.

8. Well-maintained facilities are a given at “best practices” districts.

One former superintendent at GGUSD was a Marine. For him, well-maintained facilities were an article of faith, and the culture has stuck to this day. But there are no former Marines in the history of LBUSD, where well-maintained facilities are also an article of faith. “Best practices” districts know that the environment in which teachers teach and students learn is important to the outcome of the educational process.

In a “best practices” district, when it is necessary to cut the budget, you don’t hear Board members use the catch-word pledge to “keep cuts away from the classroom,” because those districts take a long-term view of what is required to achieve the District’s goals. Facilities maintenance is considered a condition for learning, not a dispensable service. The long-term interests of the taxpayers in providing proper maintenance of district facilities is a “given,” not subject to short-term evisceration in order to make it through the year.

Fresno Unified has “kept cuts away from the classroom” in ways whose terrible consequences will be felt for years to come. Consider:

- Since 1991, the number of Maintenance personnel has increased by 12, during a period in which facilities square footage has increased by nearly 2 million square feet with the addition of multiple new schools, portables, library media centers, administrative buildings, and cafeterias. This is about 1/3 more square footage than at the beginning of 1992 – an increase equivalent in size to 37 elementary schools, 19 middle schools, or 6 high schools.
- Worse yet, over 40 Maintenance positions are supported not by the District’s General Fund, but rather by chargebacks to restricted sources, such as bond measure proceeds. When these restricted sources dry up, there will be no source of funding for these positions.
- Equipment replacement funds earmarked for all the equipment in the entire District (i.e. TV’s, VCR’s, overhead projectors, camcorders, etc.) have dwindled to \$26,000 for the past two years, a reduction from over 1 million dollars in the early 1990’s. Now we either don’t replace equipment, or essential equipment is being repaired beyond its useful lifecycle. The District’s Grounds and Maintenance white fleet is aging, with 29 vehicles from the 1970’s, 77 from the 1980’s, 38 from the 1990’s and 20 from the 2000’s. Many of the larger more expensive vehicles like the stinger, dump trucks and water truck are from the 70’s.

- Mowers, backhoes, front loaders, bobcats, etc. are aging, and there are no identified funds to replace them in the foreseeable future.
 - Gardening had 40 personnel in 1992 and they have 40 today. That is despite a significant increase in gardening area.
9. **“Best practices” districts have eliminated some of their multi-track year-round schools and are targeting elimination of all year-around schools.**

C. Governance, HR Policies & Organizational Philosophy

1. **“Best Practices” districts have had far more leadership continuity and generally develop their leaders from within.**

The table below compares superintendent tenure at FUSD, GGUSD and LBUSD over the last twenty years. Next to the name of each superintendent is the number of years the superintendent was in the district before he or she was appointed to lead the District. It is no coincidence that high-performing schools **grow their own leaders** and **thrive on stability**. It takes time to build a durable culture, and that culture is best perpetuated through leaders who have grown up in it. FUSD’s next door neighbor, Clovis Unified, is an example that complements the examples of LBUSD and GGUSD, having had a total of 5 Superintendents and 4 Chief Business Officers in 44 years. Of those 9 people, 6 were “home-grown”.

Year	FUSD	GGUSD	LBUSD
1984	John Stremple (0)	Ed Dundon (12)	Tom Giugni (0)*
1985			
1986			
1987			
1988	Glen Rathwick (32)		
1989	ET Lon Luty (0)		
1990	Frank Abbott (8)**		
1991			
1992	Charles McCully (1)		Carl Cohn (25)
1993			
1994		Ron Walter (34)	
1995			
1996			
1997	Carlos Garcia (5)**		
1998			
1999		Laura Schwalm (27)	
2000	Santiago Wood (0)		
2001			
2002			Chris Steinhauser (23)
2003			
2004	Walt Buster (0)		
2005	Chuck McCully (1)		

**Tom Giugni was the first “outsider” to be named Superintendent for LBUSD in 40 years*

*** Break of service before becoming superintendent.*

Readers of this report should understand that stability begins with clearly defined long-term goals that are supported by the community. In the absence of such goals, the predominant pattern at FUSD has been to hire a Superintendent, assume that he* will magically transform the District, then dismiss him when he fails to deliver. (**FUSD has had no female superintendents*).

2. “Best Practices” districts define governance roles very clearly and respect those roles rigorously.

The clarity with which roles and responsibilities are understood at GUSD and LBUSD is enviable.

The Board understands that its role is to set policy, monitor district performance, adopt an annual budget, approve major capital expenditures, and to hire and evaluate the Superintendent. That’s it. It is a **governance** board, not a **management** board. It does not micro-manage; it does not engage in minutiae; it does not second-guess the Superintendent. Board meetings are

short (30 to 60 minutes) because the Superintendent communicates extensively with the Board members between meetings and most matters are addressed by consent. None of this is to say that Board members are disengaged. In both districts, each Board member participates in at least two standing committees that are continuously looking for ways to improve the District. LBUSD holds three two-day workshops per year for all Board members.

The Superintendents also have a crystal-clear understanding of their role. Having grown up in the District, they are already imbued with the culture of the District. They know their role is to translate the Board's goals and policies into operational goals, strategies and tactics and to focus the organization on superb execution. Superintendents in both Districts told the Task Force that the majority of their time is spent on communications and performance monitoring, both aimed at ensuring continuous alignment of the organization with the District's overarching goals.

Principals are the CEO's of their schools, but they realize that they play this role in the context of the District's overarching goals. They sign up to the centralized policies of the District because they know they, their teachers, and most importantly their students, are the beneficiaries of those policies. Beyond that, they have an entrepreneurial role: to augment District strategies with their own tactics and programs suited to the specific mission of their school. Each school has its own demographics. There are traditional schools, magnet schools and charter schools. It is the role of each Principal to create the best possible environment for academic achievement, consistent with the District policies and goals of the Board. At LBUSD and GGUSD they do so in the knowledge that their personnel decisions will not be second-guessed by the Superintendent or the Board.

Teachers are the heart of the District. They are where "the rubber meets the road". It is their personal contact with the students that will ultimately make the difference. At LBUSD and GGUSD, teachers are always looking for new and better ways to make a difference. The culture is one of continuous improvement. The relentless focus of the District on professional development is welcomed by the teachers. They know how big a challenge they have to deal with, and they are hungry for better ways to help address that challenge. The culture is also one of always putting the kids ahead of the adults. Schedules are set to fit the needs of the kids, not the adults. Every effort is made to match student needs with teacher skills. Most people who go into teaching do so because they have a passion for developing young people into successful adults. At LBUSD and GGUSD, that passion pervades decision-making.

Other certificated personnel provide valuable support to classroom teachers – as reading and math coaches, as curricular experts, as counselors, etc.

Classified employees are the glue that makes the system work. As office workers, or providers of facilities construction, repair and maintenance; as bus drivers, as food preparers and servers; they are all critical to supporting the ultimate goal of promoting student achievement.

3. “Best Practices” districts organize themselves around their overarching *Academic Goals* and relentlessly emphasize teamwork. Those with line responsibility for students and teachers drive the train while the role of other staff is to remove the obstacles in the way.

The members of the Task Force who come from the business sector recognized great similarities between good corporate cultures and the cultures of GGUSD and LBUSD. Good cultures focus relentlessly on the customer; they give priority to training those in the organization who have direct contact with the customer; they excel at creating positive customer-provider environments; they have a commitment to constant improvement of the products they offer to serve the needs of the customer.

That’s what we saw at GGUSD and LBUSD. The customers are the students. The teachers are the providers. The schools are the environment; and the product is academic achievement. The Superintendent, the Principals and the classified personnel are there to make it all come together and make it better every day, and everything is organized around that understanding.

Organizations in both Districts are flat (see Appendix “I”). At FUSD, the last permanent Superintendent had 3 direct reports, while at GGUSD it’s 7 and at LBUSD it’s a mind-boggling 20. In both of the latter, there are Assistant Superintendents for elementary schools, middle schools and high schools, and they all report directly to the Superintendent. Keeping the lines of communications as short as possible from students to teachers to principals to the Superintendent is a priority at these “best practices” districts. Grouping each of the three school categories under one Assistant Superintendent assures common goals and strategies and sharing of internal best practices.

Although the organization charts may not clearly show this, both districts effectively work in “matrix” organizations, with the vertical dimension of the matrix being the “line” organization, from Superintendent to Principal to Teacher, and the horizontal dimension being the “support staffs” (Facilities, Evaluation/Research, Business Services, etc.). “Matrix” organizations are designed to encourage teamwork. The roles are clear. It is intended that the “line” organization drive the train, while the “support staff” is there to remove the obstacles on the track and make sure the train is as good as it can be.

4. “Best Practices” districts understand the value of direct communications and strive to house all administrative personnel in the same physical facility.

Effective “matrix” organizations require frequent, direct communications. They are almost impossible to run effectively when personnel are spread out in multiple facilities, which is the case at FUSD, where administration personnel are housed in seven different buildings. By contrast, the administrative staffs of both GGUSD and LBUSD are virtually all housed in single facilities.

5. “Best Practices” districts know what to centralize and what to decentralize.

As is discussed more fully in Appendix “G”, high-performing districts know which functions to centralize and which to decentralize. At FUSD, some of those decisions appear to have been made backwards. There has been little direction from the central office on “core” curriculum, textbooks, English language development programs and intervention programs. In a district with as much transiency as FUSD, there must be a uniform and consistent “core” educational approach that individual schools can supplement to meet their needs. This educational approach must be supported with extensive, mandatory professional development. It is the only way to build the durable culture and educational philosophy that is so lacking at FUSD.

Readers will find other comments about centralization and decentralization of functions in the recommendations section of this report and in Appendix “G.” For example, character education should be uniformly implemented across the District; a uniform code of conduct should be uniformly and consistently applied; certain services, such as food services, must be and are already managed centrally to ensure uniform quality and economies of scale. In short, *if uniform and consistent implementation is important to the achievement of the District’s goals, or if economies of scale can be obtained, then it should be managed centrally. Beyond that, principals should be given maximum flexibility and budget authority to manage everything else.*

6. The Human Resource policies of “Best Practices” districts are aligned to the Academic Goals of the district.

Following are some examples of human resource policies at LBUSD and GGUSD that demonstrate their commitment to academic achievement over all other considerations.

- Priority is given to **matching student needs to teacher skills**. The more troubled schools get priority in teacher hiring. This may be an inconvenience to teachers who would rather not go to the more troubled schools, but the culture is that the kids always come first.

- **Class Scheduling** is designed around the needs of the kids. If a school needs seven periods, including a double-math period, that's what it gets. If a school needs seven periods to accommodate vocational training, that's what it gets.
- **The adults in the system must be the role models.** LBUSD has a dress code for all personnel. GGUSD does not, but professional dress is a subject of constant emphasis by the Superintendent. All personnel hired by both districts must undergo pre-hire drug testing.
- Practices that restrict **civic volunteering**, particularly where parents are involved, are studiously avoided.

7. “Best Practices” districts have excellent union-management relationships, focused on a shared agenda of providing the best possible education to the children.

Resolution of the fiscal and academic problems at FUSD will be highly dependent on FUSD's ability to emulate this characteristic of “best practices” districts. The Task Force believes that the pursuit of a shared agenda at FUSD is not only possible, but indispensable to the successful turn-around of FUSD.

8. “Best Practices” districts have engrained practices of stakeholder engagement.

More will be said on this topic later in this report. In this section, the Task Force wants to emphasize the aspect of employee involvement. Both GGUSD and LBUSD place a high value on soliciting employee input into their decision-making. This applies to both certificated and classified employees. The belief is that the best decisions are made by listening to the people who actually teach the kids, deliver services to them and provide an environment that is conducive to learning.

9. “Best Practices” schools have a culture of continuous improvement.

The Task Force discussions with the Superintendent's at both GGUSD and LBUSD pointed out just how committed they are to continuous improvement. They were less interested in talking about beneficial changes they had made in earlier years than the changes they were making this year to make things better. Both districts have received recent acclaim as the best urban districts in the nation, yet there was no resting on laurels. They both stressed how far they have to go to meet their goals. Every drop-out, every child that fails to pass a test, is a heartfelt failure that adds fuel to a pervasive “let's fix it” attitude. In the context of a durable set of overarching goals, there is constant adjustment of strategies, tactics and techniques to help accelerate progress.

10. “Best Practices” districts “walk the talk” on accountability.

“Best practices” districts understand that what you measure is what gets done. They know what their goals are at every level in the organization, and they measure them incessantly. At the same time that they provide extensive training and support, they are never in doubt as to their priority: educating the children.

As has been pointed out, GGUSD and LBUSD fill their leadership positions primarily from within. This means that principals and other senior administrators usually have long-term relationships, even friendships, with those who appoint them. Yet the culture at both Districts is that the interests of the children always take precedence over the interests of the adults, despite the relationships and friendships that bond the adults. A teacher who has been promoted to principal will receive lots of training and support, but if they do not perform, they will be back in the classroom, where they can make a better contribution to the children than as principals. The same is true of teachers. They will get lots of training and support, but if they aren’t getting results that advance the interests of the children as defined by District and school goals, they will be reassigned or be gone.

This commitment to performance and accountability is not intended to be punitive – it is simply intended to advance the goals of the District, with the children at the heart of those goals. There is no “dance of the lemons” at these school districts. It works because there is a shared agenda, built on trust, that unites all stakeholders, including administrators and union leaders.

D. Fiscal Matters and their Nexus to Academic Goals

1. The threat of a State take-over is real, imminent and potentially devastating.

It’s important, first, to understand the circumstances under which the State takes over a school district. It does so when a district runs out of cash; when, over time, expenses exceed revenues to the extent that the school’s “bank account” runs out of cash. Since the State has a legal obligation to educate our children, school districts cannot declare bankruptcy, so the State has to loan money to the District, and it will not do that without taking control. That’s when a State take-over occurs, and that is the condition FUSD is facing today.

Appendix K contains the executive summary of the report from the Fiscal Crisis Management Assistance Team (FCMAT). It points out that if FUSD takes no action, it may **run out of cash by early 2006**. It’s helpful to think of school districts as having two “bank accounts”, one that holds “unrestricted” funds” and a second account that holds “restricted” funds. The latter account can only be used to fund specific functions and projects, even if it has surplus funds while the “unrestricted” funds bank account has run dry. It is, in fact,

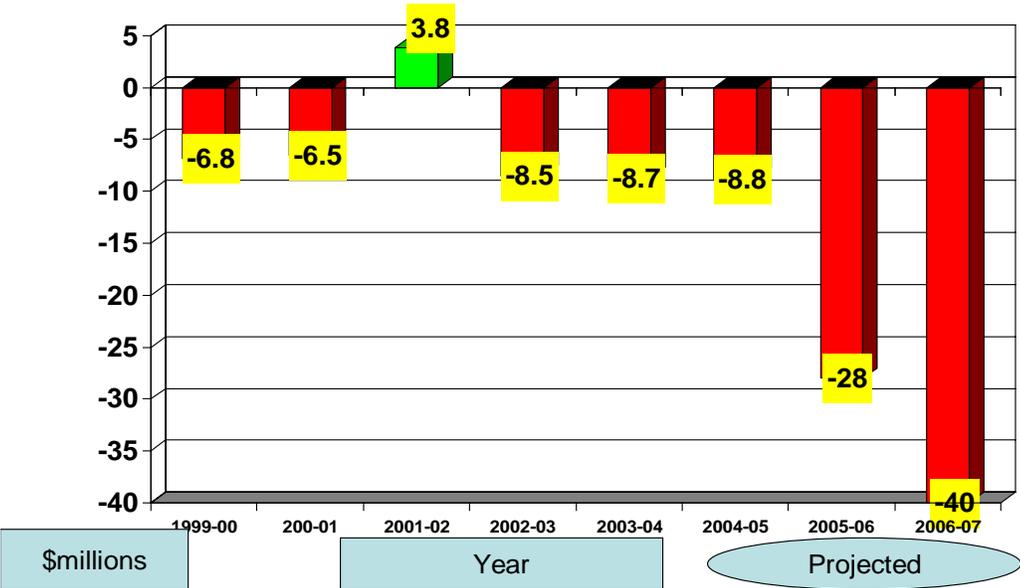
the “unrestricted” fund that will run out of cash by early 2006. The District can temporarily borrow money from its “restricted” funds account, but it **must repay the borrowings within a maximum of one year**. All that does is put off the day of reckoning, while choking off the academic improvement programs for which the “restricted” funds are intended to be used. In short, borrowing funds from the “restricted” funds account, other than for very short-term cash management purposes, is a very bad idea.

This is particularly true in view of the fact that the District has incurred deficit spending in four of the last five years (see Graph No. 15 below) and that the FCMAT projections show an anticipated cumulative deficit of \$36 million in school year 2005-2006 and \$80 million in 2006-2007. FUSD simply does not have the ability to repay borrowings from its “restricted ” funds account.

An analysis of projected revenues and expenses based on the provisions of existing bargaining agreements (over 90% of District expenses are related to salaries and benefits) leads FCMAT to forecast a deficit of \$29.5 million dollars in 2005-06. In addition to that, State provisions require that the District increase its reserves from 1% to 2%, which will require an additional \$6.5 million, making for a total annual deficit of \$36 million for the 2005-06 fiscal year. FCMAT goes on to project an even greater annual deficit of \$44 million for the 2006-07 fiscal year. Finding a structural fix for the \$36 million hole in the District’s budget in 2005-06 would still leave an \$8 million structural deficit in the ensuing year

Graph No. 15

Revenue less Expense 2000-2007



Some will argue that these are just projections, and that projections are always subject to change. The Task Force believes the projections to be based on sound assumptions and very realistic *if no action is taken by the District to change the relationship between revenues and expenses.*

It should be understood by the reader that FUSD, like all other California school districts, operates within the constraints of how California schools are financed. Of the \$867 million current-year budget, only \$367 million falls under the category of unrestricted General Funds. Another \$227 million falls within the General Fund, but is restricted to prescribed purposes. The balance is in specific self-standing funds: the Cafeteria Fund, the Adult Education Fund, the Child Development Fund, the Internal Service Funds (health and Workers Compensation) and various building funds. The point is that in evaluating alternatives to solve its fiscal problems, the District cannot look at the totality of its budget, because so much of it is restricted to specific uses.

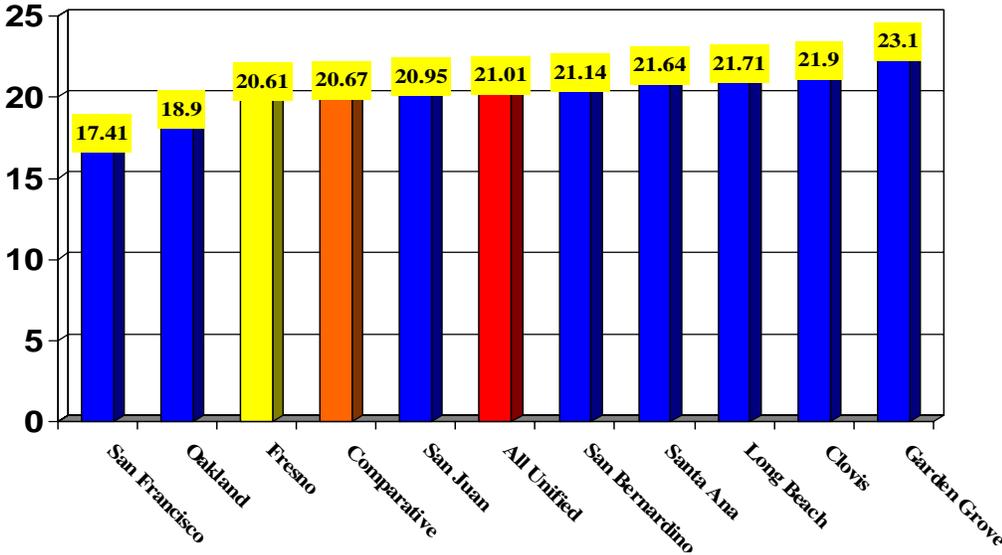
There are those who will voice the opinion that the State might as well take over the District. Let's analyze that view. As discussed above, a State takeover occurs when a district runs out of cash and the State has no option but to make a loan to the District. The State's priority then becomes payback of the loan. Financial management of the District takes precedence over instructional reform. The process of financial recovery generally takes years. The fiscal condition of the District is certainly not helped by the drop in credit rating and the decline in enrollment that inevitably follow a State take-over. Employers do not like to locate in districts where their employees' children must attend schools that are under State takeover. Aside from parental concern about the quality of education their children will receive, a State takeover is the equivalent of putting a sign at the City's entrance that reads "Local Officials Unable to Manage Their Community". As pointed out in the preface to this report, Thomas Jefferson would urge our community leaders to take control of our own problems, not to turn them over to the State.

2. FUSD has more instructional personnel (teachers and other instruction related staff) per student than all other benchmark districts except Long Beach, and correspondingly higher Instructional Administrative Expenses.

As is illustrated in the next two graphs, FUSD has the third highest number of teachers per enrolled student, the second highest number of other instruction related staff and, in the aggregate, the second highest number of instruction related personnel per student enrollment. To a significant extent, this is a result of negotiated class sizes. However, it should also be noted that FUSD has a very high number of classes in secondary education with very low enrollment. Poverty rate is also a contributing factor because it makes FUSD eligible for more categorical programs, which in turn adds to the classroom staffing level. As shown on Graph No. 18, there is a correlation between instructional personnel and instructional administrative expense. Note that these instructional administrative expenses, comprised primarily of

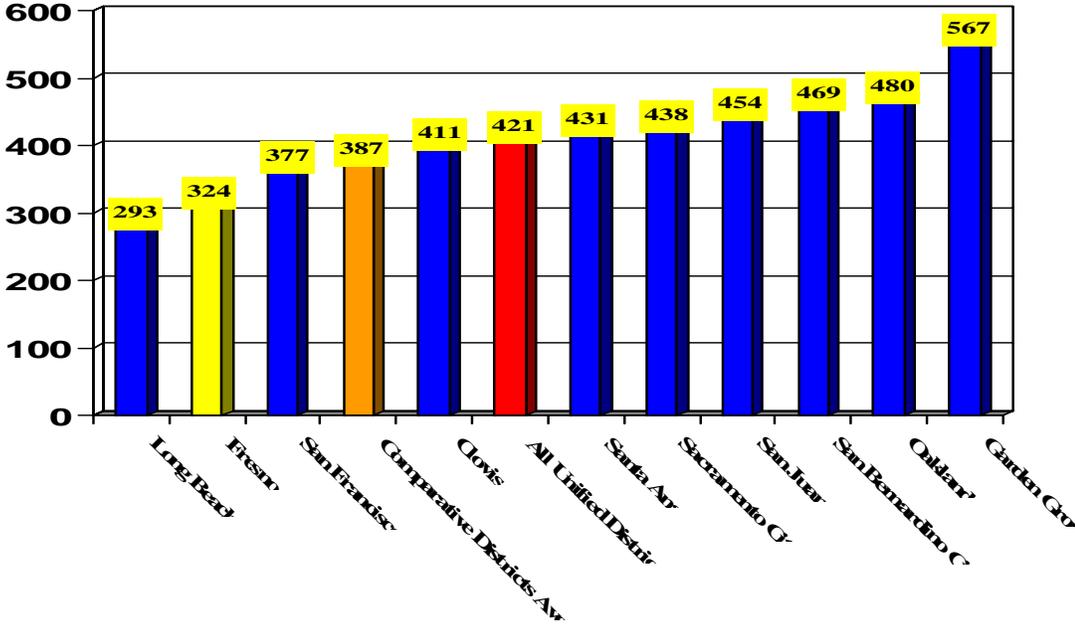
certificated personnel who are not assigned to a classroom, are primarily at the school sites rather than the Central District.

Graph No. 16
2002-2003 Student Enrollment
per Classroom Teacher



Source: CADIE 2002/03 Staffing, Table 2

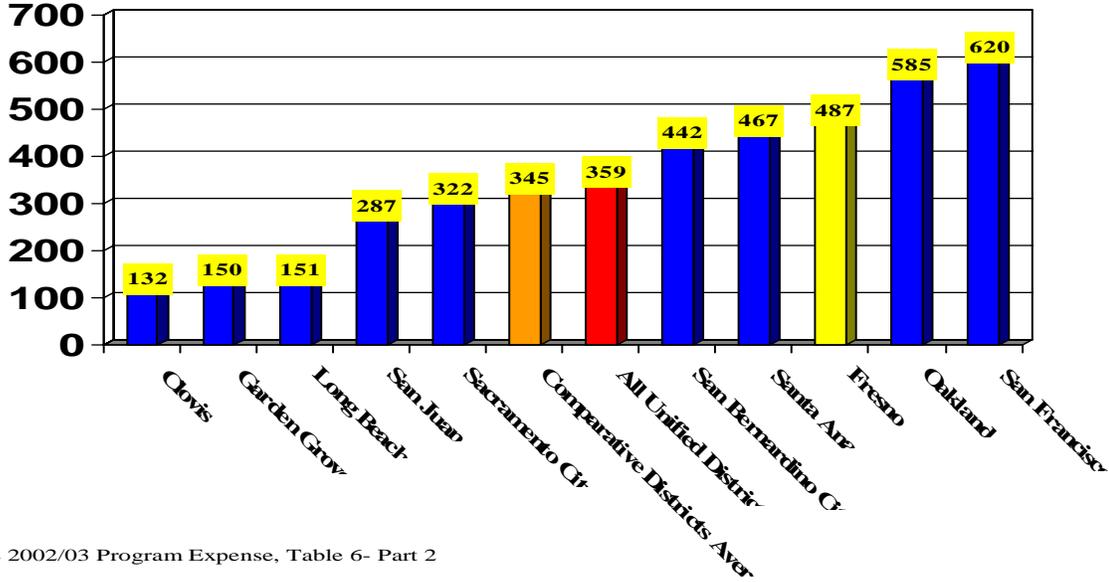
Graph No 17
2002 Student Enrollment per
Other Instruction Related Staff
 (Note: Includes Special Education)



Source: CADIE 2002/03 Staffing, Table 3,4,6

Graph No. 18

2002/2003 Instructional Admin Expenses per ADA
General Fund
(School Level)

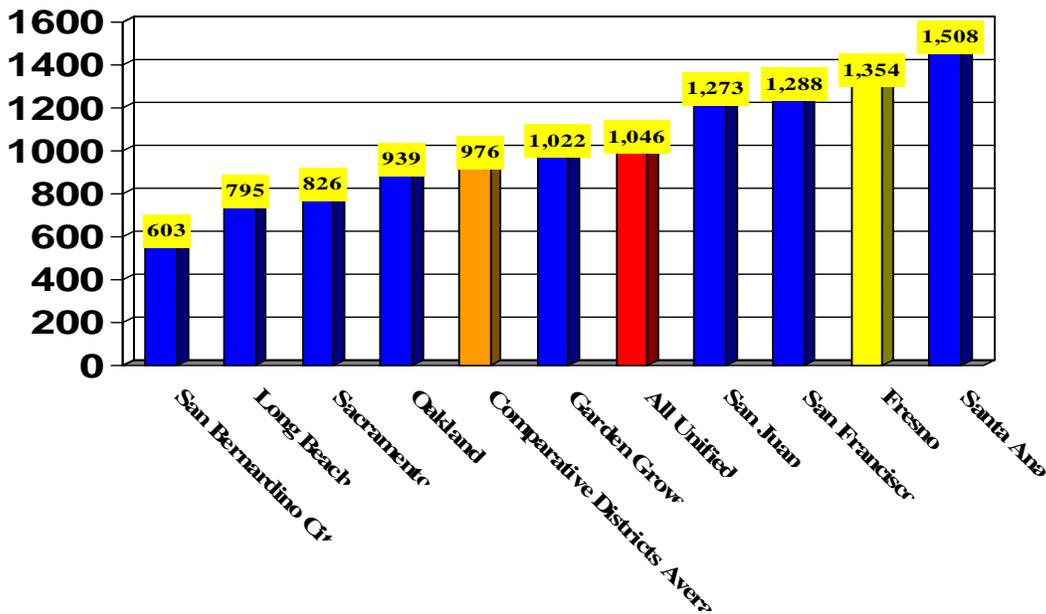


Source: CADIE 2002/03 Program Expense, Table 6- Part 2

- 3. FUSD has fewer Central District level administrators per student than all but one of the benchmark districts.

Graph No. 19

2002 Student Enrollment Per
District Level Administrator



Source: CADIE 2002/03 Staffing, Table 12

The comparison of FUSD to the two “best practices” districts is particularly noteworthy. The ratio of students to FUSD Central District Administrators is 47% higher than at GGUSD and 90% higher than at LBUSD. At FUSD there are approximately 1.5 Central District administrators for every 100 teachers, compared 2.3 at GGUSD and 2.8 at LBUSD. Analysis by the Task Force has yielded the conclusion that the Central Administration staff of the Instruction Division is woefully short both on the number of staff and on the experience and expertise that come with longevity. Several key Instruction Division officials have been in their current assignment for less than six months. And the District’s once-heralded curriculum department has been decimated by successive waves of budget cuts.

It is no wonder that Fresno Unified lacks the laser-like focus on student achievement which is the hallmark of “best practices” districts. Between 2001-2004, unrestricted Central Administration personnel has been cut by 34%. Experienced administrators have left in droves, as budget cuts and internal instability have taken their toll. New administrators are trying to grab the reins, but they haven’t had a lot of help or support. The perennial charge that the District is “top-heavy in administration” is a disincentive for talented people to want to apply for increasingly responsible positions, but fear being victims of the next wave of cuts.

In addition, budget cuts have had the effect of virtually eliminating the opportunity to build career ladders through which aspiring administrators gain experience and expertise in various areas of district operation.

We should take note that “best practices” districts have a high degree of centralization, relatively large and experienced central office staffs, and they get zero flack over this because student achievement is excellent.

4. FUSD has more school level “administrators” than all but two of the benchmark districts, as that term is defined under the California Account Code Structure (SACS).

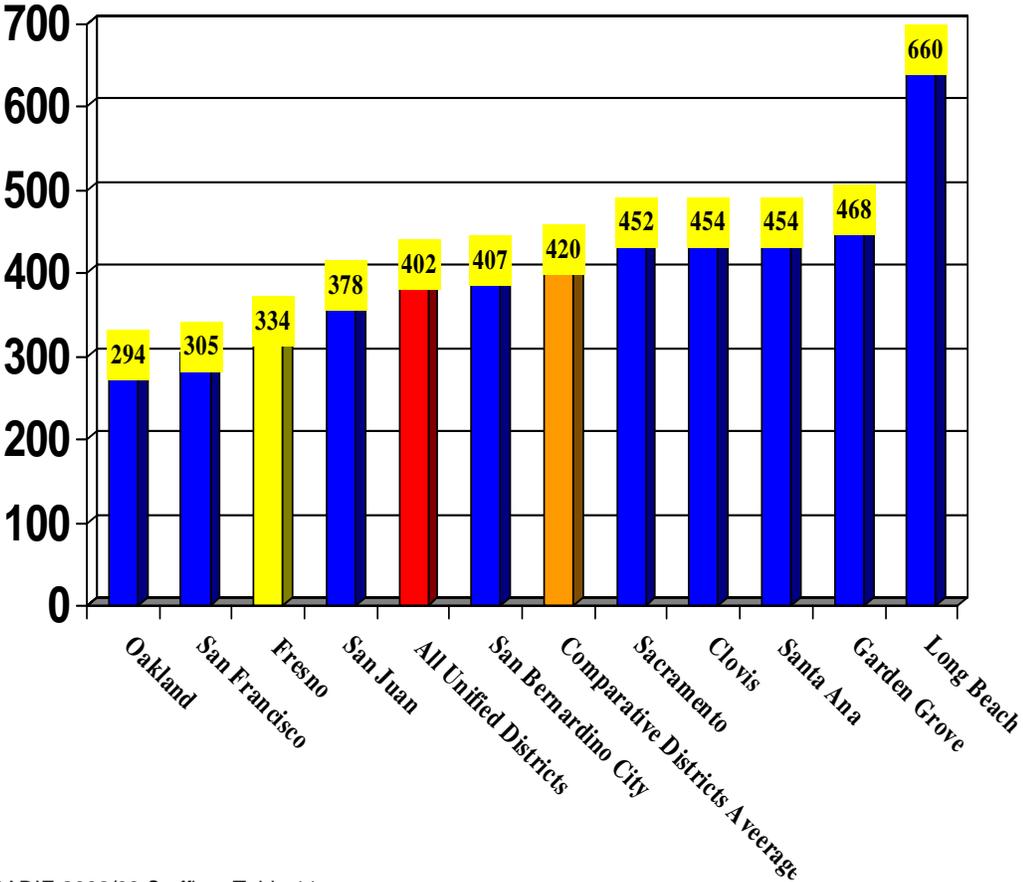
That definition includes literacy coaches, teachers on special assignment (TSA’s), counselors, psychologists and school social workers, which have increased significantly in recent years with the growth of categorical and grant programs. Administrators in the traditional definition (e.g. Principals, Asst. Principals, Program managers) have declined in the last four years.

As shown in the graph below, Fresno had the third lowest ratio of students to school-level administrators in 2002 (latest available comparative data). In part that is because Fresno has more categorical and grant programs than most other Districts. Each of these programs requires implementation staff, and because each program must be managed to narrowly defined criteria, staff time is required to monitor, measure and report progress. Some of these categorical and grant programs are essential to a district with FUSD’s demographics, but some of them are simply the result of school sites reaching out for help— any kind of help – to help them cope with their instructional

challenges. A second contributing factor has been that, absent direction from the Central District, school sites have had to fare for themselves, doing their own research on curriculum, intervention and EL programs, etc. The result is that every school-site ends up acting as a mini-District, creating duplication of effort that would be unnecessary if the schools were getting the support they would be receiving at a “best practices” district. FUSD school sites are not over-staffed for what they are doing – it’s just that they should not need to be doing everything they are doing.

Graph No. 20

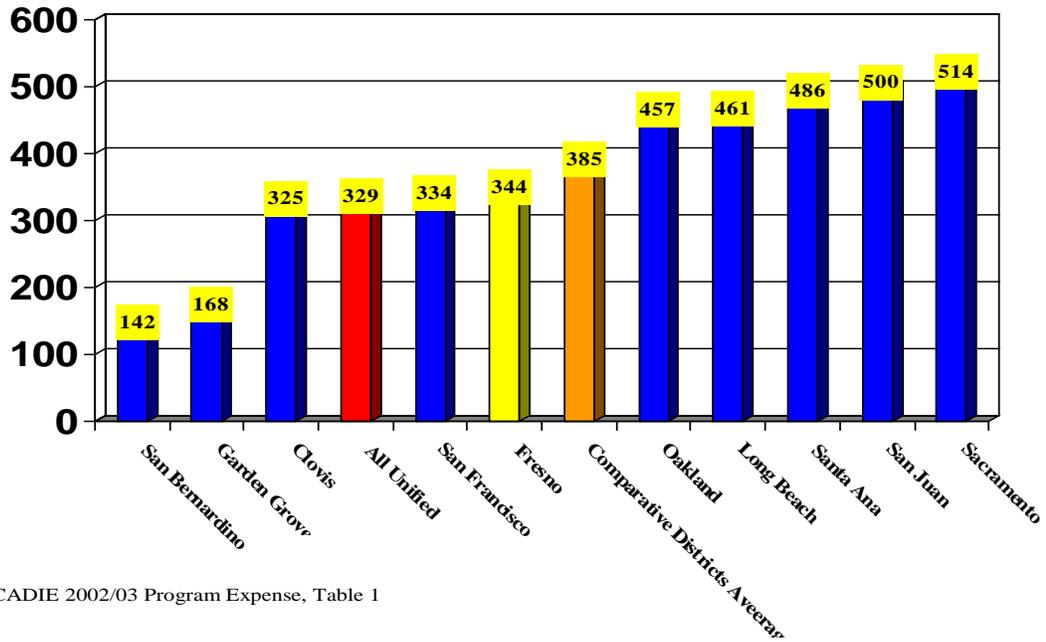
2002 Student Enrollment Per School Level Administrator



Source: CADIE 2002/03 Staffing, Table 11

5. FUSD District Administration expenses per ADA (General Fund) are below the median of the comparative districts.

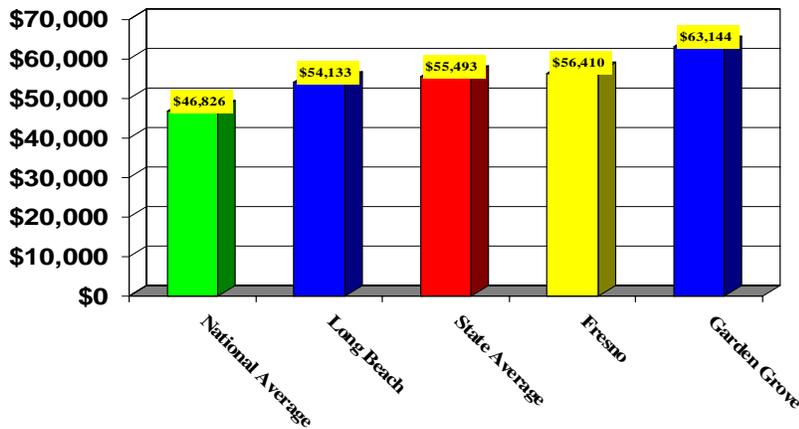
Graph No. 21
 2002/2003 District Admin Expenses per ADA
 General Fund
 (District Level)



Source: CADIE 2002/03 Program Expense, Table 1

6. Average FUSD teacher salaries are higher than the State average, which are in turn higher than the National Average.

Graph No. 22
 Average Teacher Salary Comparisons



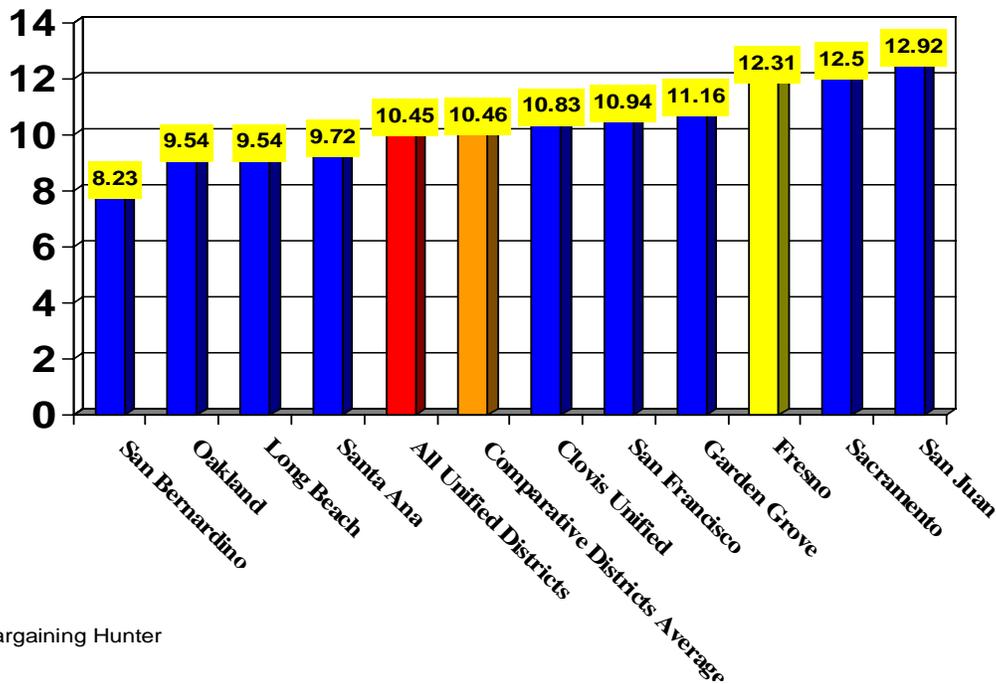
National Average as computed by NEA. Others are Bargaining Hunter.

The numbers shown above have not been adjusted for cost of living differentials. If salaries were to be adjusted for purchasing power, California's teacher salaries are close to the national average. On the other hand, Fresno teacher salaries, if adjusted for purchasing power, are considerably higher than the California State average.

The above chart is indicative, but should not be used without some accompanying cautionary remarks. For one thing, average teacher salaries are influenced by teacher longevity. As shown in the graph below, Fresno's teachers have higher longevity than most of the benchmark districts, which means they are paid higher in their grade than is the case in most other districts.

Graph No. 23

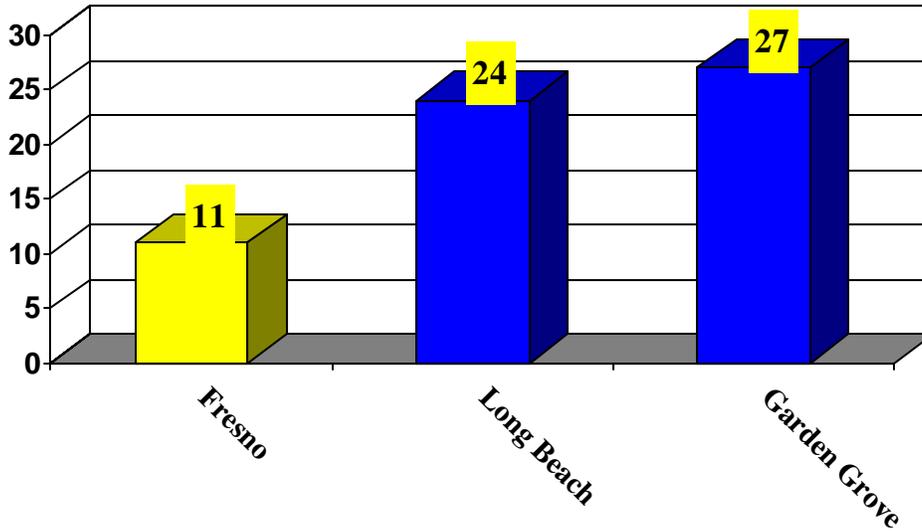
Average Years of District Service for Teachers as of CBEDS Information Day, October 2002



Source: Bargaining Hunter

It is also the case that progression through the salary range varies significantly from one district to another based on bargaining agreement provisions. As shown below, it takes Garden Grove teachers 27 years to reach the top of their salary schedule and Long Beach 24 years, while it only takes a Fresno teacher 11 years.

Graph No. 24

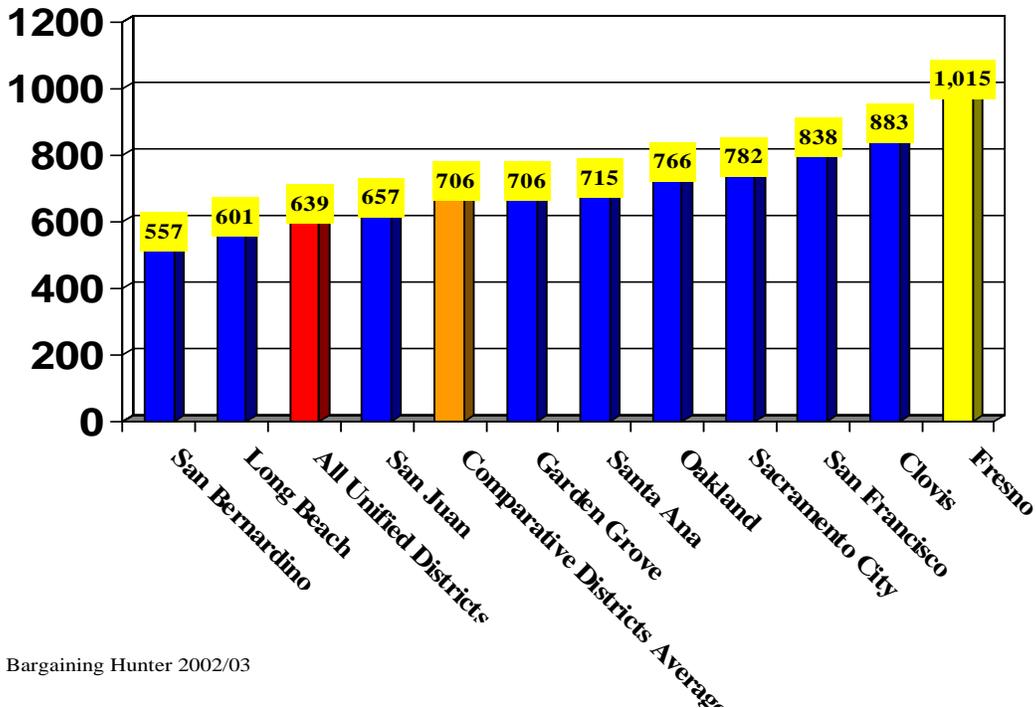


7. FUSD has by far the highest cost of employee health and welfare benefits of any of the benchmark districts.

The graph below shows FUSD health & welfare benefits per ADA are 44% higher than the average for comparative districts.

Graph No. 25

2002/03 Health Benefits for all Employees per ADA General Fund



Source: Bargaining Hunter 2002/03

There appear to be two principal causes for the extraordinarily high cost of health benefits at FUSD:

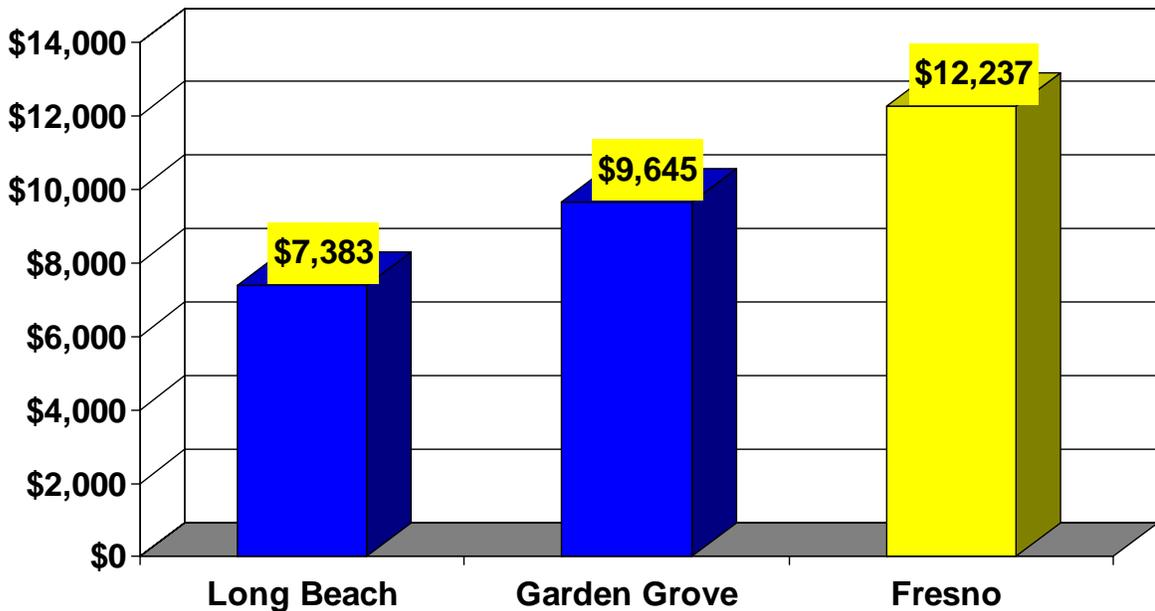
- Lifetime benefits for employees *and dependents*. This is an extremely unusual benefit. All employees who work four or more hours per day and have at least 15 years of service become eligible for this benefit at age 57-1/2. The retiree contributes nothing for this benefit. The benefit currently costs the District \$24 M on a pay-as-you-go basis and creates an ever-escalating cost as health-care costs continue to rise and the ranks of retirees increase.
- None of FUSD's health benefit plans has ever been subjected to competitive bidding.

It is instructive to see how the combination of these two factors affects FUSD compared to the two "best practices" districts per FTE (Full Time Equivalent employee):

Graph No. 26

Average Benefit Contribution for Active and Retired Employees per FTE 2003-2004

(Based on projections reported to the State of California)



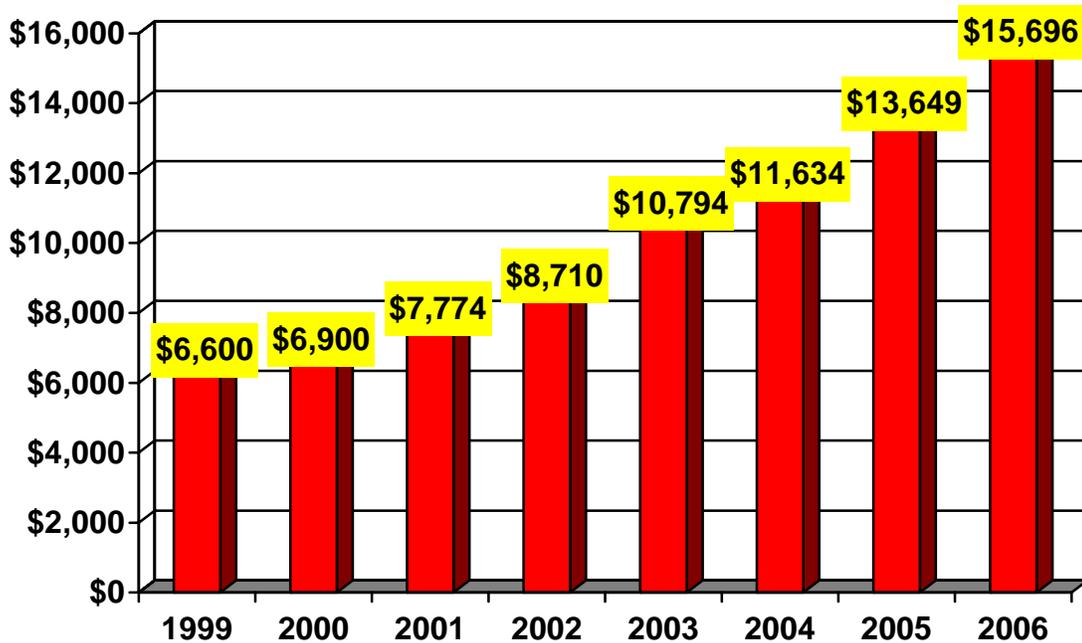
8. Over the last three years, escalating health benefits costs have overwhelmed all other expense categories at FUSD.

During the last three years, all California public schools have had to contend with cutbacks in State funding. But FUSD had another problem that most other Districts did not: exploding health benefits costs.

Graph No. 27

Health Care Rates per Employee Including Retirees

(Based on FUSD actuals through 2004 and projected through 2006)

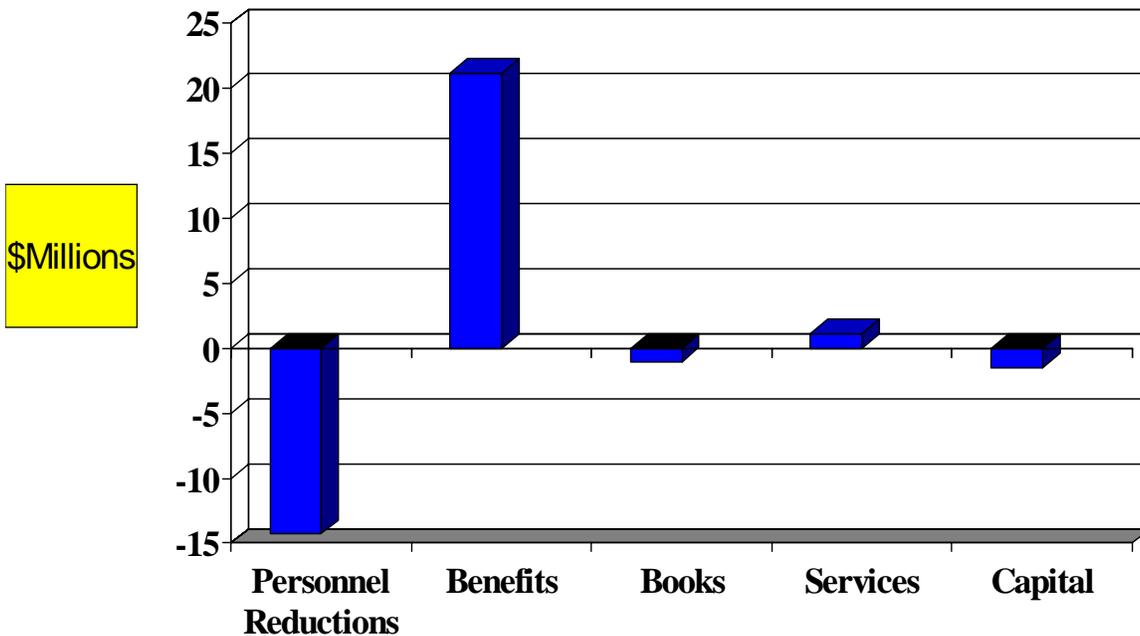


As is shown in the graph below, the only expense category that grew in real terms between 2002 and 2005 was benefits. Personnel reductions occurred primarily as a result of program reductions and enrollment decline. Services costs appear to have grown marginally, but in fact declined when adjusted for inflation. All other expense categories declined, most notably salary expense as a result of staff reductions. Those expense reductions have affected everything, from the library and music programs to administrative and services cuts that have left many departments swamped and unable to respond to school needs. Between 2002 and 2005, FUSD cut over \$52 million from its budget, mostly in programs and in administrative, instructional, and classified staff, while increasing benefits outlays by \$15 million.

It may not have been the case that the FUSD Board these past three years wanted to place a higher priority on health benefits over everything else. Indeed, the growth in health benefit expenses is a result of bargaining agreements that were negotiated before 2002, *but it is impossible to look at the graph below without concluding that the de facto priority of the District was health benefits.*

Graph No. 28

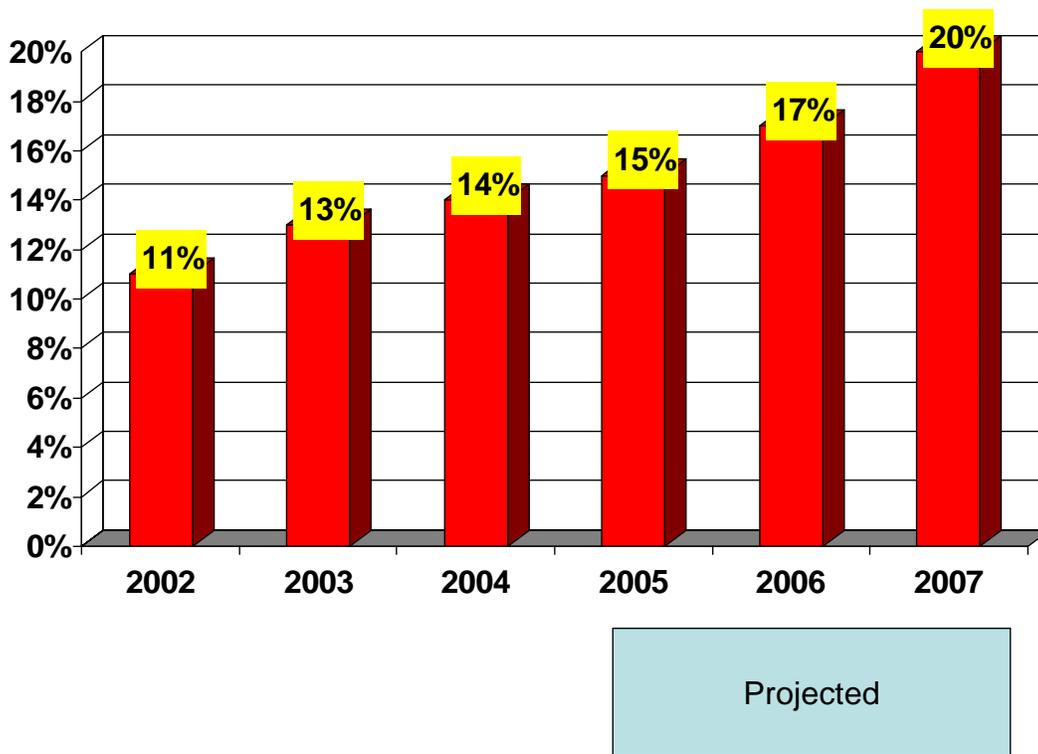
FUSD Spending Priorities 2002-2005 (Change in Expense Unrestricted)



As seen in the graph below, health benefits currently take up 14% of the District's budget. That compares to a statewide average of 8.2% for 2002-03. If no changes are made, the cost of health benefits are expected to take up 20% of the budget by the year 2006-07 – *that's one of every five dollars in the FUSD Unrestricted Fund.*

Graph No. 29

Employee Benefits Consume a larger and larger portion of budget



9. The District has a huge unfunded liability for its lifetime benefits program – approximately \$1.1 billion.

Governmental Accounting Standard Board Statement No. 45 (GASB 45) requires that post-employment benefits be recognized as an expense beginning after December 15, 2006. This applies to all districts in the State, with variations on the effective date based on district size. What is different about FUSD is that the provisions of its retiree benefits plan have created an unfunded liability that is proportionately much larger than that of most other districts. Of the 1,050 school districts in the State, only 60 of them offer lifetime benefits for their retirees and of those 60 only a fraction offer lifetime benefits for retirees *and* dependents. FUSD is in the latter category.

The cost of funding retiree benefits on a “pay-as-you-go” basis this year is \$24 million. Based on current plan provisions and projections of health care costs, the annual cost of funding this benefit is expected to increase to \$80 million *even if no new retirees were to enter the system*. The annual costs escalate significantly, of course, if you add retirees under the current plan provisions. Plainly put, the current District plan is unaffordable and unsustainable. The FCMAT report warns that if changes are not made to the plan, this unfunded liability will exceed the value of all the combined assets of the District.

Since the District must comply with the requirement from the Office of Education to submit a budget that provides assurance it will be able to meet its fiscal responsibilities through the 2006-07 budget year, this issue must be dealt with immediately. Pre-funding and reducing this liability would significantly reduce future costs to the District. FCMAT has recommended the establishment of an irrevocable trust to deal with this liability. One advantage of creating such a trust is that the annual costs of the retiree benefits can be charged equitably to all programs, including categorical programs. Under the current “pay as you go” funding method, the unfunded liability unfairly burdens the unrestricted general fund.

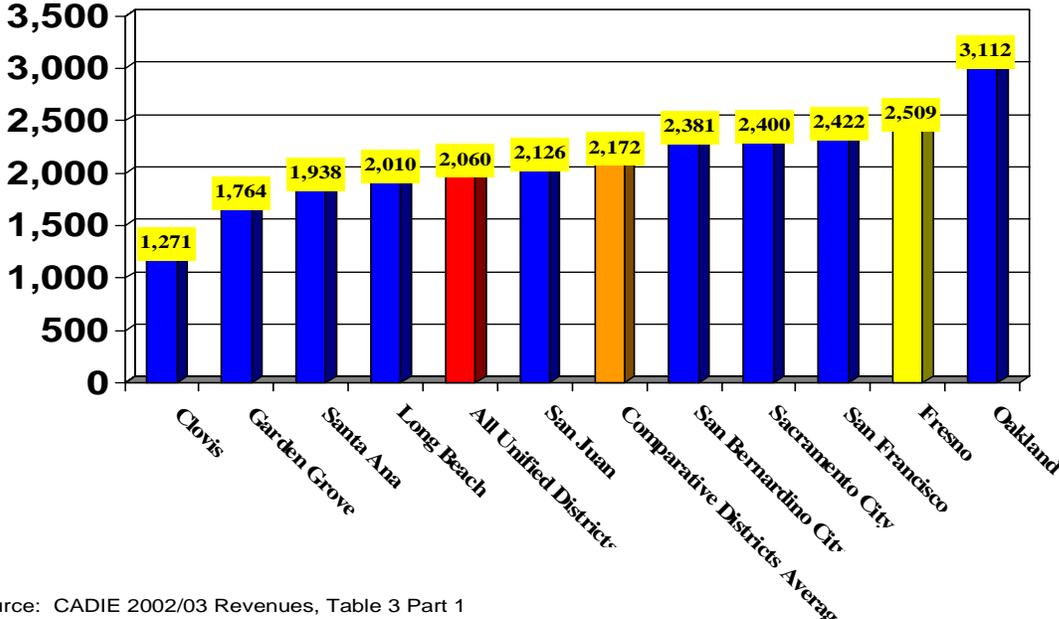
10. FUSD has a \$41 Million unfunded liability for Workers Compensation Claims.

The District must develop a plan to fund this liability.

11. FUSD collects more categorical funds per ADA than all but one other District. “Best Practices” districts seek a much tighter connection between the district’s academic goals and use of categorical funds. They also employ categorical funds more creatively.

It’s noteworthy that while the general fund has seen persistent deficits, categorical funding has been running sizable surpluses. While the two funds cannot be commingled, more efficient use of categoricals might create some relief for the general fund.

Graph No. 30
2002/03 Categorical and Other Revenues per ADA



Source: CADIE 2002/03 Revenues, Table 3 Part 1

The opportunity to optimize use of categorical funds in order to advance District objectives has been somewhat enhanced by the passage of Assembly Bill 825 (AB 825), which will take more than two dozen existing categorical programs and streamline into six comprehensive block grants. While this does not fully eliminate the highly constrained, one-size-fits-all problem of categorical programs, it does provide a measure of added local control and flexibility.

12. FUSD is less targeted in its pursuit of grant funding than “Best Practices” districts. The latter eschew activities that detract from their single focus on student achievement.

As shown in the preceding graph, Fresno receives more categorical and grant funding per ADA than any other district in the benchmark group, except Oakland. To a significant extent, that is because Fresno has a higher level of poverty and is eligible for more funding than other districts. To some extent, however, it is also a result of more indiscriminate pursuit of grant funding than districts which have clearly defined district-wide goals and pursue grant funding only when the grant will support achievement of those goals. At FUSD, in the absence of agreed upon District-wide goals, decisions on what grants are pursued are largely made by each school. In some cases, that creates a more complex management challenge, and more administrative overhead to manage the complexity.

13. FUSD, as well as the two “best practices” districts, can achieve greater operating efficiencies through more efficient use of technology.

The extraordinary amount of documentation required to comply with State and Federal requirements argues strongly for a more paperless environment than currently exists at all three districts.

14. FUSD has opportunities to increase operating efficiencies.

The Task Force identified several areas of opportunity for potential increased efficiencies and reduced operating costs in its **procurement practices** and in the possible consolidation of **Food Services Operations** and **Student Transportation Operations** with other districts in the County. As will be pointed out in the recommendations sections, this requires further study as well as discussion with the other districts and the County Office of Education.

15. “Best Practices” districts have fiscally prudent financial reserves.

Well-run districts recognize that because they are so dependent on the state for funding, their annual budgets will be subject to the ups and downs of the State economy, and they plan for that by setting up fiscally-prudent reserves that enable them to manage those ups and downs without adversely affecting their academic achievement objectives. That is how GGUSD and LBUSD have

been able to continue to make progress on the academic front during the latest State budget crisis – by drawing on their reserves to offset cuts in State funding.

16. FUSD has relied on one-year solutions to its budget woes, with harmful short-term and long-term results.

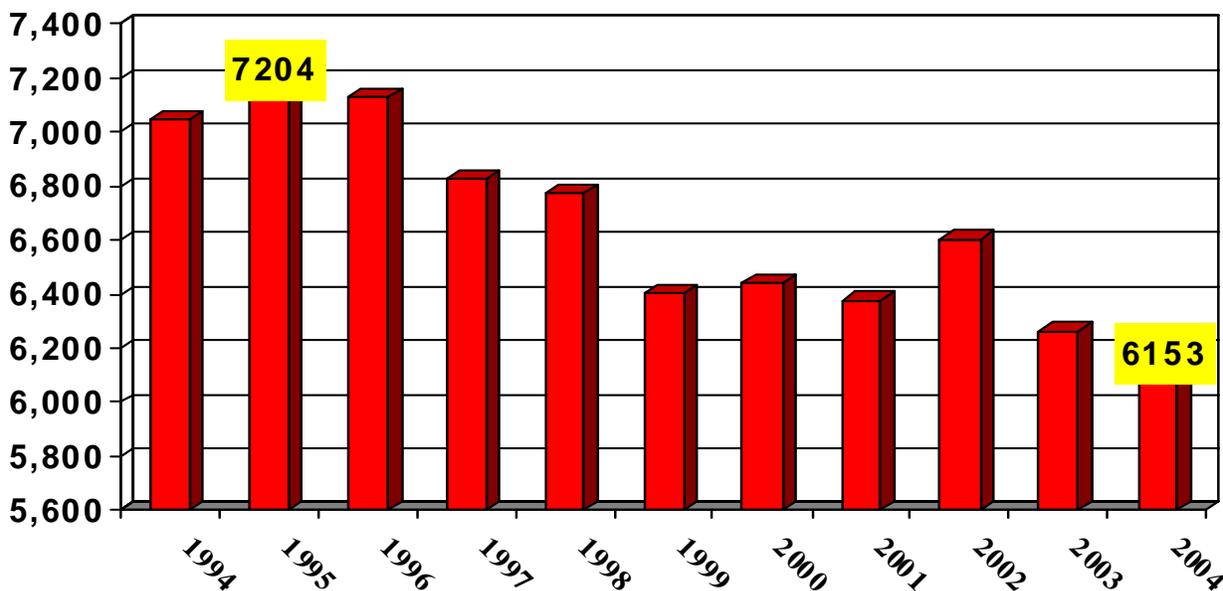
Among other things, the District has relied on grant funds with no view of how to replace them when the grants expire; it has cut the music program, librarians, counselors, custodians and campus security; and, it has failed to properly maintain facilities (as noted under “Operational Strategies”).

17. The District has been passive about its declining enrollment.

Most urban districts in the nation are experiencing declining enrollment as families migrate to suburbs. FUSD is no exception. Note below the downward trend in Kindergarten enrollment, from a peak of 7,204 in 1995 to 6,153 in 2004 – a decline of over 1,000 students, nearly 500 in just the last two years. As shown in Graph No. 32, District enrollment has declined by more than 1,100 students in the last 2 years. (*Note that the numbers on graph No. 32 exclude charter schools whereas those in graph No. 1 include charter schools*)

Graph No. 31

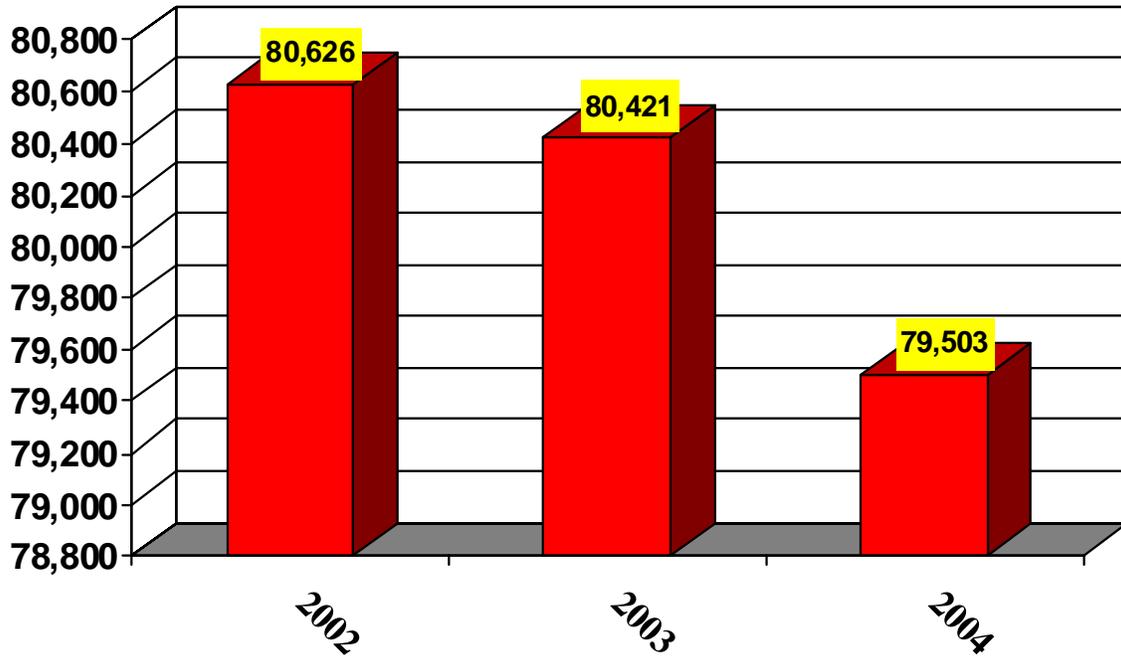
FUSD Kindergarten Enrollment



Source: CBEDS State Report

Graph No. 32

K-12 Enrollment



Source: CBEDS State Report

Because the most significant funding source for schools is tied to Average Daily Attendance (ADA), the financial impact of declining enrollment is significant. For every 1,000 fewer students, the District incurs a loss of approximately \$5 million in unrestricted funding and an additional loss of restricted funding estimated at \$3 million. Fixed costs do not decline proportionately.

The falloff in enrollment is particularly pronounced in high school. This is, of course, more than just a financial issue. Addressing the enrollment issue should be a collaborative project of the private and public sectors across our community. In Fresno, declining enrollment need not be accepted as inevitable. As one of the fastest growing regions in the nation, it is possible to reverse recent trends at FUSD. The starting point for that reversal, of course, is fixing the academic and financial problems described in this report. In addition, discussions need to take place with the City of Fresno to explore possible City policies that might encourage more residents to remain within FUSD boundaries.

E. Stakeholder Engagement

- 1. “Best practices” districts foster a high-trust environment by communicating incessantly and operating in a high-transparency mode.**

“We don’t treat our stakeholders as mushrooms” is the way one “best practices” superintendent put it to the Task Force. “We don’t keep them in the dark and feed them manure”. Superintendents at “best practices” schools spend a huge amount of their time communicating, both internally and externally, and they require the same of their staffs. It is one of their most challenging tasks. They communicate through newsletters, Town Hall meetings, PTA’s and other venues. School operations and finances are complex, and it takes a great deal of skill to communicate this complexity to people who don’t have the time or background to pore through details and understand the intricacies of the system. Beyond skill, it takes trust. Good Superintendents know there is no substitute for openness, transparency and outreach to earn and retain the trust of stakeholders. In the final analysis, the objective is to have every stakeholder feel that “I may not fully understand the message, but the messenger has earned my trust”.

- 2. Patterns of parental engagement in FUSD schools are mixed.**

Discussion with teachers and administrators at FUSD suggests that there is an almost direct correlation between school academic performance and parental engagement in the school. The more engaged the parents, the better the school does academically. Some schools, typically those in affluent neighborhoods, are flooded with parents who want to be directly involved in their child’s classroom. In other neighborhoods, schools have an exceedingly difficult time wooing parents who are coping with a host of other issues to step inside the school grounds. In 1995, Fresno Unified established a Parent Engagement Center located in the central part of the District, where a team of mostly multi-lingual, multi-cultural Community Relations Liaisons reach out to the ethnically-diverse/language-minority parents to foster collaboration in the schools. Despite this and other efforts, parental engagement often falls short of what it could be. Some schools manage to do a great job. Tehipite Middle School, located off Belmont between Fresno St. and First St., is making a determined effort to address the issue by making the school environment inviting to parents – creating social opportunities for parents to feel comfortable coming to school – but they will be the first to admit they have a long way to go. Parental engagement isn’t a one-way street. Some parents believe that schools rebuff their efforts to be involved. In any case, sharing best practices within the District and with other districts with comparable socioeconomic and demographic conditions is a necessary step toward progress in this area.

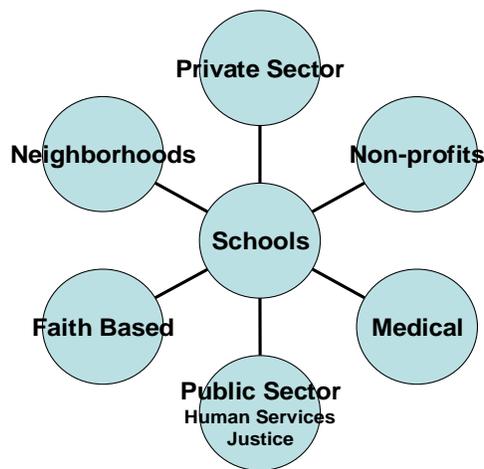
- 3. FUSD has not taken full advantage of the other educational institutions that reside in the community.**

LBUSD has built a partnership with Long Beach City College and Long Beach State that has been a major contributor to their success. By way of contrast, Fresno State has struggled to find receptiveness to the idea of a similar partnership with FUSD. The loss of opportunity is all the more significant when one of the core objectives of Fresno State is to have its School of Education become the preeminent leader in K-12 education in the nation. The opportunities for collaboration with the State Center Community College System are also significant.

4. The opportunities for District collaboration with business and civic organizations have not been fully exploited.

There are some wonderful examples at Fresno Unified of the potential benefits of collaboration between FUSD and other institutions in the community. One such example is the arrangement that has employees from the McCormick Barstow, Sheppard, Wayte & Carruth law firm mentoring students at McLane High School in a program that has increased the number of students taking college prep courses. But, there are far too few of these collaborations. LBUSD has over 300 such partnerships. FUSD can and must do more, not only with business organizations, but with all the other institutions in the community: the Public sector, including the City of Fresno, the County and the Justice system; the faith-based community, neighborhood groups, non-profits, unions, and the medical community.

Community Resources Surrounding Schools



In a community where so many of our children lack home environments that are conducive to educational achievement, our community must step up, if for no other reason than self-interest.

A variety of efforts are already underway to leverage the resources of the other sectors to help create the type of healthy environments children need to thrive. Some of these efforts already involve the schools, like the After School Consortium, ReadFresno and Business-School Partnerships. Our community has become quite skilled at leveraging resources across sectors to achieve common goals. However, we need to become more intentional, more inclusive and bring the efforts to scale.

The City of Fresno, County of Fresno, businesses, faith based organizations and the nonprofit sector all play a role in insuring that our children are growing up in healthy environments and that their developmental needs are being met. In some cases, families cannot or will not provide for the needs of their children. Working together across sectors, we can identify these children, intervene and develop strategies to fill those needs and impact the family system while doing so. In the implementation plan for Choosing Our Future, there will be a strategy for linking, leveraging and scaling current community efforts and a strategy to fill what gaps remain. The Human Investment Task Force of the Collaborative Regional Initiative has already begun this work. As a community we are responsible for the dire condition of our largest school district and must find our part of the solution.

VII. Preamble to Task Force Recommendations

A “Blitzkrieg” Approach

Conventional wisdom says that change processes should focus on one or two areas at a time, but conventional wisdom does not apply to a situation that is as broken as FUSD. When the Task Force met with Superintendent Chris Steinhauser of Long Beach Unified, we asked him how he had approached the change process at LBUSD. His reply: “We took a blitzkrieg approach. A sequential process of change would have taken too long.” The Task Force agrees with that view. The problems of FUSD are so interconnected that progress will be difficult, if not impossible, unless we attack the various contributors of the problem concurrently. When our District is on the verge on a State take-over *and* over 50% of our schools are in the bottom decile of all California schools *and* we have one of the highest drop-out rates in the nation, *and* our costs are rising dramatically, we can’t afford the luxury of sequential approaches.

Priorities

That is not to say that the recommendations in this report should not be prioritized and time-phased. If we don't fix our fiscal problems in the next few months, the decisions on FUSD will be taken out of local hands. And if we don't define the District's overarching goals and policies first, the fiscal fix may turn out to be just another short-term band-aid, so those are clearly the **two top priorities**:

- **Define the District's overarching goals and policies.**
- **Balance the budget in a way that is consistent with the District's goals and policies.**

As to the other recommendations, this report includes a rough time-line for implementation and a proposed assignment of responsibilities.

Whose Responsibility is it Anyway?

The Task Force is not in doubt as to who has the responsibility for making decisions about FUSD. **It is the responsibility of the Board to set policy and define the overarching goals of the District. It is the responsibility of the Superintendent to convert policy and goals into actionable strategies and implement those strategies.** Having said that, Board policies will be more effective if they have broad buy-in from the public, and the Superintendent's strategies will be more effectively implemented if they have broad buy-in from the District employees who have to implement them. That is why the Task Force subjected its preliminary report to several weeks of dialogue with interested stakeholders before submitting its recommendations for decision-making to the Board and Superintendent.

Implementation Task Forces

The Task Force is committed to the notion that this will not be a report that will sit on the shelves. As discussed above, implementation of the many recommendations offered will need to be time-phased. Further, some of the recommendations will need to be further detailed before implementation begins. To that end, each recommendation will be attached to an Implementation Task Force that will be responsible for implementation. It is proposed that each Task Force be comprised of:

- At least one member of the Board of Trustees.
- At least one member of the Superintendent's Advisory Task Force.
- FUSD staff (administration, teachers, classified employees) with expertise in the subject matter of the recommendation.
- Other stakeholders with expertise in the subject matter of the recommendation.

The Superintendent's advisory Task Force has committed to continue to serve, at the pleasure of the Superintendent, for a period of at least three years from the issuance of the final report. Its role will be to monitor and support implementation of this report's final recommendations.

VIII. Recommendations

The Task Force recommendations are aimed at enabling accomplishment of the mission of FUSD, so let's define that mission precisely. The mission of FUSD is to prepare students to become successful adults by ensuring that they:

- Are proficient in reading, writing and math skills;
- Are able to use higher level thinking and problem solving skills;
- Can communicate effectively through written and oral presentations;
- Are able to follow directions, make decisions, and work as a team;
- Are responsible, willing to learn and have a positive attitude; and
- Are prepared for both further education and employment upon graduation.

A. Academic Performance

1. Primary District Goals

These are the primary goals the Task Force recommends for the District. They are the goals that are intended to align all District stakeholders and will, at least for the next five years, be given first priority in all District decision-making. These are the goals that should be at the top of the Board's criteria in the selection of the next permanent FUSD Superintendent.

FUSD District Goals

1. Students in our District five years or longer will meet grade-level proficiency in core academic subjects as measured by the California Standards Test (CST).
2. All English Learners will advance one level per year in English language proficiency until "English Proficient" as measured by the California English Language Development Test (CELDT).
3. In addition to the "basics", FUSD will seek the highest achievement for each student through a broad array of college placement, school to work, special education, alternative education, extracurricular and co-curricular programs, similar to those offered in high-performing districts.
4. The District drop-out rate will be decreased by 20% per year until it reaches the State average, and then maintained at or below the State average.
5. Every School will provide a safe environment that is conducive to learning. To be measured by annual surveys of students, teachers and parents and by other tools.

Readers will recognize the first two goals as being the same goals as those of GGUSD. The Task Force believes those goals are well-suited to the needs of FUSD. GGUSD has offered to work with FUSD to help implement these goals.

Goal # 3 has been added as a result of the feedback received in the town hall meetings and other forums since the preliminary report was released. The Task Force heard a loud and persistent chorus in support of a broadly based educational program that enables all students to maximize their potential. While this was proposed in the preliminary report as an “instructional strategy”, the community has appropriately caused us to raise this to the level of an overarching district goal.

Two more goals are included, which are not relevant at GGUSD because they were achieved long ago and are now at maintenance levels. One pertains to reducing FUSD’s tragic drop-out rate; the second to providing an ever-improving environment that is conducive to learning, elements of which will be discussed in subsequent recommendations.

It is important toward the achievement of these goals that the administration rigorously enforce a policy of “no social promotion”. It is the opinion of the Task Force that low achievement scores and high drop-out rates are in part a result of promoting children to grades for which they have not been well prepared. An enlightened retention policy, similar to that employed at GGUSD and LBUSD, aimed at enabling children to “catch up” through intensive tutoring and mandatory summer school is in the best interests of the children.

Other Goals

This report will not make recommendations with regards to other supplementary goals that should be considered at the level of elementary schools, middle schools and high schools, but it will recommend that FUSD administrators, teachers, students and parents at those three levels be brought together to determine what goals, if any, they wish to add at those levels. For example, the high school group may wish to define goals around technology proficiency for all graduates and/or around vocational training. Any such goal would be viewed favorably by the Task Force provided that they are **supplementary and complementary** to the District goals.

2. “District Intervention Teams” should be formed for all Program Improvement (P.I.) Schools.

The District needs to develop highly-skilled Intervention Teams who can mobilize quickly and provide effective assistance without delay. The Task Force recommends that the District form several such “P.I. Intervention Teams”. These teams would be comprised of personnel with expertise in school turn-arounds, selected by the superintendent from anywhere within the District and possibly assisted by outside experts. They would be assigned to work under the supervision of the principals in P.I. schools, with a view towards removing the

school from P.I. status on a timetable agreed to by the principal and superintendent. The objective of these “P.I. Intervention Teams” is to bring turn-around expertise and added resources to principals responsible for these schools; to “import” best practices from successful turn-arounds within the District and from other districts; and to accelerate the turn-around process. It should be emphasized, however, that these teams work at the pleasure of the principal, for it is the principal that will ultimately be held accountable for the school’s performance.

B. Instructional & Operational Strategies

- 3. The District should uniformly adopt and consistently implement “core” curriculum, textbooks, intervention programs and English Language Development programs across all schools in the District. These may be supplemented at individual schools to meet the needs of their student population.**

It is not intended that all schools will provide instruction on a cookie-cutter basis. While it is vitally important, in a District with as much transiency as FUSD, to provide continuity of instruction from school to school, it is equally important for every school to tailor itself to the student population it is serving. Each school will select supplementary instructional approaches that fit its needs.

- 4. The District should implement a uniform and comprehensive professional development program (to be funded by set-asides from “categorical” funds) to provide comprehensive, ongoing staff development in all “core” curriculum, intervention and EL programs as well as instructional “best practices” and “data-driven decision-making”.**

All new teachers will undergo two years of mandatory staff development for a minimum of 15 days per year.

The quality of training programs is obviously important. Just as the Task Force recommends that academic instruction be tailored to the needs of each student, so must professional development be tailored to the experience and skill-level of each teacher.

- 5. The Educational Philosophy of the District should be to emphasize “basics”, “opportunity” and “balance” – the three tools that serve to prepare a student for lifelong learning; to provide them the necessary skills and competencies to enable them to maximize their potential; and to offer opportunities for development of teamwork and other social skills that are indispensable to the students’ future success.**

The Task Force recommendations regarding consistent adoption of “core” curriculum and textbooks should not be interpreted to mean that the Task Force favors a “cookie cutter” approach to education. While there must be a uniform and consistent commitment to educating all students on the “basics”, a “one size fits all” educational system in a world of diverse needs serves no one. Every effort at customization and respecting different learning styles and interests must be made to insure every child is motivated to stay in school and encouraged to meet his or her potential. The definitions below are aimed at explaining the educational philosophy recommended by the Task Force.

- a. **“Basics”** includes grade level proficiency in “core curriculum”
- b. **“Opportunity”** refers to curriculum choices that permit each student to maximize their potential, consistent with their aptitudes, interests and aspirations. For some students this will mean preparation for university or two-year colleges, while for others it will mean 21st century vocational skills that enable them to enter directly into the workforce.
- c. **“Balance”** refers to the various ways in which schools can provide the ability to learn indispensable social skills, including physical education, team sports, music programs, drama classes, debating clubs, etc.

Non-traditional teaching methods should be employed where those are best suited to reach particular student populations.

6. The District should aggressively and continuously analyze the needs of “special needs” students, including those who qualify for Special Education and those who do not, and provide structures, processes, and alternative instructional programs which allow such students to thrive in an educational setting.

Although this report speaks of averages and percentages and benchmarks, it is clear that within those figures are individual students—students so unique that their needs can only be met by an ever-changing mix of resources tailored specifically to each child. As parents and others have commented on the preliminary version of this report, it has become clear that neither this report nor the District have paid sufficient heed to this fact.

When people refer to “special needs” children, they often mean those who qualify for Special Education. “Special Education” is the descriptor used to denote services required under federal law. Starting with federal enactment of the Education for All Handicapped Children Act in 1975, a huge body of law and regulations requires special educational services and procedural rights for children with disabilities *defined in the law*.

Serving over 8,000 children, Fresno Unified’s Special Education Department is larger than many whole school districts in California. It is abundantly evident from parent comments regarding this report that the topic of Special Education deserves serious and sustained attention.

Just as compelling, however, is the notion that there are many children whose special needs are not met in a general school program but who do not qualify for Special Education, as defined in law. Many have behavioral disorders or familial or social situations which make it impossible for them to function effectively in the regular program. They are the forgotten special needs children. School districts often try to accommodate these children in what they call “Alternative Education.” There can be no doubt that Fresno Unified is woefully short of Alternative Education options. Its high expulsion rate, low graduation rate, and high dropout rate are indicators that the District has not developed adaptations which respond to many children’s needs. See also Recommendation 14.

7. **A uniform and consistently implemented, district-wide K-12 character education program should be implemented within the purview of a newly-established Office of Student Character and Conduct.**

FUSD has a formal character education program only in grades K-8. Some high schools utilize their Leadership and Language Arts classes for their character education program. As indicated in the “Principal Findings” section, “best practices” schools have district-wide character education programs as a mandatory part of their curriculum. They have found character education to be an essential ingredient to the creation of a positive learning environment. LBUSD and GGUSD have such programs; so do Clovis Unified and Central Unified.

The proposed Office of Student Character and Conduct should be the seat of implementation of a District-wide character education program, so that all students learn the elements of proper conduct, as well as being the center of development for a cohesive series of strategies for improving student conduct and for imposing discipline. It would still handle expulsions, when they become necessary. But it would work very closely with other community agencies, with Special Education, with the Instruction Division (including Site Principals,) with parent representatives, with Health Services, and with other qualified professionals (behavioral pediatricians and child psychiatrists, for example) in responding appropriately to student and community needs. The Office of the Mayor of the City of Fresno, and police representatives should logically be participants.

8. **Student Support Services should be reconfigured on the District’s organizational chart in order to provide ongoing linkage to other District functions.**

The matrix organizational style used in “best practices” districts provides a useful model.

9. **The Superintendent should insist that all divisions across the District consider themselves responsible for using data as a tool to analyze information, to make and advocate for recommendations, and to implement changes.**

Data production is not an end in itself. There should be no District reports which consist of a compilation of data without any analysis, discussion of the implications, and recommendations.

10. The Superintendent should create a culture in which recommendations lead to decisions.

It is easier to stick with the status quo than it is to try something which might not work. In a District which has a drop-out rate twice that of the State average and where half of the schools get dismal test scores compared to similar schools, the only thing worse than trying something which might not work is to fail to try anything new, when we can see that what we are doing isn't working.

11. An analysis should be conducted to evaluate the feasibility of consolidating all administrative functions in one building.

This is not something to be done on a rainy day. Considerable organizational dysfunction results from the current geographical dispersal of District central functions.

Proceeds from the disposition of the existing assets (seven buildings) could provide the capital to build a central facility, and consolidation should result in operating savings through reduced maintenance costs. The most important benefit, however, will be in the increased efficacy of the organization.

12. A plan should be developed and implemented to maximize enrollment in the District.

Declining enrollment is financially onerous for the District, as revenue declines faster than fixed costs. As this report goes to the printer, Superintendent Chuck McCully has already appointed a task force to develop a plan to maximize enrollment in the District.

13. A plan should be developed and implemented to improve District attendance.

Although many schools are doing a good job of fostering good attendance, some are not. A one-half of one percent increase in attendance District-wide would bring in approximately \$1.75 million in revenue to the District. Superintendent McCully has also appointed a Task Force to focus on increasing student attendance and the Student Advisory Board is considering a peer-level campaign to maximize attendance.

14. A plan should be developed and implemented to enhance alternative educational programs and services. Organizational responsibility for this will be closely connected to the primary Instruction Division officials.

Responsibility for alternative education is organizationally-fragmented and not the subject of sustained or widespread attention. The District does not have a well-developed continuum of Alternative Education options. There is no focused analysis of information about the needs of students who are not well-served by the traditional system, and there is inadequate reliance on experts from other disciplines, such as mental health, who could greatly enhance the district's understanding of student needs and appropriate responses.

15. **A citizen-led Facilities and Maintenance Committee should be formed to advocate for responsible stewardship of the public's investment in facilities. It will work with the "Operational Strategies Task Force" to develop a facilities maintenance plan and monitor its implementation.**

Unfortunately, it has been a practice for many years to slash budgets for facilities, operations, and maintenance in an attempt to "keep cuts away from the classroom." This is a specious notion, since classrooms are ultimately directly affected, as is student health and safety. It can result in bond monies being used for services which should be funded on a pay-as-you-go basis.

C. Governance, Human Resource Policies & Organizational Approaches

16. **The Board should at all times act as a governance board, not as a management board.**

The Board's role is to set policy, to monitor district performance, adopt an annual budget, approve major capital expenditures, and to hire and evaluate the Superintendent.

17. **The Board should establish the following implementation task forces:**

The plan is to fast track implementation of the FUSD reform agenda by delegating responsibility to these Task Forces for analysis, recommendations, and implementation assistance on the various reform components.

- **Academic Performance**

- Charter: Monitor academic performance and continuously seek ways to improve instructional strategies, including appropriate use of technology.

- **Operational & Financial Strategies**

- Charter: Monitor operational strategies and management of facilities, continuously seeking to find increased efficiencies. Acquire in-depth knowledge of District finances and aim to satisfy transparency and clarity requirements of all stakeholders. Evaluate soundness of proposed capital projects and monitor implementation performance.

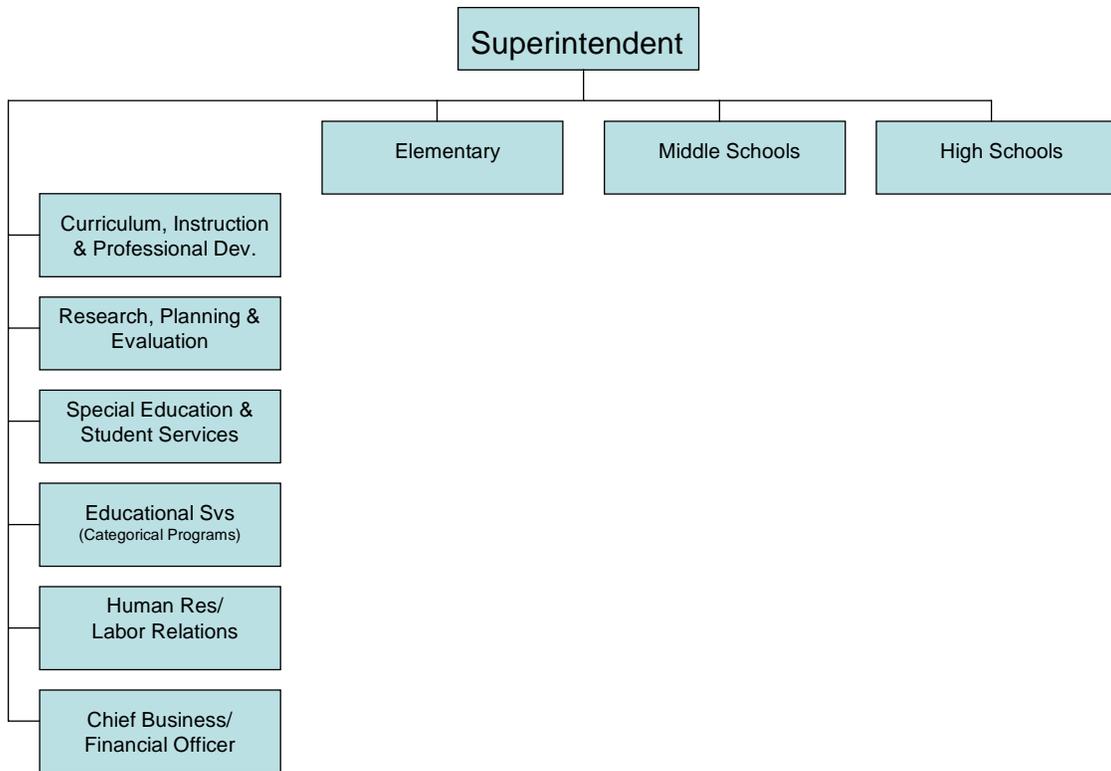
- **Human Resources/Labor Relations**
Charter: ensure ongoing alignment of HR policies with academic achievement goals.
- **Community Relations**
Charter: Design stakeholder outreach programs and engage in all aspects of community relations.
- **Accountability & Best Practices**
Charter: Help the Superintendent design an accountability system. Provide on-going evaluation of “best practices” in other districts as well as within the District and recommend adoption at FUSD when applicable. Convene the members of all the implementation task forces to coordinate progress across all fronts. *(Note: GGUSD and LBUSD have stated their willingness to consult regularly on best practices with FUSD.)*

These Task Forces are intended in part to help Board members develop expertise in selected areas so as to enhance their ability to set policy. Each Board member should be a member of two of these Task Forces. The Board chair and the Superintendent, should determine the remaining composition of the Task Force. Membership should be based solely on experience and expertise, and willingness to behave as advocated in the Community Values of the Fresno Region.

18. **The Board should conduct three two-day workshops per year, principally to discuss progress toward meeting established District goals and long-term direction.**
19. **The District organization should be made flatter, with three direct reports, one each for elementary schools, middle schools and high schools, reporting directly to the superintendent and constituting the “line” organization. Six additional managers should report to the superintendent, each with designated “staff” responsibilities as defined below. The three line managers and the six staff managers will work in a “matrix” relationship.**
 - Curriculum, Instruction, Professional Development
 - Research Planning & Evaluation
 - Special Education & Student Services
 - Educational Services (Categorical Programs)
 - Human Resources/Labor Relations
 - Chief Business & Financial Officer

Table No. 5

Fresno Unified School District



20. The District should implement a formal succession planning process, coupled with a comprehensive leadership development program (to be funded by set-asides from “categorical” funds) to enhance skills of managers and supervisors as well as candidates for future promotion to leadership positions.

21. There should be a realignment of Central District and school-site Instructional administrative staff, consistent with the District-wide goals and reflecting the proposed shifts toward centralization of some functions that are currently decentralized, and vice –versa.

The task force would expect that this realignment of administrative staff will not result in a net increase of staff. Further information on this recommendation is included in Appendix “G”.

22. Human Resources policies and collective bargaining agreements should be revisited with a view towards alignment with the District’s academic achievement goals. Specifically:

- Greater flexibility is needed in personnel placement to align **student needs with teacher skills**. The more troubled schools should get priority in teacher hiring.
- **Greater flexibility is needed to align class scheduling** with the needs of the kids.
- **Dress code guidelines for employees** should be consistent with those expected of the children.
- All personnel hired by the District should undergo **pre-hire drug testing**.

23. A clear system of accountability should be designed, communicated and implemented.

Establishment of clear District goals will have little impact unless there is a rigorous system of measurement of progress toward the goals and attendant consequences, positive and negative, for performance. This has to be built-in from the beginning, not pasted on later.

24. The Accountability and “Best Practices” Task Force should design a process to monitor in-District and out-of-District best practices, promote them within the District, and monitor their implementation.

D. Fiscal Matters and their Nexus to Academic Goals

- 25. By March 1, 2005, the administration should submit a balanced budget for 2005-06 and a preliminary balanced budget for 2006-07. These budgets will:**
- **Meet the provisions of the State Education Code;**
 - **Be focused on achievement of the agreed upon District goals;**
 - **Include restoration of instructional programs dropped or curtailed in recent years (e.g. music and library);**
 - **Provide for operation of the Child Development Fund without encroachment on the general fund.**
 - **Provide a funding stream for amortizing the currently unfunded liability of the District for Post Employment benefits as well as the currently unfunded Workers Compensation liability; and**
 - **Provide for a fiscally-prudent reserve*.**

**Note: in 1999-2000 the general fund maintained a reserve balance of almost 4%. The State Education Code requires FUSD to maintain a minimum reserve of 2%, but districts were allowed to reduce to 1% as a one-time flexibility provision in 2004-05 because of reduced State funding. FUSD’s current reserve stands at 1.013%. The reserve must be restored to a minimum of 2% for 2005-06, requiring \$6 million.*

The chart below compares three budget options for the District.

FUSD 2005-06 Budget Deficit
(All in \$000's)

	One-Year Band-Aid	Full Needs	Task Force Recommendation
Required to Balance Budget	36,000	44,000	38,000
Amortization Worker's Comp Liability	2,000	8,000	4,000
Amortization Retiree Health Liability	0	9,000	4,000
Restoration Music Program	3,000	3,000	3,000
Restoration Library Program	0	3,000	3,000
TOTAL	38,000	67,000	50,000
Available in Workers Comp Reserves	-2,000	-2,000	-2,000
NET TOTAL	36,000	65,000	48,000

The middle column includes the \$44 million that the FCMAT report projected would be required to balance the budget in 2006-07. Added to that is \$8 to amortize the \$41 million unfunded workers compensation liability over a period of 5 years. That column also includes \$9 million, the amount required to just prevent the \$1.1 billion retiree liability from growing larger and \$3 million each to restore the music and library programs. The total deficit of \$67 million is offset by \$2 million that is available in the District's reserve account for worker's compensation, leaving a net deficit of \$65 million.

The column on the left is the deficit that would need to be filled if the District just wanted to get through the next year, ignoring its unfunded liabilities and leaving restoration of the music and library programs for another day. Under this scenario, the District would find itself in continued financial crisis.

The Task Force believes the District must find a minimum of \$48 million in structural savings in order to extricate itself from its financial crisis and begin to reverse the downward spiral in which it has been for the last several years. Poor financial decisions have led to cuts in programs and services, in turn adversely affecting enrollment and deepening the financial crisis. The rationale of the Task Force follows:

- The revenue projections from FCMAT are based on the assumption that the enrollment decline will continue at a fairly rapid rate. The Task Force assumes that a determined effort to reduce the rate of declining enrollment and to reduce absenteeism will reduce the imbalance of revenues and expenses from \$44 million to \$38 million.
- Changing the internal rate for worker's compensation will cause some of the unfunded workers compensation liability to be charged to categorical programs, reducing by half the amount that must be amortized out of the general fund.

- What must be done with regards to the unfunded liability for retiree benefits is to negotiate changes in the plan provisions that will substantially reduce the liability. At the same time, the District should make a good faith “down-payment” on amortization of the liability. The Task force recommends a \$2 million “down-payment”.
- Restoration of programs is not only sensible academically but also financially. If the downward spiral is to be reversed, the District must send an unmistakable signal that it is committed to putting the interests of the children first.

In order to obtain the needed savings, the Task Force proposes implementation of the actions in recommendations #26 through # 28 below.

26. Health Benefits

Because this is the Task Force’s recommendation with the most significant financial impact, and because it addresses an area of great concern to all current and retired employees of the District, a preamble is in order.

The objective of this recommendation is to align the interests of the administration and the employee unions behind a shared agenda:

- Place funding of the academic achievement objectives of the District as the highest priority;
- Ensure that the package of health benefits made available to employees is competitive with that of comparable Districts in the State;
- Create a collaborative approach to management of the benefits program, focused on maximizing the value of employee benefits obtained by the District for every dollar spent on benefits.
- Over time, eliminate the unfunded liability of the District for Post Employment health benefits.
- Ensure that the administration and unions are both working to maximize ADA by pursuing policies that will increase enrollment as well as attendance.

With this shared agenda in mind, the task Force recommends the following:

- a. **Establishment of a FUSD Health Benefits Trust Fund, exclusively for FUSD, to be co-managed by the administration and the unions. This Trust Fund, which will have full fiduciary responsibilities, shall be comprised of an equal number of members of the administration and union members (FTA and classified unions).**
- b. **Beginning in school year 2005-06, the District will deposit monthly in the FUSD Health Benefits Trust Fund an amount per ADA to be negotiated between the administration and the unions and approved by the Board of Trustees (the “cap” amount).**

- i. The task Force recommends that the amount per ADA be based on the average per ADA for comparative Districts in California. If, on average, this amount is adequate for other Districts to be able to deliver competitive benefits to their employees, FUSD should be able to achieve the same result.
 - ii. Because there is an information lag as to what comparative Districts are paying for health benefits per ADA, the “cap” amount would need to be based on an analysis of trends as well as a survey of comparable districts.
 - iii. To provide some fiscal stability to the District, the “cap” amount should be negotiated for an initial period of three years beginning in FY 2005-06, then renegotiated during the third year based on experience and trends during the first two years.
 - iv. Basing the “cap” on ADA is recommended because it is the basis on which the District is funded and because it gives the administration and the unions a shared objective of increasing enrollment and attendance.
 - v. In order to enable the Trust Fund to proceed with the formulation of a revised health benefits plan for FY 2005-06, the “cap” amount must be negotiated as early as possible in 2005 (not later than the end of January 2005).
- c. **As a first order of business, the FUSD Health Benefits Trust Fund will formulate a revised health benefits plan for the District that seeks to optimize benefits value to employees by any and all means available, including competitive bidding of health plans; purchase of reinsurance to cap unfunded liabilities on self-insured plans; purchase of Medicare supplemental policies for retirees; negotiated discounts and rebates; retrospective and prospective claims utilization review; and any other alternative that will maximize benefits to employees per dollar expended.**
- i. This analysis must be completed in time to put a revised health benefits plan in place for the District’s FY 2005-06 fiscal year.
- d. **The proposed FUSD Health Benefits Trust Fund will make a determination on the subject of employee lifetime benefits and determine if they should be continued, phased out, discontinued, converted to a two tier system (e.g. a different set of benefits for current employees vs. new employees) or some other alternative or combination of alternatives.**

Important Note: Until the analysis made in paragraph “c” and the decisions in paragraph “d” are made, it is not possible to predict a priori the effect these recommendations will have, *if any*, on employee premium contributions, deductibles or co-pays. This can only be determined after a comprehensive analysis is performed and a plan agreed upon. The Task

Force is confident, however, that a collaborative approach between the administration and unions will yield a health benefits plan that is competitive with that of comparable districts.

27. Raise class size by one or more students over current year, while allowing school site discretion to reduce class size through use of categorical funds.

As a part of this recommendation, curriculum and instruction administrators, fiscal services and principals should work together to eliminate or reduce the high number of small class sizes in Secondary education. A partnership with the State Center Community College District should be considered for advanced offerings that attract a small number of students. The Task Force recognizes that some classes (e.g. certain special education classes). Principals should have the flexibility to adjust class sizes within their campus to meet their school's goals. However, the Superintendent should personally approve any class size smaller than 15 students or larger than 35 students.

28. To the maximum extent practicable, fund all professional development out of categorical funds.

29. After categorical set-aside provisions are made to fund professional development and agreed upon class-size reduction goals, empower principals to use all other categorical funds to best achieve District/school objectives, taking full advantage of AB 825.

Significant training will be necessary to ensure all Principals are skilled in maximizing the effective use of categorical funding.

30. Assign responsibility to the “Operational Strategies Task Force” for evaluating the potential for operating efficiencies in such areas as Purchasing, Warehousing and Delivery, Food Services, Transportation and Health care Services including consolidation with neighboring school districts or other institutions when feasible.

The Task Force believes FUSD has several opportunities for improving operating efficiencies. Because significant analysis is required before implementation can begin, and because implementation is likely to take a while, these potential cost efficiencies cannot be counted on to balance the 2005-06 budget, and are unlikely to take full effect even for the 2006-07 school years.

Areas of opportunity include:

➤ **Procurement, Warehousing & Delivery**

All practices should be reviewed with a view towards maintaining service quality (or improving it where needed) while increasing cost efficiency.

➤ **Consolidation of Food Services Operations**

An analysis should be conducted of the economic desirability of consolidating food service operations for FUSD, Clovis Unified, Central Unified and Fresno County.

➤ **Consolidation of Transportation Operations**

An analysis should be conducted of the economic desirability of consolidating student transport operations for FUSD with Clovis Unified, Central Unified and Fresno County. The City of Fresno's FAX department should participate in this analysis.

➤ **Consolidation of Health Services**

The desirability of consolidating certain health services with the neighboring school districts should be assessed. The Fresno County Office of Education and the Fresno County Department of Community Health should participate in this analysis.

31. Establish an Implementation Task Force to review the Technology Strategy Plan (see Appendix "J") with a view toward recommending implementation steps to the Superintendent and leading the actual implementation.

32. A more rigorous set of criteria for grant applications should be established to ensure that grants applied for support the achievement of the District's overarching objectives and do not cause diversion of attention.

33. The District should fully recognize the unfunded retiree liability and work with the County Office of Education and other parties on a plan to deal with it.

This is the most important long-term issue affecting the fiscal future of the District. As stated in the FCMAT Report, "eventually the District's net assets could be entirely enveloped by this liability". A plan must be developed at the earliest possible date to reduce and pre-fund this liability.

34. The District should develop a plan in conjunction with the County Office of Education to fully fund its currently unfunded \$41 million workers compensation liability.

E. Stakeholder Engagement

- 35. Develop a Plan for Increasing Parental Engagement throughout the District**
- 36. Enlist the Human Investment Task Force of the Collaborative Regional Initiative to develop strategies to increase and strengthen partnerships between the community and the District and a plan for aligning the resources of public and nonprofit agencies that provide services to families in the District.**
- 37. Create a K-16 Task Force designed to bring together the interests of FUSD, Clovis Unified, Central Unified, Fresno State, Fresno Pacific University, and the State Center Community Colleges.**
 - Align curriculum across the institutions.
 - Align vocational programs with the State Center Community Colleges.
 - Utilize the capacity of the CSUF Education Leadership Academy to provide professional development services to FSUD.

IX. Summary of Proposed Responsibilities and Implementation Timetable

Notes:

- (1) "Rec. No." refers to the recommendations described above*
- (2) "Immediate" means within 90 days of submission of Final Report*
- (3) "2005-06" means to be implemented beginning in the 2005-06 school year*
- (4) The District Superintendent has final say on all operational recommendations produced by the Task Forces*

FUSD IMPLEMENTATION TASK FORCES

Responsibility: Board of Trustees		
<u>Rec. No.</u>	<u>Description</u>	<u>Timeline</u>
1.	Adopt district wide goals	Immediate
5a.	Adopt educational philosophy of “Basics, Opportunity and Balance”.	Immediate
16.	Governance Board	Immediate
17.	Establish standing task forces (with Superintendent)	Immediate
18.	Schedule 3 workshops per year	1 st – April ‘05 2 nd – August ‘05 Others TBD

Responsibility: Superintendent		
<u>Rec. No.</u>	<u>Description</u>	<u>Timeline</u>
20.	Establish leadership development program	2005-06
7.	Establish Office of Student Character and Conduct and implement District-wide character education program	2005-06
8.	Re-organize Student Services	2005-06
9.	Data distillation into recommendations for action	Immediate
10.	Recommendations lead to decisions	Immediate
12.	Develop plan to increase enrollment	Complete by 5/30/05
13.	Develop plan to increase attendance	Complete by 5/30/05
19.	Restructure the District organization	2005-06
21.	Realignment of District and school-site administrative staff	2005-06
23a.	Implement accountability system	2005-06
25.	Balanced budget	Immediate
29.	Guidance on categorical authority to principals	2005-2006
34.	Funding Plan for unfunded Worker’s Compensation liability	2005-2006

Responsibility: Academic Performance Task Force		
<u>Rec. No.</u>	<u>Description</u>	<u>Timeline</u>
2.	Establish “District Intervention Teams”	2005-06
3.	Implement “core” curriculum, textbooks, intervention programs and EL programs	2005-06
4.	Develop uniform professional development program	2005-06
5b.	Implement philosophy per 5a. under Board of Education	2005-06
14.	Develop plan for alternative education	Complete by 6/30/05
28.	Funding of professional development	Immediate
32.	Define criteria for grant applications	Complete by 6/30/05

Responsibility: Operational & Fiscal Strategies Task Force		
<u>Rec. No.</u>	<u>Description</u>	<u>Timeline</u>
11.	Analyze consolidation of facilities	By 8-30-05
15.	Develop facilities maintenance plan	Complete by 6/30/05
30.	Operating efficiency analysis	Initiate 7/1/05
31.	Technology Implementation Plan	2005-06

Responsibility: Human Resources/Labor Relations Task Force		
<u>Rec. No.</u>	<u>Description</u>	<u>Timeline</u>
22.	Align HR policies with academic goals	2005-2006
26.	Health benefits plan	Immediate
27.	Class size	Immediate
33.	Funding plan for retiree unfunded liability	2005-06

Responsibility: Community Relations Task Force		
<u>Rec. No.</u>	<u>Description</u>	<u>Timeline</u>
35.	Develop plan for increased parental engagement	2005-2006
36.	Stakeholder partnerships	Immediate
37.	Develop K-16 plan	2005-06

Responsibility: Accountability and Best Practices Task Force		
<u>Rec. No.</u>	<u>Description</u>	<u>Timeline</u>
20.b.	Help Superintendent design accountability system	Complete by 7/30/05
24.	Design best practices system	Immediate

APPENDICES

A. Bios of Task Force Members

James E. Aldredge, PH.D

Currently, Professor of Political Science and Social Work Education at Fresno State. Former City Manager for the City of Fresno from 1985-1989. As Assistant City Manager was in charge of the Administrative Services which included the budget and employee/employer relations. Member of the Board of Trustees at Fresno Pacific University and the Board of Directors at St. Agnes Hospital. Senior Consultant for Legacy Development Group in Aptos, California (Administrative Training and Organization Development). Partner in the Real Estate Development Corporation of HAW'56 (Hendricks, Aldredge, Williams). Member Board of Directors CEN-CAL Business Finance Group

Kathy Bray

Kathy Bray is President of Denham Personnel Services, an Executive Recruiting and Staffing firm. She serves as the 2004 Chairman of the Board of the Greater Fresno Area Chamber of Commerce. She graduated from Fresno State and taught elementary school in what is now the Central Unified School District. She continued her interest in the education field through her activities as a volunteer on the Chamber's Education Committee, including her time as a Business Partner at different schools. She also serves on the Economic Development Corporation Board, the RJI Leadership Council, the Frespac Board, the Board of the San Joaquin Political Academy, and is on the Advisory Board for Hope Now for Youth. She was a member of the Citizens' Committee to Update Fresno's General Plan and the committee that developed the Landscape of Choice report. Kathy is a fourth generation Californian with three of those generations from Fresno. She and her husband have two children, one of whom is a teacher in Fresno Unified.

Kurt Madden

Kurt Madden is the CEO of One by One Leadership, a local nonprofit that helps engage people for urban leadership that results in economic, educational and spiritual transformation. Prior to his current position he was an executive for a national technology firm and former owner of two local technology companies. He chairs the ReadFresno Board and the Fresno Area Nonprofit Council Board. He is also a member of several boards including the Fresno Business Council, the Fresno County Workforce Investment Board, the Fresno County Economic Development Corporation, and the Regional Jobs Initiative Leadership Council

(RJI). He's been an adjunct professor at the Craig School of Business at Fresno State for the past 11 years. He was raised and educated in Fresno, has been married to his wife, Katy, for 26 years, has three teenagers at home, and remains committed to his community.

Roy G. Mendiola, Ed.D.

Dr. Roy G. Mendiola grew up in Southeast Fresno (Calwa). He attended Fresno Unified Schools; Fresno City College; Fresno State, and UC Davis earning a teaching credential; administrative services credential; and a doctorate in educational leadership. Dr. Mendiola worked for the Fresno County Social Services System before beginning his teaching career with the Fresno Unified School District. He then worked for the University of California, Educational Research Center and the Fresno County Office of Education before entering the non-profit sector. He is currently Fresno CORAL's Director of Curriculum, Research and Program Development. Fresno Communities Organizing Resources to Advance Learning (CORAL) is a nonprofit corporation created to provide out-of-school learning opportunities to help children enhance their in-school success. Dr. Mendiola's expertise is on evaluating situations and designing instructional programs that are engaging, effective, and responsive to student and community needs. He has extensive experience in bringing multiple systems together to create new systems of academic support for educators, students and their families. Dr. Mendiola is active with the California School Age Consortium (CalSAC) as a Board Member and Chair of its Public Policy Committee; President of the Fresno CalSAC Chapter; and Chair of the Fresno Area After School Consortium. He was awarded California's After School Supervisor Award of Excellence in 2004. Roy and his wife Christine have four children and three grandchildren.

Deborah Nankivell

Deborah J. Nankivell is the Chief Executive Officer of the Fresno Business Council. The Fresno Business Council is a nonprofit organization made up of 135 business leaders committed to using the skills of the private sector in partnership with others to improve the community. The organization's primary areas of focus include job creation, education and workforce development, public affairs and public safety. Previously, she was Executive Director of Common Cause, Minnesota, a 6,000 member organization focused on good government issues and ethics. Prior to that Deborah practiced law in the areas of criminal defense, personal injury and workers' compensation. She has also worked as a consultant and legal advisor for a national consulting firm, Community Intervention, whose services included helping communities develop school-based systems to help children at risk. Deborah earned her Bachelor of Arts degree in Philosophy from the University of Minnesota and her Juris Doctor degree from William Mitchell College of Law in St. Paul. She has participated in graduate seminars on leadership, ethics and public policy at the Hubert H. Humphrey Institute of Public Affairs.

Nancy M. Richardson

Nancy M. Richardson served as a member of the Fresno Unified School Board from 1975-79 and again from 1990-93. She was employed as Interagency Coordinator for Children's Services under the direction of the Juvenile Court. She has worked in the financial services industry and attained the designation of Certified Financial Planner. Ms. Richardson has also served on the Fresno County Foster Care Standards & Oversight Committee, the Fresno County Mental Health Board, and as a Court Appointed Special Advocate. Recently she accepted appointment to the Fresno County Juvenile Justice Commission. She has authored a series of reports to the community about children and youth in the juvenile justice system. On Nov. 10, 2004, the FUSD Board of Education voted to hire her to serve as Assistant to the Superintendent for a period of six months.

Lee R. Schultz

Lee R. Schultz is a third generation Fresno resident. He was educated within the Fresno Unified School District system and at Fresno State. His military service was with the United States Coast Guard. Mr. Schultz is married to Susan Fisher Schultz and they have four grown children. Mr. Schultz is currently an officer and director of agri-business corporations operating in Fresno County. Previously, he was a partner in several partnerships, was with a major utility company in southern California as well as organizations domiciled in the State of Utah. During his post-education years Mr. Schultz has been involved in numerous activities outside the realm of his principal professions. He has acted as a turn-around facilitator for real estate developments as well as directing business workouts. He has served as a trustee for several land trusts, as the employer representative and administrator for a Teamsters benefit trust, as economic advisor to a foundation for employment of the handicapped, as the administrator for a major association benefit program, as operational and economic advisor to start-up businesses, as a director and counsel chair for the Fresno County Workforce Investment Board and has chaired and co-chaired various commissions and committees dealing with public safety as well as other civic endeavors. Mr. Schultz also currently serves as campaign treasurer for the Sheriff of Fresno County and is a long-standing member of the Fresno Business Council.

Peter E. Weber

Peter E. Weber is Chairman and CEO of Anron International, a consulting firm specialized in strategic planning. In June 2001, Mr. Weber retired as corporate Vice-President of FMC Corporation, a Fortune 500 manufacturer of machinery and chemicals. He was formerly Chief Executive Officer of two publicly-traded companies, Teknowledge, Inc., a pioneer company in the field of artificial intelligence, and Riverbend International, an agribusiness company. Mr. Weber has served on the Council of Economic Advisors for the Mayor of Fresno, chaired the Task Force that produced the "*Meeting the Challenge*" report for the City of Fresno and currently co-chairs the Mayor's Best Practices Task Force. He is Chairman of the Fresno Citizen Corps, Co-Chair of the Fresno Regional Jobs

Initiative, and Chairman of Fresno Citizens for Good Government. He has been engaged in High School education reform activities for most of the last decade. Mr. Weber, a native of Peru, received a B.S. degree in engineering from U.C. Berkeley and is an S.E.P. graduate from the Stanford University Business School. He and his wife, Laurie, reside in Fresno, CA, where their two daughters and three grandchildren also reside.

Sarah Clark Woolf

Sarah Clark Woolf graduated in 1993 from Fresno State with a B.S. degree in Agricultural Business. Worked for Supervalu, a grocery chain, as a produce inspector in California and Arizona, and later a buyer for West Coast Vegetable Supplies. She then returned to the family's Dos Palos land-leveling and farming operation where she worked in all areas of farm management. She is a member of Class XXVII of the California Agricultural Leadership program. She is presently working as Congressman Calvin Dooley's Chief of Staff, and is married to Christopher, with 2 children.

B. Community Values of the Fresno Region

Stewardship

We will lead and follow as stewards of our region, caring responsibly for our community assets. We will work together to achieve the greatest, long-term benefit for the community as a whole.

Boundary Crossing and Collaboration

We are willing to cross political, social ethnic and economic boundaries and partner with others to achieve community outcomes. We will lead beyond the walls to create an inclusive, cohesive community through partnership and collaboration.

Commitment to Outcomes

We are willing to take responsibility for tasks and achieving specified outcomes. We are committed to staying involved until the tasks are completed.

“Art of the Possible” Thinking

We believe that anything is possible in the Fresno Region. We will envision success without limitations and then backward map a specific, attainable strategy for achieving that vision.

Fact-Based Decision Making

To the greatest extent possible, we will base decisions and action plans on objective data, thereby avoiding distortion of issues by personal feelings or agendas. At the same time, we seek to get to the heart of the matter and recognize that facts without context can be misleading.

Truth Telling

We value the empowerment of everyone involved, along with all community stakeholders, to honestly and forthrightly share all knowledge, experiences and insights relative to the work at hand. We take responsibility for ensuring our truth is current, not historical. We all share the responsibility for maintaining the truth telling standard.

Power Parity

We respect all persons and recognize that there are diverse viewpoints. Positional power will not determine a strategy or preferred outcome, merit will. Viewpoints from diverse constituencies will be proactively sought to ensure the best possible outcomes for the community.

Commitment to Resolving Conflict

Conflict is inevitable and is sometimes required in order to achieve the best outcomes possible. Healthy conflict involves valuing every individual regardless of his or her stance on a specific issue and an unwavering commitment to working through the conflict in a positive manner despite its severity.

Asset-Based Approach

We are focused on using a strengths-based, asset-oriented approach to people and issues. We believe that positive change occurs when we appreciate, value and invest in what is best in our people and community.

Conflict of Interest

We agree to disclose any personal or professional conflict of interest that may affect our objectivity before engaging in work that will impact the community. We seek to avoid even the appearance of impropriety.

C. Glossary of Commonly Used Terms and Abbreviations

The purpose of this glossary is to provide definitions and explanations of terms used in this report. Definitions are written for the layperson and are not intended to be used as a guide for administrators responsible for implementing any of the regulations associated with public education. A list of websites where additional information or links can be found is included.

1. FUSD school and student level data can be obtained from the District's Research, Evaluation, and Assessment Department website (<http://rea.fresno.k12.ca.us>).
2. **Data Quest** from the California Department of Education website provides another source of data (www.cde.ca.gov) specifically (<http://data1.cde.ca.gov/dataquest/>).
3. **Ed Data:** The Alameda County Office of Education, the California Department of Education, EdSource, and the Fiscal Crisis and Management Assistance Team (FCMAT) provide access to consistent, reliable, objective information about our public school system. (<http://www.ed-data.k12.ca.us/welcome.asp>).
4. Information on the California Department of Education's **Academic Performance Index (API)** is available at (<http://www.cde.ca.gov/ta/ac/ap/index.asp>).
5. The address of the California Department of Education's **Adequate Yearly Progress (AYP)** website is: (<http://ayp.cde.ca.gov/>).
6. Detailed results regarding the result of the **California Standards Tests (CST)** for each grade level and proficiency level are available at the CDE Website at <http://star.cde.gov>.
7. **Great Schools.net:** GreatSchools.net is designed to provide parents with the information they can use to choose schools for their children, understand the school system, and support schools in their communities. (<http://www.greatschools.net/modperl/go/CA>)
8. **California Education Code** website: <http://www.leginfo.ca.gov/cgi-bin?calawquery?codesection=edc&codebody=&hits=20>

ACADEMIC PERFORMANCE INDEX (API): A numeric index (or scale) that ranges from a low of 200 to a high of 1,000. It is used to measure the academic performance and growth of California schools. The current statewide API target for all schools is 800.

API GROWTH TARGET: The annual growth target for a school is 5 percent of the distance between the Base API of 800. The growth target for a school at or above 800 is to remain at or above 800. Actual growth is the number of API points a school gained between its base and growth years. Schools that do not meet their targets and have a statewide API rank of one to five are eligible for the **Immediate Intervention / Underperforming Schools Program (IIUSP)**.

ACCOUNTABILITY: The notion that people (e.g., students or teachers) or an organization (e.g., a school, school district, or state department of education) will be responsible for improving student achievement and should be rewarded or sanctioned for their success or lack of success in doing so.

ADEQUATE YEARLY PROGRESS (AYP): An individual state's measure of yearly progress toward achieving state academic standards. Adequate yearly progress is the minimum level of improvement that states, school districts, and schools must achieve each year, according to the federal No Child Left Behind Act (NCLB).

AVERAGE DAILY ATTENDANCE (ADA): Average daily attendance. The total number of days of student attendance divided by the total number of days in the regular school year. A student attending every day would equal one ADA. ADA is not the same as enrollment, which is the number of students enrolled in each school and district. The state uses a school district's ADA to determine its general purpose (revenue limit) and some other funding.

CALIFORNIA EDUCATION CODE: A collection of all the laws directly related to California K– 12 public schools. Ed Code sections are created or changed by the governor and Legislature when they make laws. Local school boards and county offices of education are responsible for complying with these provisions. The Ed Code is permissive, which means that school districts are free to take any action not specifically prohibited.

CALIFORNIA ENGLISH LANGUAGE DEVELOPMENT TEST (CELDT): The CELDT measures a student's English proficiency in listening, speaking, reading, and writing. All K-12 students identified as **English Learners (ELs)** take the test each fall. The CELDT uses a five-level scale to report scores, with a level 1 indicating a beginning level of fluency and a level 5 indicating advanced English skills. A score of 4 or 5 signals a student may be ready to be reclassified as a "fluent" English speaker.

CALIFORNIA HIGH SCHOOL EXIT EXAM (CAHSEE): In 1999 state law authorized the development of CAHSEE, an examination that California students would have to pass to earn a high school diploma. Originally, successful

completion of CAHSEE in order to graduate with a diploma was to begin with the Class of 2004. In July 2003, the State Board of Education decided to delay implementation of CAHSEE for two years. The Class of 2006 will be the first class required to pass CAHSEE in order to earn a high school diploma.

CALIFORNIA STANDARDS TESTS (CST): The California Standards Tests show how well students are doing in relation to the state content standards. Student scores are reported as performance levels. The five performance areas are Advanced (exceeds state standards), Proficient (meets state standards), Basic (approaching state standards), Below Basic (below state standards), and Far Below Basic (well below state standards). Students scoring at the Proficient or Advanced level meet state standards in that content area.

CATEGORICAL AID: Funds from the state or federal government granted to qualifying school districts for specialized programs regulated and controlled by federal or state law or regulation. Examples include programs for: children with special needs, such as special education; special programs, such as the School Improvement Program; or, special purposes, such as transportation. **Expenditure of most categorical aid is restricted to its particular purpose.** The funds are granted to districts in addition to their revenue limits.

CERTIFICATED/CREDENTIALLED EMPLOYEES: Teachers and most administrators must meet California's requirements for a teaching credential. These requirements include having a bachelor's degree, completing additional required coursework, and passing the California Basic Educational Skills Test (CBEST). However, teachers who have not yet acquired a credential but have an emergency permit are allowed to teach in the classroom and are counted in this category.

CLASSIFIED PERSONNEL: Employees who hold positions that do not require credentials including aides, custodians, clerical personnel, transportation, food services, and other non-teaching personnel.

CREDENTIALLED TEACHER: One holding a credential to teach issued by the State Commission on Teacher Credentialing. A credential is issued to those who have successfully completed all college training and courses required by the State, have graduated from an accredited college or university, have met any other state requirements, and have passed the California Basic Education (CBEST).

CRITERIA AND STANDARDS: Local district budgets must meet state-adopted provisions of "criteria and standards." These provisions establish minimum fiscal standards that school districts, county offices of education and the State use to Monitor district fiscal solvency and accountability. (See Education Code Sections 33127 et sec.)

DECILE: Term used for similar school comparisons. Decile 1 includes schools that can be grouped together with overall API scores in the lowest 1/10th of the state. Decile 6-10 schools have an overall API score in the upper half of the state.

DECLINING ENROLLMENT ADJUSTMENT: A formula that cushions the drop in income in a district with a shrinking student population. Under current law, districts can count the higher of either last or current year ADA.

EXPENDITURES PER PUPIL: The amount of money spent on education by a school district or the state, divided by the number of students educated. For most official purposes, the number of students is determined by average daily attendance (ADA). (See revenues per pupil.)

FISCAL CRISIS AND MANAGEMENT ASSISTANCE TEAM (FCMAT): State agency formed to help ensure the fiscal solvency of school districts and county offices of education.

FREE/REDUCED PRICE MEALS: A federal program to provide food—typically lunch and/or breakfast—for students from low-income families. The number of students participating in the National School Lunch Program is increasingly being used as a way to measure the poverty level of a school or district population. The following website contains the “Income Eligibility Guidelines For Free and Reduced-Price Meals or Free Milk”
<http://www.cde.ca.gov/ls/nu/rs/scales0405.asp>.

GENERAL FUND: The General Fund and County School Service Fund (CSSF) are used to account for the ordinary operations of Local Education Agency (LEA). All transactions except those required or permitted by law to be in another fund are accounted for in these funds.

GENERAL FUND UNRESTRICTED: The General Fund Unrestricted is used to account for those projects and activities that are funded with unrestricted revenues.

GENERAL FUND RESTRICTED: The General Fund Restricted is used to account for those projects and activities that are funded by external revenue sources that are legally restricted or restricted by a donor to specific purposes (see Categorical Aid).

INTERVENTION PROGRAMS: In general, programs that provide extra support and resources to help improve student or school performance. In California, under the state’s Public Schools Accountability Act (PSAA), schools that do not meet Academic Performance Index (API) growth targets within 12 months of implementation of an improvement plan are subject to local interventions such as the reassignment of school personnel, negotiation of site-specific amendments to collective bargaining agreements, or other changes deemed appropriate.

LOCAL EDUCATION AGENCY (LEA): An LEA is an entity defined under state law as being legally responsible for providing public education to elementary and secondary students. School districts and county offices of education are local education agencies.

LOCAL EDUCATION AGENCY ACCOUNTABILITY: Beginning in 2004-05, LEAs that receive federal Title I funds also face federal Program Improvement (PI) requirements if they do not make Annual Yearly Progress (AYP) for two consecutive years in specific areas.

NO CHILD LEFT BEHIND ACT (NCLB): Much of federal funding for K–12 schools comes from programs created by the Elementary and Secondary Education Act (ESEA) of 1965. The 2002 ESEA reauthorization is called the No Child Left Behind Act (NCLB). NCLB modifies the original ESEA, as have previous reauthorizations, and increases the federal focus on disadvantaged pupils, including English learners and students who live in poverty. The law also strengthens federal support for a standards-based reform agenda including high academic standards for all students; extra support to help students and schools meet those standards; and greater accountability for the results, particularly as measured by student performance on standardized tests.

OBJECT OF EXPENDITURE: As used in expenditures classification, applies to the article purchased or the service obtained, rather than to the purpose for which the article or service was purchased or obtained (e.g., personnel services, contractual services, materials and supplies).

PROGRAM IMPROVEMENT (PI): A plan with a series of steps to improve the performance of students in a school that did not make adequate yearly progress (AYP) under No Child Left Behind (NCLB) for two years in a row. Only schools that receive federal Title I funds may be entered in Program Improvement. The steps in PI could include a revised school plan, professional development, tutoring for some students, transfer to another school with free transportation, and, at the end of five years, significant restructuring. Schools that do not make Annual Yearly Progress (AYP) two consecutive years are designated as Program Improvement schools year 1 also known as PI 1. Program Improvement 1 and Program Improvement 2 are considered "School Improvement" years. Program Improvement 3 (PI 3) is a "Corrective Action" year; Program Improvement 4 and 5 are "Restructuring" years.

REVENUES PER PUPIL: The total amount of revenues from all sources received by a school district or state, divided by the number of students as determined, most often, by average daily attendance (ADA).

SACS: Standardized Account Code Structure is a new method for school agencies to account for their revenue and expenditures. Districts will use a 22-digit accounting record that will allow agencies to track costs by resource, program goal and function as well as by object code.

SCHOOL IMPROVEMENT PROGRAMS (SIP): Money granted by the state to selected schools to carry out a school site council plan for improvement of the school's program.

SCHOOLWIDE PROGRAMS: Schoolwide programs use Title I money to support comprehensive school improvement efforts and help all students, particularly low-achieving and at-risk students, meet state standards at particular schools. To qualify as a Title I schoolwide program, at least 40% of a school's students must be considered low income.

STAR: State Testing and Reporting. New state testing program to better measure academic achievement. First given to grades 1-8 in April and May 1998.

TITLE 1: A federal program that provides funds for educationally disadvantaged students, including the children of migrant workers. Funding is based on the number of low-income children in a school, generally those eligible for the free/reduced price meals program.

API & AYP Comparison

System	State Accountability Public Schools Accountability Act (PSAA)	Federal Accountability No Child Left Behind Act (NCLB)
Rating Type	Academic Performance Index (API)	Annual Yearly Progress (AYP)
Model	Growth model	Status model
Assessments	STAR Program California Standards Test (CST) California Alternate Performance Assessment (CAPA) California High School Exit Examination (CAHSEE) California Achievement Test, Sixth Edition Survey (CAT/6 Survey) all subjects	STAR Program California Standards Test (CST) California Alternate Performance Assessment (CAPA) California High School Exit Examination (CAHSEE)
Criteria	Growth target must be met both school wide and for ethnic and socioeconomic groups. <u>Does not</u> include English Language learners and special education subgroups. The statewide performance target is 800 or above. <u>Each school has its own target for growth</u> using the state scale from 200 to 1000.	100% proficiency must be met school wide and for ethnic and socioeconomic subgroups <u>as well as</u> ELL (English Language Learners) and special education subgroups. Every school, local education agency (LEA), and subgroup has the same target and <u>meets or does not meet AYP</u> .

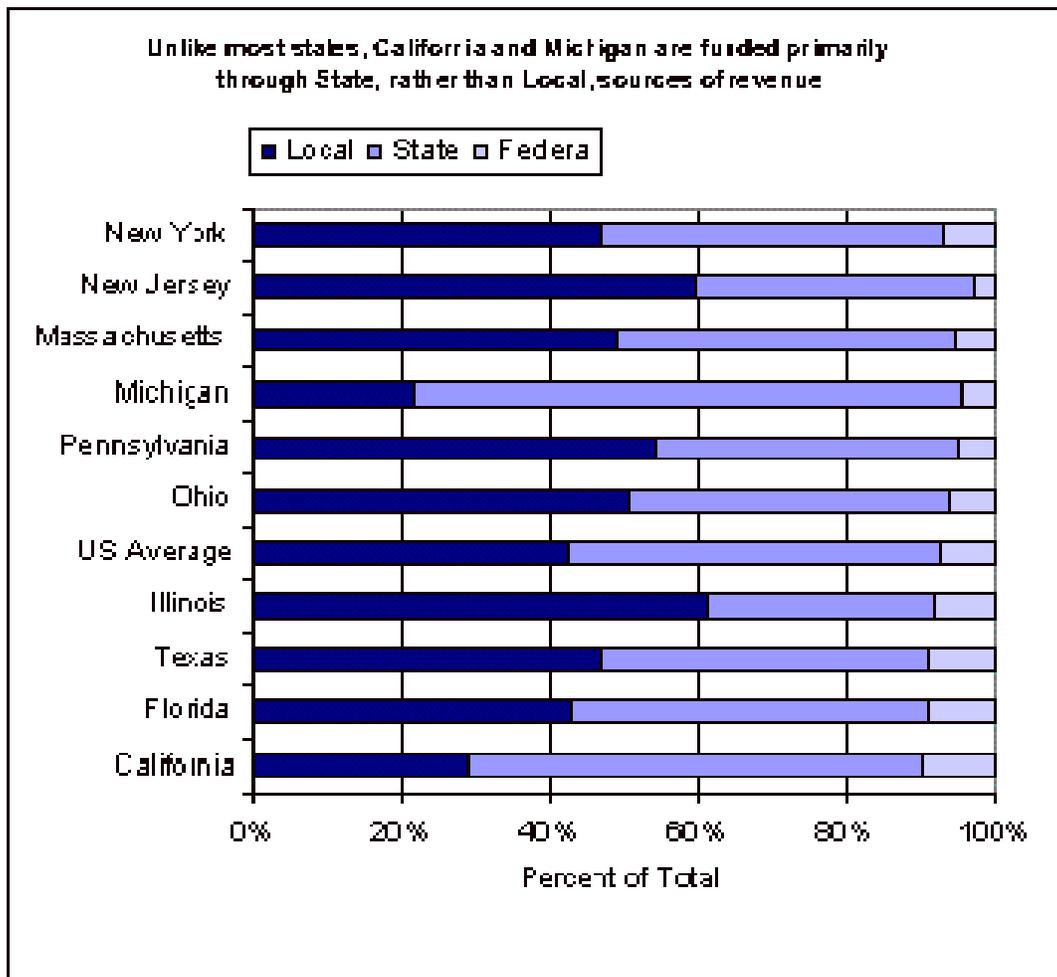
Student Participation rate	Elementary and middle schools must have at least 95% tested and high schools must have at least 90% tested.	Schools must test 95% of their students.
Other indicators: API	N/A	Growth in the API of at least 1 point OR a minimum API score of 560
Interventions and sanctions	<p>Immediate Intervention/Underperforming Schools Program (II/USP) Funds provided for school improvement</p> <p>High Priority Schools Grant Program Funds provided for school improvement</p>	<p>Program Improvement (PI) requirements for Title I schools and LEAs</p> <p>Additional federal requirements</p>

School District Accounting

Background

California schools are state-funded. Most states rely heavily on local property taxes to fund their schools. Local property taxes make up only about 30% of California school revenues, with the state making up most of the rest with a small amount from the Federal Government. This has shifted education policy development to Sacramento. State lawmakers, within the constraints of the voter-approved initiative, Proposition 98, determine the amount of state revenues and local property taxes that go to public schools. Close to two-thirds of the total money for education in California is for the general purpose of educating all students; and the other third, categorical aid, is earmarked by either the state or federal government to fund special programs or pay for extra services for children with special needs.

Graph No. 33



Districts account for funds in accordance with a newly implemented State Accounting Code System (SACS). Districts have recently implemented this new system, some implementing earlier than others. For example Fresno implemented the system in 2001-2002, while Long Beach implemented a year later. This makes financial comparisons between districts difficult during these implementation years. Reporting of personnel and salary schedule information is not completely reliable.

Current Situation

California's serious budget deficit was the driving force behind State leaders' decisions about funding public education for the 2004-05 school year. While lawmakers suspended the minimum funding guarantee for schools, they will still receive a slight increase over last year.

This year's State budget and policy actions will have the following effects on K-12 education:

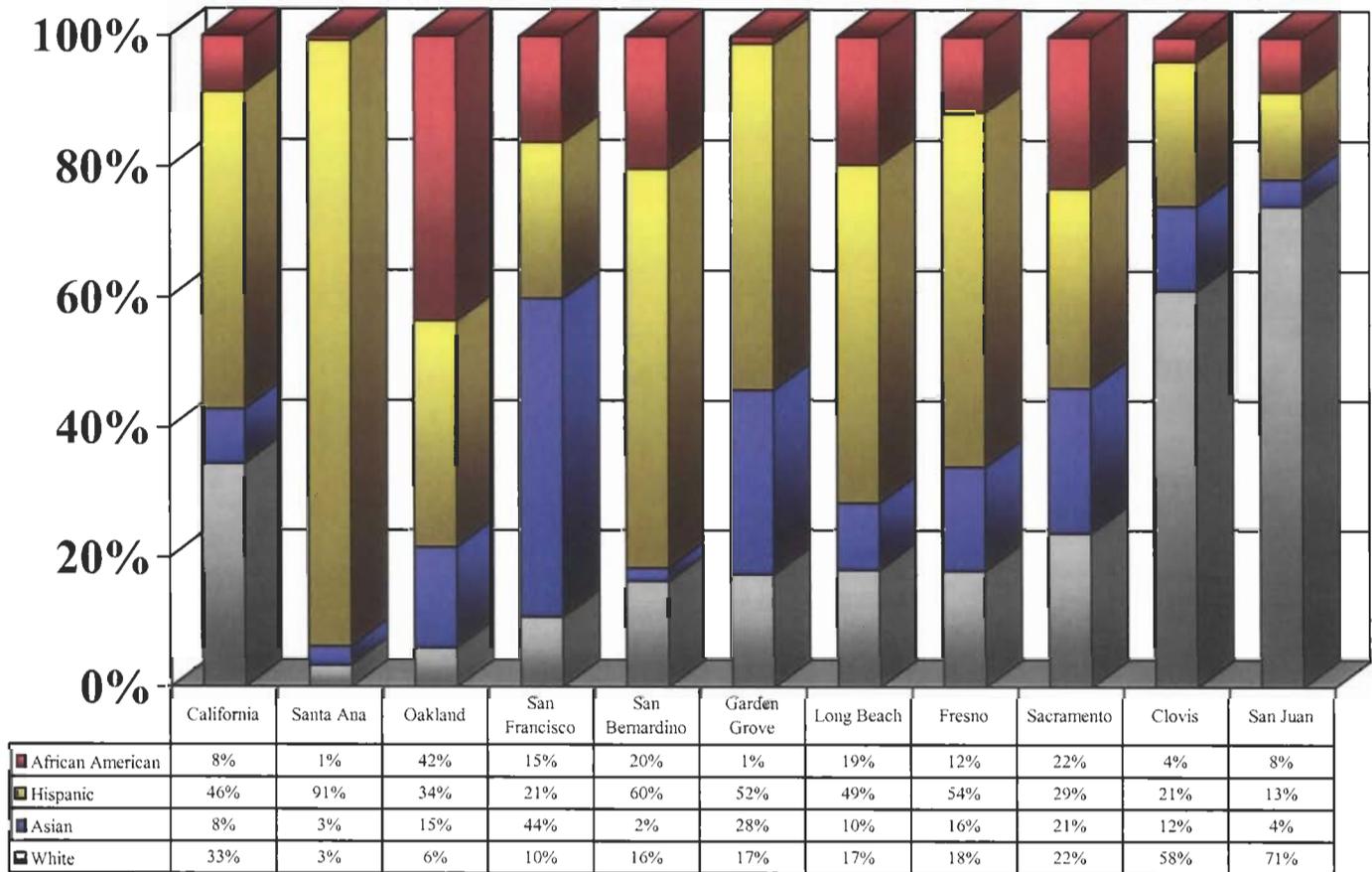
- Districts will receive funding to cover additional students plus a cost-of-living increase that applies to both general purpose funds and most categorical programs.
- The state allocated money to partially fund the equalization of revenue limits (general purpose funds).
- Additional amounts were provided for instructional materials and deferred maintenance, some as a result of settling the Williams v. California lawsuit.
- Districts hold an I.O.U. from the state for billions of dollars that must eventually be restored to them, but that restoration will not even begin for two more years.
- The state has developed a plan for consolidating many categorical programs and giving districts greater flexibility, beginning in 2005-06.
- County offices have new responsibilities for overseeing districts' finances and their allocation of resources to the lowest-performing schools.

E. Supplementary Benchmark Data

Enrollment Demographics

Graph No. 34

Percentage of Enrollment by Ethnicity



Student Achievement

Table No. 6

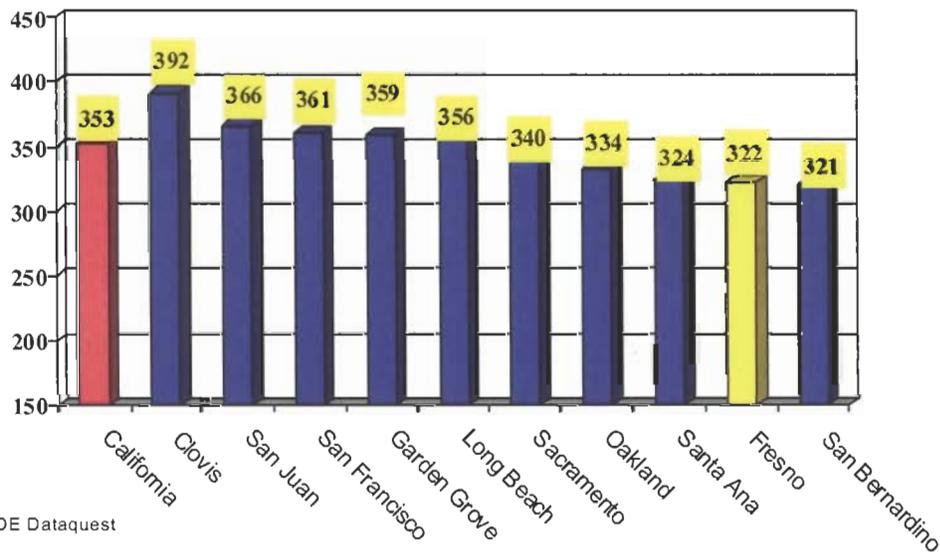
2003 API For Ethnic Subgroups

District	White	Hispanic	African Am.	Asian
San Juan	762	666	646	820
Garden Grove	771	651	679	808
San Francisco	790	605	556	794
Santa Ana	772	603	691	770
Clovis	807	713	703	756
Long Beach	806	646	625	733
Sacramento	761	622	594	709
Oakland	829	542	559	708
San Bernardino	690	594	568	707
Fresno	731	576	562	608

Source: CDE Dataquest

Graph No. 35

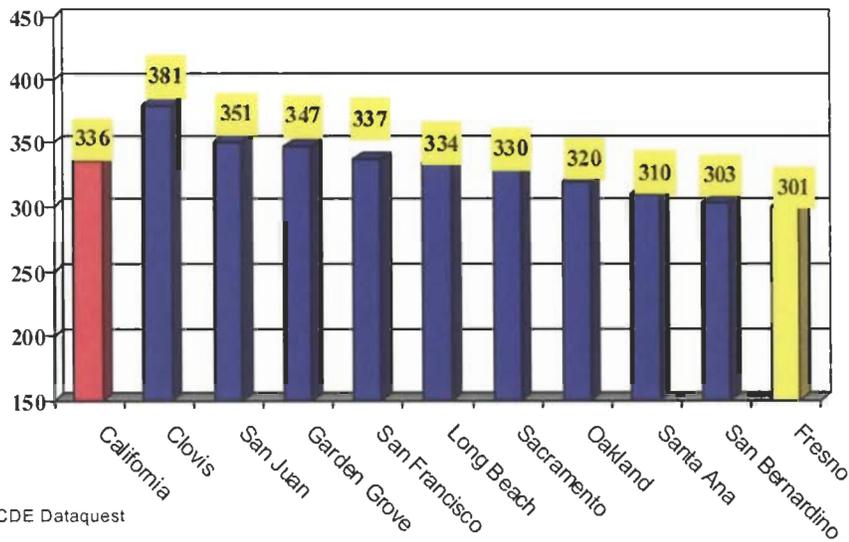
**Grade 3
CST Math 2004 Avg. Scaled Score by District**



Source: CDE Dataquest

Graph No. 36

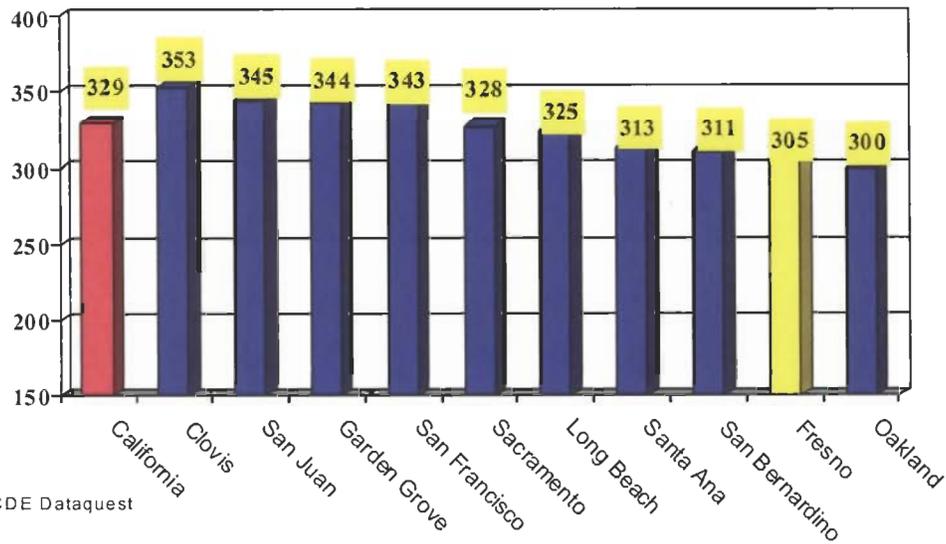
Grade 5
CST Math 2004 Avg. Scaled Score by District



Source: CDE Dataquest

Graph No. 37

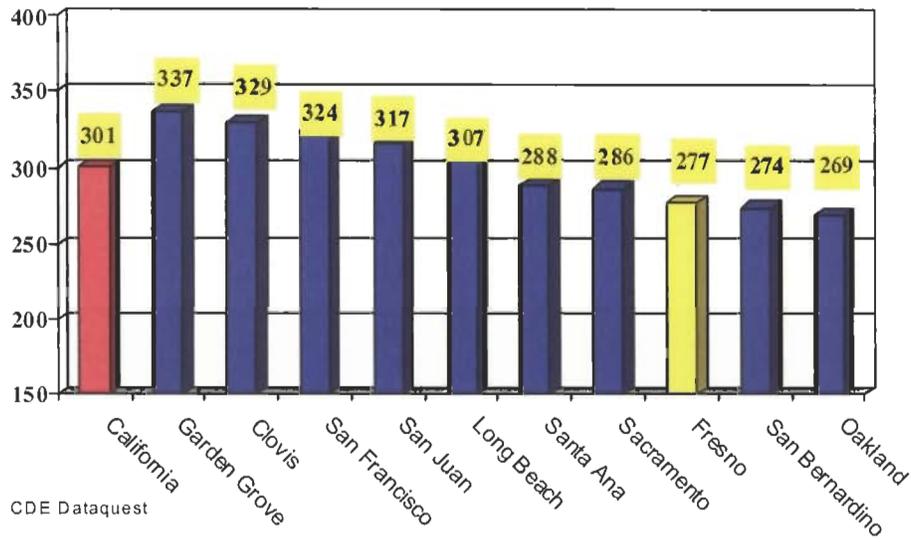
CST Math 2004 Avg. Scaled Score by District
Grade 7



Source: CDE Dataquest

Graph No. 38

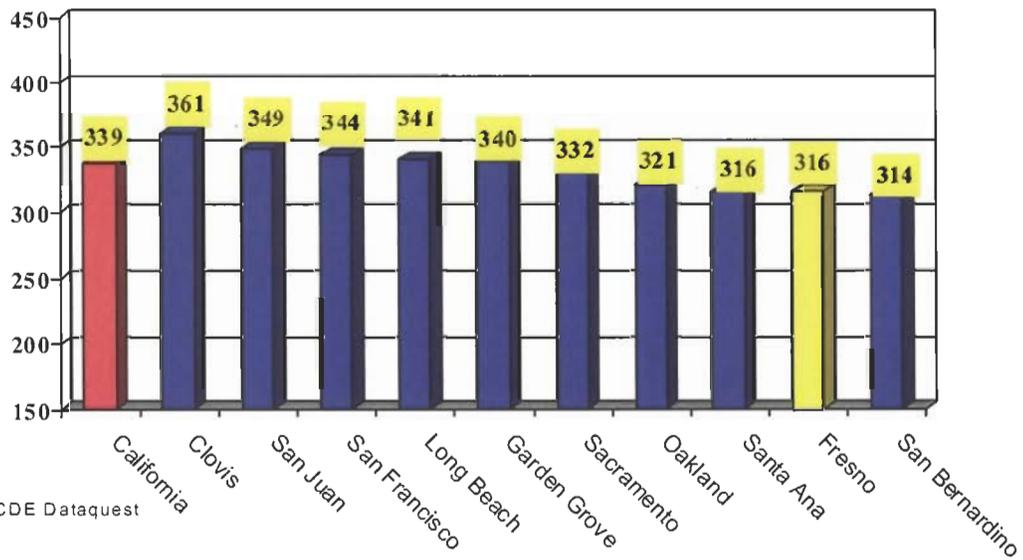
CST Math 2004 Avg. Scaled Score by District Algebra 1 Grade 9



Source: CDE Dataquest

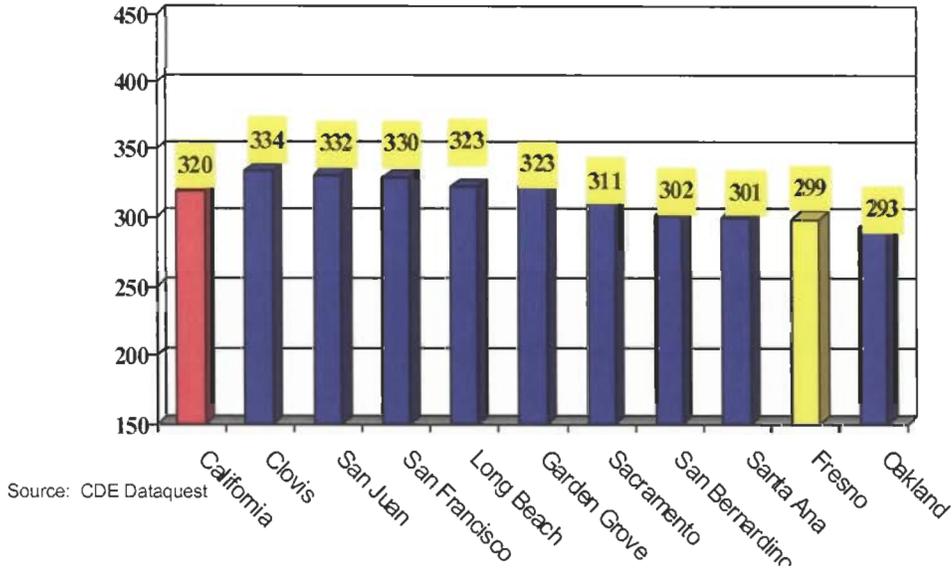
Graph No. 39

Grade 4
CST ELA 2004 Avg. Scaled Score by District

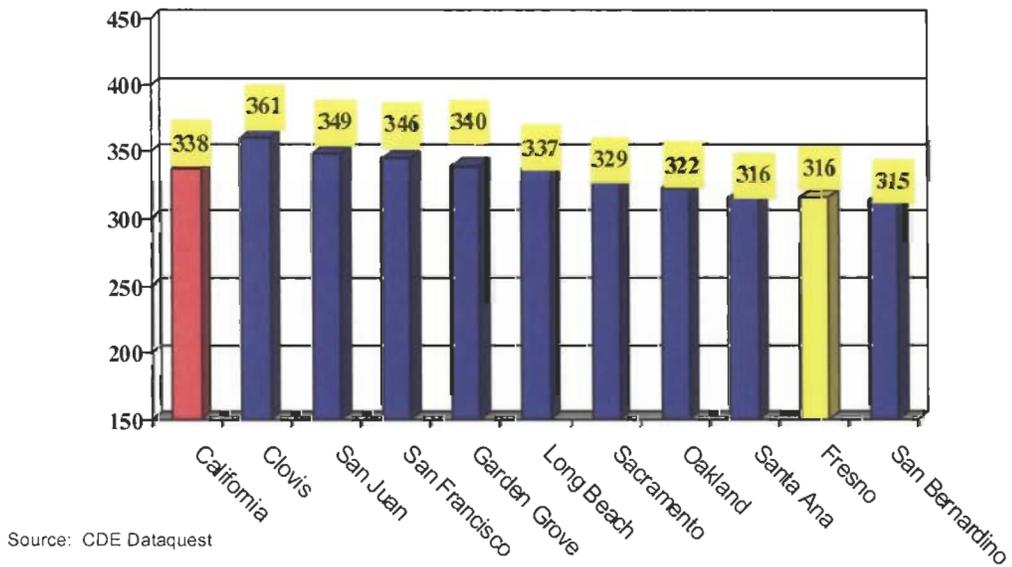


Source: CDE Dataquest

Graph No. 40
Grade 3
CST ELA 2004 Avg. Scaled Score by District

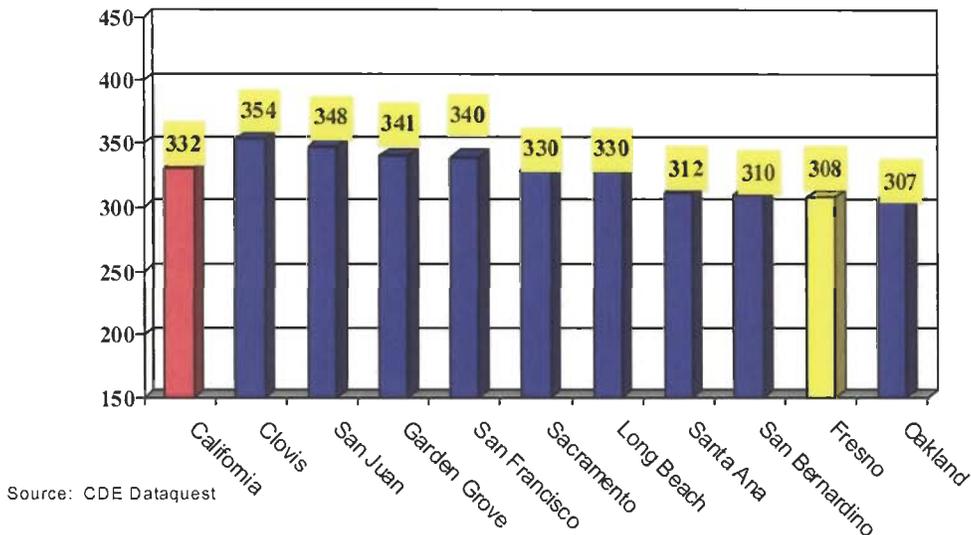


Graph No. 41
Grade 5
CST ELA 2004 Avg. Scaled Score by District



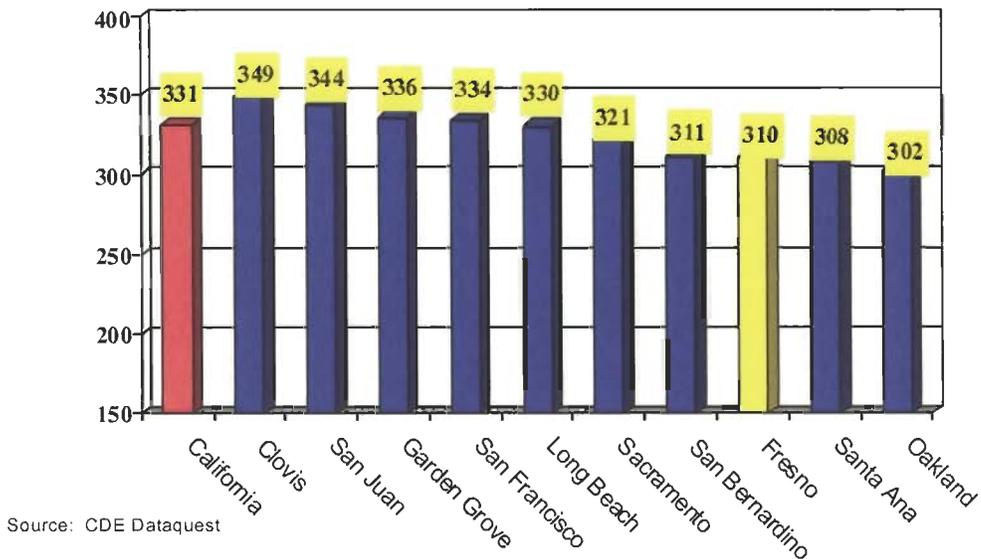
Graph No. 42

Grade 7
CST ELA 2004 Avg. Scaled Score by District



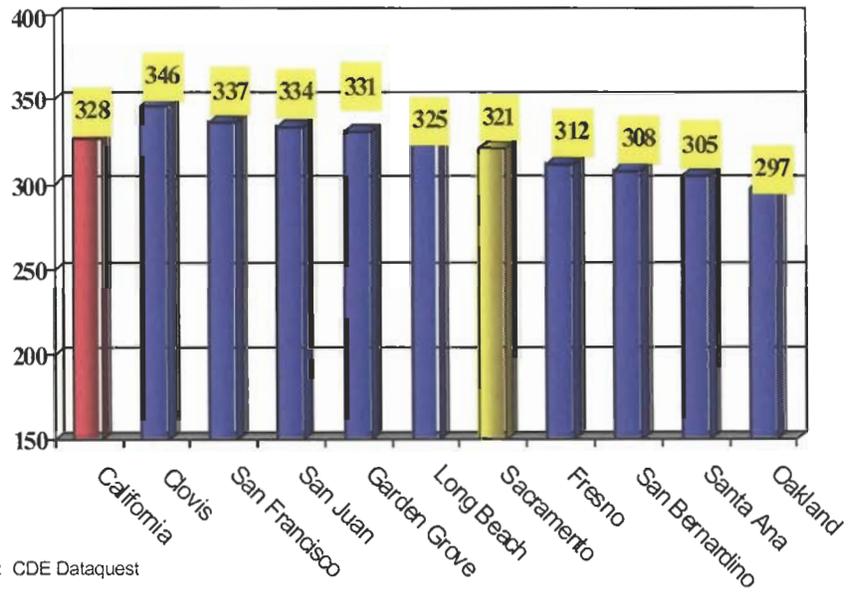
Graph No. 43

CST ELA 2004 Avg. Scaled Score by District Gr. 9



Graph No. 44

Grade 11 CST ELA 2004 Avg. Scaled Score by District



Source: CDE Dataquest

F. Case Studies

Long Beach Unified School District

Long Beach Unified School District located in Los Angeles County, California. It is a diverse district in the eighth poorest city in the United States. 65% of the children qualify for free lunch and nearly 33% are English language learners in a 97,200 student district. In 2003, Long Beach Unified received the Broad Prize for Urban Education.

As with many California school districts, the district has been in budget crisis for years. In 1989, district leaders say, “there were a lot of low performing schools”. The district had responded to state budget cuts by decentralizing and by cutting the curriculum and instructional departments along with the professional development department. There was nothing common in the district. But, by 2003, there were already dramatic improvements exemplified by Roosevelt Elementary School. Roosevelt went from just one point away from being put on the state’s Immediate Intervention/Underperforming Schools Program in 2001 to being named one of the California Distinguished Schools in 2004. By 2003, the school’s Academic Performance Index increased by 136 points.

This dramatic turnaround reflects a combination of high expectations for students, teachers, and administrators and a consistent focus on professional development, collaboration, and collecting and using data to improve performance. The district began its ascent when Carl Cohn became Superintendent in 1992. He began the improvement process by encouraging collaboration by convening focus group meetings with teachers, principals, and parents. These focus groups mapped everything that was going on and determined what gaps there were between needs and current practices. Those involved agreed that the focus had to be on teaching and learning.

Long Beach is now focused on literacy, system-wide professional development, standards, teaching as a public act and uniform adoption of curriculum. Since budget was a serious concern, the Superintendent worked closely with others to identify which categorical programs really supported curriculum and professional development. A key factor is that resources were aligned with the districts’ standards-based goals. Long Beach has built a common language and belief system focused on literacy and training with the necessary supporting research.

There are certain non-negotiables from top down: 1) Uniform standards, 2) the focus on literacy, 3) partnerships, and 4). alignment through every level of the organization. Beyond these non-negotiables, the K-12 principals have a great deal of flexibility. The central office never overturns a principal’s decision on personnel matters. Sites may utilize curricular materials which supplement the adopted curricular program, but they may not use them in lieu of the adopted program. Principals also select all teachers after transfer and assignment and can put a properly credentialed teacher in any program. Their current superintendent credits much of their success to their strong professional development programs. As with curriculum, the professional development plan is highly centralized and, therefore, consistent throughout the district. All new teachers receive 20

days of training in their first two years. Teachers also receive support from mentors and coaches. Long Beach has also chosen to invest heavily in its' instructional aides to "make sure that our aides have the skills to be resources to teachers on what matters most: differentiating instruction to close the achievement gap".

Collaboration is a thread running through everything the district does. From the first focus groups to close relationships with higher education, business, and community members, the district has made use of the community's assets and welcomed them to the process. Teacher and parent forums are held once a month by Assistant Superintendents, there is a monthly open meeting with the Superintendent for all employees and there are currently nearly 1000 business partners.

The School Board is a policy-making organization. They deal most of the time with instructional issues. The Board is an integral part of the process, and Board members participate in committees through which they gain a more detailed knowledge of district functions. The Board is kept informed of issues ahead of time and there is a great deal of trust between them and the Superintendent.

Students graduating from Long Beach high schools are prepared for college or post-secondary training. Every graduate must have passed a technology proficiency requirement. The drop out rate is half that of Fresno Unified and the expulsion rate per 1000 students is 15 to Fresno's 59. Long Beach is "beating the odds". It is a high performing, high poverty district with a clear direction.

The impact of Long Beach Unified's clarity of focus is spelled out in a newsletter from Long Beach Superintendent Chris Steinhauser under the headline "Extraordinary Efforts, Excellent Progress"

11/5/04

**By Chris Steinhauser
Superintendent of Schools, Long Beach Unified School District**

We have so much to be thankful for this year. All of our high schools recently met the Adequate Yearly Progress (AYP) criteria for school performance – an outstanding achievement. I have received calls from superintendents of other districts asking how our schools did it.

Not only are our high schools making exemplary progress for record numbers of freshmen, sophomores, juniors and seniors. Overall, 87 percent of all Long Beach Unified School District schools, in kindergarten through high school, met federal academic benchmarks. We did far better than schools statewide, where only 72 percent of California's Title I schools attained their AYP goals.

Each school's AYP score shows the percentage of students who demonstrate proficiency on rigorous standardized tests. Not only do schools have to meet overall targets for proficiency. Each subgroup of students at the school – including racial-ethnic, socioeconomic, English learner and special education subgroups – must meet

those same targets, and at least 95 percent of students must be tested. Some schools have up to six subgroups.

Under federal rules, if even one subgroup misses the mark by even one point, the entire school is labeled deficient. All groups must meet these tough standards to satisfy the requirements of No Child Left Behind.

The real story behind our excellent progress is how our schools, teachers and students are making it happen. Despite \$2 billion in state budget cuts for California public schools this year, we've protected classroom instruction and are working smarter and harder than ever before.

We have better research data and more rapid test results. We are intervening earlier with more assistance, tutoring, academic coaching, better materials and training for teachers and students. We now have 56 nationally certified veteran teachers and provide exemplary support for new teachers. We ask academic departments in schools that excel to share their methods with other schools.

We constantly look for ways to make small, steady improvements that together can make a significant, lasting difference in the quality of education. We have reduced class size this year in fourth and fifth grade.

We have improved our ability to diagnose what each student knows and can do. Areas that need extra help – such as math or English literacy – receive additional instructional time and emphasis. Students are required to master skills before they move on to the next level. Social promotion is a thing of the past.

Many of our schools are now models for other schools throughout the state and nation. They are doing what works and getting better and better results.

What greater gift could we give students in America's best urban schools here in America's most diverse city? We're showing the nation that it can be done.

Garden Grove Unified School District

Garden Grove encompasses 28 square miles and serves most portions of six surrounding cities in Southern California. The enrollment is 50,066 in 67 schools with 60% of the children receiving free lunch and nearly 53% classified as English learners. In 2004, Garden Grove Unified received the 2004 Broad Prize as the Nation's Best Urban School District.

Although Garden Grove has always had stability of leadership, they were not always focused on academics. In 1999 they potentially had 20% of their schools in Program Improvement and now have one, maybe 2, elementary schools and their continuation high school in this program.

Garden Grove's superintendent credits their transformation to focus, and that focus is on academics. They have two district-wide goals: 1) Students who are in the district for five

years will be at grade-level proficiency in reading and math, and 2) English learners who are in the district for five years will have progressed one level for each year per State exam and will be fluent in five years.

The elements of the district plan are a focus on academics and centralized control of categorical curriculum, and staff development. Although they believe this centralization is necessary, there is latitude. Teachers help with selection of curriculum and staff development. They do not have uniform lesson plans because they believe that good teachers need freedom within a boundary. Site councils have discretion with categorical within parameters, however, every expenditure at a site has to show how it gets them to their goals. Additionally, the district office role is to be there for the teachers, principals and children. They say, “what ever you need-we can do it”.

The focus includes a strong reliance on data that evaluates where the kids are. They hold five sessions per year with school site teams to train on the use of data to assist in instruction. The data is not used to measure teachers but, rather, to evaluate what the kids need. Staff development is a high priority, and when they see a school starting to head south, they spend money on staff development.

The superintendent in Garden Grove believes in spending the time up front, laying ground work and getting people on board. Board meetings are focused on education and are usually less than an hour long. Board policies are one paragraph with administrative regulations behind them.

The district is in a strong fiscal position with reserves including amounts for the state requirements, an operating reserve, and a reserve for insurance obligations. They also make use of city redevelopment funds and do not have bond indebtedness but use developer fees from a restricted fund for capital improvements.

The drop-out rate in 2003-04 in Garden Grove is an amazingly low .8%. The district has a 73% graduation rate even after expectations were raised. For students who pass the high school proficiency exam, there is a special seal on the diploma certifying this.. Business leaders tell us that in Garden Grove crime is down. They see high school graduates who are ready to go to work or on to more schooling. They say that the students are excelling in the very positive atmosphere in their schools. They give credit to an administration and school board that work together with the teachers.

Common Themes

1. Both Long Beach and Garden Grove have stability in their leadership, both in the Board of Education and Superintendents. The district leadership is home grown.
2. They are very focused, and that focus is on student achievement. They draw clear lines as to what they will and will not do eschewing activities which detract from the single focus on student achievement.
3. They are clear on what constitutes student achievement and they develop, refine, and utilize detailed plans which are heavily monitored to get there.

4. They are highly and unapologetically centralized as to what needs to be done and unafraid to be prescriptive as to how, especially for underperforming schools.
5. They constantly engage with stakeholders, providing leadership and direction when needed, taking advice, and making changes when needed.
6. Fiscal decisions are based on the impact on meeting goals.

G. Centralization vs. Decentralization

There is ongoing debate regarding the impact of decentralizing a school district's operations and financial decisions. Traditionally school districts have been centralized and it has only been in the last 15 years that experimentation with decentralization has occurred (also referred to as school-based management). Since the late 1980's there have been a number of large school districts that have been successful in decentralizationⁱ, but the measured impact on academic achievement overall is not convincingⁱⁱ.

The issue of centralization vs. decentralization has been the subject of much experimentation and change among large companies in the business sector. It is, for the most part, a false choice. Very few companies are totally decentralized (the treasury function, for example, is almost never decentralized) and very few companies are totally centralized. The more appropriate question is, "which functions should be centralized, and which decentralized?" and the answer is "it depends". A fairly high level of decentralization may be appropriate in a company that has deep-rooted values, a long-established culture of cross-collaboration and a clearly understood set of corporate goals and objectives, than in a company where those attributes are lacking and need to be established.

As is the case in the business sector, it appears that centralization or decentralization alone does not necessarily produce improved academic achievementⁱⁱⁱ. A more comprehensive approach similar to the one proposed in this report is required in order to meet financial, management, and academic goals. Implementing a school-based management plan only for the purpose of decentralization is sure to fail, and even the financial goals that often drive the implementation will not be achieved. It is, nevertheless, helpful to analyze the benefits and disadvantages of decentralization and centralization in order to determine what functions should fall in the two categories.

Seven characteristics of successful school-based management^{iv} are:

1. Have authority over budget and personnel
2. Establish teacher-led decision-making teams and a professional culture
3. Focus on continuous improvement through ongoing, schoolwide professional development in curriculum, instruction, and management skills
4. Create a well-developed system for sharing information with a broad range of constituents
5. Develop ways to reward staff behavior that help achieve performance objectives—and sanctions for those that don't meet the goals

6. Are led by principals who can facilitate and manage change
7. Use district and state goals, standards, and benchmarks to focus reform efforts on changing curriculum and instruction

An effective decentralized system gives the authority and responsibility of four key resources: power, professional development, information, and an accountability system with clear rewards and sanctions^v.

Some of the advantages of decentralization are:

- Moves decision-making out closer to the school staff, parents, and students that are affected.
- Curriculum is customized to the different needs of the students that attend each school.
- Recruiting, hiring and firing are handled locally at each school site.
- Treats principals as entrepreneurs and raises the level of ownership and expectations
- Costs can be reduced because expenses are tailored to the needs of each school site and smaller, less-expensive vendors can be utilized.
- Encourages leadership at multiple levels instead of defining leadership as “what happens at the district office.”

However, with those advantages, there are some clear disadvantages, including:

- Loss of academic continuity for children who move from one school to another within the District, particularly problematic for districts with high transience.
- Principals are making decisions about non-educational issues including gardening, plant maintenance, broken chairs and computers, and choice of vendors. This takes away from the educational issues that most principals are able to focus on in a more centralized environment.
- It increases the workload of the school site staff^{vi} and creates duplication of effort.
- School site staffs often lack the resources to conduct research and keep up with best practices.
- Parent input at the school site level does not necessarily lead to more parental choices^{vii}
- The gap of resources tends to increase between low-income and high-income schools
- School Site Councils often have people on them who lack the financial, educational theory, and Human Resource skills to make appropriate decisions.
- Curriculum that is customized to the site is best suited with student populations that don't change often. In the case of Fresno Unified (and in urban districts in general), the high number of transient parents and students makes the different curriculums by school problematic.
- Many schools don't have the staffing to apply for grants, handle grant reporting, and manage the financial impact of grants coming and going each semester or year.

Centralization is the primary way most school districts are currently organized – and with good reason – there are a lot of good reasons for centralization:

- Creation of district-wide standards and the ability to implement them in all schools
- Increase efficiencies and reduce duplication of expenses
- Control structures are hierarchical and clearly defined
- Leadership is centralized, which reduces the dependence on the development of strong leadership at each school
- Allows each school to focus on carrying out the district’s policies instead of spending substantial time reviewing and deciding how to handle a multitude of decisions
- Transient students are able to move from school to school without a change in curriculum or style of intervention.

At FUSD, a combination of centralization and decentralization has been implemented. Unfortunately, in many cases it appears that many of the decisions that have been decentralized shouldn’t be and vice versa. A mixed environment could actually turn out to be worse than either approach by itself. If the district decentralized the wrong things and then maintained central control over decisions that should have been pushed out to the school sites it could help explain some of the reasons for the current situation.

Recommendations

Based on research, best-practice models, and site visits to Garden Grove and Long Beach school districts, the following are recommended:

1. **Centralize the “Core” Curriculum.** There are many things that can be decentralized, but curriculum is not one of them. Especially in a district that has such a high level of transient students.
2. **Centralize Selection of “Core” Textbooks.** “Core “ curriculum and “core” textbooks go together. Schools may adopt supplementary textbooks to suit their needs, but the core textbooks should be the same.
3. **Centralize Reading & Math Intervention.** Once again, as a result of the high transient rate, standardizing the intervention process and content across all schools is critical in order to improve the success rates of students who move multiple times in a year from school to school.
4. **Improve and Further Centralize Professional Development.** Currently a lot of the professional development is decentralized, which may seem appropriate at first glance. However, decentralized professional development leads to a variety of curriculum for teachers, administrators, and staff that often is inconsistent and causes division instead of unification with district and student goals. A quality, consistent, district-wide profession development system provides the foundation necessary for a unified decentralized system that allows for accountability without control and builds unity instead of divisiveness.
5. **Improve Leadership & Management Skills.** This is a component of professional development, but is so important it is listed separately. Opponents of decentralization often cite that the principals don’t have the capacity to handle anything else. However, comparable school districts have shown that a well-trained and supported

principal in a more effective district can handle much more than those in a low-performing district.

6. **Centralize Custodial Services.** This should be centralized and possibly outsourced. With a centralized custodial force, large events could be handled better, temporary site needs could be addressed more quickly, and expenses could be reduced.
7. **Centralize Library Services.** Nationally, school districts using “No Child Left Behind” funds are centralizing their library services, creating efficiencies, improving access to resources, providing better protection of Internet use, and increasing the number of resources available to students, teachers, and parents.
8. **Decentralize Components of Human Resources.** While there are great efficiencies by centralizing most HR services, there are some components that should be handled at the school site. The most important of these are related to the hiring and evaluation of teachers and staff.
9. **Decentralize Educational-related Budget Items.** Principals need control over the educational expenses at their school. Especially those in Program Improvement (PI) schools, need flexibility in their budget to address the problems they face.
10. **Improve the Accountability.** Decentralization doesn’t work unless there are well-understood accountability systems at all levels of the district. Accountability is different than command-and-control and provides a more authentic and mature method of measurability, incentives, and goal-setting.
11. **Improve Assessment Systems.** It’s critical that decentralization utilizes assessment systems with baseline data that are tied to the district and the school’s goals. They should be criterion-referenced and benchmarked with the information and results provided to the schools as soon as they are available.
12. **Improve and Further Centralize Professional Development.** Currently a lot of the professional development is decentralized, which may seem appropriate at first glance. However, decentralized professional development leads to a variety of curriculum for teachers, administrators, and staff that often is inconsistent and causes division instead of unification with district and student goals. A quality, consistent, district-wide profession development system provides the foundation necessary for a unified decentralized system that allows for accountability without control and builds unity instead of divisiveness.
13. **Improve Leadership & Management Skills.** This is a component of professional development, but is so important it is listed separately. Opponents of decentralization often cite that the principals don’t have the capacity to handle anything else. However, comparable school districts have shown that a well-trained and supported principal in a more effective district can handle much more than those in a low-performing district.

Leadership

In the end, it’s all about leadership. Due to a scarcity of strong leadership and collaboration at every level of the district, poor decisions have been made, people have been placed into positions they are not qualified for, and abuse of power (whether intentional or from ignorance) is widespread. Yet there are many bright spots in FUSD – and wherever there is success, an effective leader can be found – a principal or teacher or staff person who is able to achieve and exceed student and district goals often in spite of the challenges that the system offers.

A successful district that has centralized and decentralized components will only achieve its goals if there is effective leadership throughout the system. The identification, nurturing, development, and support of leaders throughout the school district is one of the most critical tasks required of the administration. It's the only task that guarantees future success.

H. Student Support Services

The Student Support Services branch of the District is a good example of what the District is up against—and how it organizes itself to do what it needs to do.

It can be said that Student Support Services is where the real world of today's children collides with a traditional and more simplistic premise that schools are there solely to educate children. Yes, they are. But for children to benefit from a traditional education, they need to have good physical and mental health, make school attendance a priority, and be able and willing to do homework assignments in a conducive atmosphere. They need to have in their home a stable adult in whom they have trust and confidence. Their attentiveness to education is impaired, sometimes drastically, if they suffer from the effects of neglect or abuse, or come from a family wherein violence is the norm, or are shuffled from pillar to post while Mom is in prison, etc.

Here is the real world.¹ The following chart compares Fresno County children to children in all of California:

	Indicators being compared	Fresno County	California
1	Live in poverty	36%	20%
2	Receive CalWORKs assistance	20%	11%
3	Be enrolled in the Medi-Cal Program	48.1%	30.5%
4	Be born to a teenage mother	66.2 per 1,000	44 per 1,000
5	Live in a female-headed household	9.6%	7.3%
6	Have asthma	21%	3.6%
7	Have disabilities	5.5%	4.8%
8	Live in a household with domestic violence calls for assistance	10.8% per 1,000	5.8% per 1,000

¹ Data taken from Sutton, P., Rondero Hernandez, V., Perez, M. S., & Curtis, K.A. (2004). *Children in jeopardy: A sourcebook for community action*. Fresno: Central California Children's Institute, California State University, Fresno and also *Children COUNT! 2002-03 Report Card: The Well-Being of Children in Fresno County*, developed by Fresno County Interagency Council for Children and Families and Children's Institute, California State University, Fresno.

In addition, Fresno County children are more likely to:

- Attempt or commit suicide
- Be homeless (approx. 3,000 children are homeless in Fresno County)
- Be born with low or very low birth weights
- Be born to substance abusing parents
- Be born outside of the United States
- Have a first language other than English (76 different languages)
- Move frequently

Consider the following examples, which illustrate how these factors play out in the lives of individual children and how school personnel can provide crucial assistance:

James confided in his teacher that he has decided to kill himself. He is ten years old. Upon referral to one of the handful of school social workers in the district, it is discovered that he is weary of being responsible for the care of his four younger siblings while his mother deals with her bouts of mental illness by calming herself with alcohol. The school social worker connects his mother with mental health treatment and arranges transportation. The preschool siblings are enrolled in a preschool program. Child Protective Services monitors the well-being of the children. James can finally act like a normal ten-year-old.

Sherry, age 11, attends school irregularly and in tattered clothes. This is the fifth school she has enrolled in during the last 18 months. A Project Access worker contacts Sherry's mother and learns that she left an abusive spouse 18 months ago and since then has taken her three children from one shelter to another. She is penniless and without a job. The worker enrolls her in a job readiness program, arranges transportation, goes to community service clubs to obtain clothing for the children, and facilitates housing in a subsidized housing program. Finally, Sherry can concentrate on her school's extra assistance to bring her up to grade level.

So much for the fantasy that a skilled teacher with an adequate classroom and a supply of textbooks can do the job.

Not surprisingly, public school systems are driven by litigation and by legislation which require that Districts address many of the special needs of children. Funding doesn't necessary follow. Nonetheless, school districts, whether through legal mandate or through sheer practicality must tend to children's needs which fall far from the scope of direct instruction, but which, if not addressed, will impede or prevent effective education.

The Student Support Services arm of the District is the "Other" slot into which an ever-increasing and diverse array of services are placed. Decades ago, it was known as "Child Welfare and Attendance," and its primary function was to serve as "hokey cops."

Things have changed. With a budget of over \$15 million, it now has the following functions:

➤ **Transfers Office**

Processes nearly 13,000 intradistrict transfer requests, magnet school/program requests, interdistrict transfer requests, caregiver affidavits, student work permits, and proof of birth affidavits.

➤ **Attendance**

Provides overall attendance monitoring, operates School Attendance Review Boards, Court-related attendance services, Keep Kids in School, school social workers, and Child Welfare & Attendance workers, oversees elementary school counseling grant.

➤ **Student Discipline**

Processes expulsions and readmittances following expulsions. Processed 715 requests from school sites for expulsion in 2003-04; 627 students were actually expelled in 2003-04. Of the expellees, 133 were in elementary grades; 28 of them were in grades 1-3.

➤ **Alternative Education**

Provides charter school review and compliance; operates Community Day School, short-term independent study, and District human relations consortium.

➤ **Health Services**

A total of 73 personnel, down from a high of 81 two years ago, serve student health needs via ten funding sources, each with different requirements. Nurses provide services at school sites, preschool, Child Development Centers, Parent and Child Education Centers, Student Attendance & Review Boards, and through Screening Teams, Health Education, Special Education health services, Parent Mobile health services, Migrant Health, CHDP clinics, Home/Hospital Instruction and more. Services are provided by school nurses, LVN's , and Health Assistants.

➤ **Student Records and Transcripts**

This department archives all student records and processes cumulative folders for all students who leave Fresno Unified. It also responds to record requests for former students, prints transcripts, responds to subpoenas from Courts, etc.

➤ **Safe Schools/Healthy Students Grant**

This grant, which is in its third of three years, has provided funds which pay for social workers at five high schools, four middle schools, and ten elementary schools, a Mobile Health Center that serves six elementary and two middle schools, a few school psychologists, the Keep Kids in School interagency partnership to combat truancy, and a portion of the costs for a Hmong Suicide Prevention Project.

➤ **Project Access & Foster Care Liaison**

Originally authorized under federal law in 1987 and reauthorized by the No Child Left Behind Act of 2001, the McKinney-Vento program, known in FUSD by its local name of Project Access, is designed to address the problems that homeless children

face in enrolling, attending, and succeeding in school. Project Access assists homeless children and their families with housing, transportation, homework supplies, mentoring, assistance in finding food and clothing, etc. There are around 3,000 children who are considered homeless in Fresno Unified. The federal definition of homelessness includes children who live in shelters for the poor, in domestic violence shelters, in cars, in motels, or in doubled-up situations with other families.

The same group implements the provisions of California's Assembly Bill 490, which requires that foster youth have access to appropriate academic resources, services, and extracurricular activities as other youth and requires other services which assure coordination and advocacy on behalf of foster youth in the educational system.

Nobody should think that these services are less than essential. The costs to society are immense when we fail to attend to people's needs early on in their life—costs in *dollars* for health care, mental health care, crime suppression and incarceration, public assistance, and other costly programs, in *lost productivity* in our economic system, and in diminished capacity to be effective *parents* for the succeeding generation.

Below are problems and recommendations which relate to the overall functioning of Student Support Services. Additional problems and recommendations are presented at the end of the sections on selected specific functions—Enrollment & Attendance, Alternative Education, Student Conduct, and Health Services

Problem:

The peripatetic placement of Student Support Services on the District's organizational chart bespeaks lack of clarity as to where and how it connects with other District functions. At various times it has been placed under the Business Division, the Instruction Division, and now is under the Human Resources Division. Its head has been a member of the Superintendent's Cabinet only recently.

Recommendation:

The place which Student Support Services occupies on the District's organizational chart needs to be reconsidered. More importantly, how it links with other District functions needs to be examined. The matrix organizational style used by Best Practices districts will serve as a useful model.

Problem:

Within the various Student Support areas, there are meticulously kept data. Data are compiled into annual reports, but the reports lack analysis and recommendations. While it is laudable to keep and compile good statistical data, it is of little use if it is not analyzed and used as the basis for recommending, advocating for, and implementing strategies which might result in improvements.

The Student Support Services officials cannot do this alone, since analysis, planning, and implementation of changes generally occurs across District divisions.

Recommendation:

The Superintendent must insist that all divisions of the District consider themselves responsible for this. The data compilers, the instructional leaders, the support services leaders and virtually everybody up and down the organizational chain have to make it a habit to use data as the basis for making decisions.

And they must make decisions. It is easier to stick with the status quo than it is to try something which might not work. In a District which has a drop-out rate twice that of the State average and where half of the schools get dismal test scores compared to similar schools, the only thing worse than trying something which might not work is to fail to try anything new, when we can see that what we are doing isn't working.

Problem:

The fact that for years the administrative offices for Student Support Services offices have been at a different site from the District's main administrative offices has contributed to seriously inadequate connectivity to the District's core instructional mission.

Student Support Services is not the only District arm that is apart, geographically, from the District's headquarters. Politically, there is never a good time for a Board of Education and a Superintendent to explain to the public that the District's functioning would be greatly enhanced by consolidating core operations. They are now separated in buildings around town, many of which have such inadequate parking as to seriously constrain people getting together to do joint problem-solving, as well as discouraging parents from engaging with key decision-makers.

Although Student Support Services offices are just a few blocks from the District headquarters, it might as well be miles. The habit has been ingrained for it, as well as other District functions not housed in the headquarters, to go it alone.

Recommendation:

When the District consolidates its central offices in one location, which it surely must do if it is to provide central direction over all operations of the District, Student Support Services offices should be located at the central site, except for specific services which are better located elsewhere.

The following portions of this Student Support Services section of this report provide more detail on a few of the elements of Student Support Services.

ENROLLMENT AND ATTENDANCE

School *enrollment* and school *attendance* are key generators of revenue for the District, and thus worthy subjects of attention. Both subjects are affected by factors outside of the District's control and others which fall within the District's control. And both subjects deserve sustained attention across all divisions of the District's organizational structure.

Enrollment

There is a net outflow of students who live within the boundaries of Fresno Unified but who receive interdistrict transfers to other districts. At about 644 students last year, the forfeited ADA, if it were a full school year for every student @ \$4697 per student, amounts to over \$3 million. Interdistrict transfers are affected by a plethora of factors, some totally beyond the District's control. The fact that there is little home construction within the borders of Fresno Unified but a great deal of it in outlying areas means that many families are moving elsewhere and are, therefore, eligible to transfer their children while their new homes are being built. The District has virtually no control over this. Nor does it control where parents work or where childcare is provided. State law gives parents a leg up when they seek interdistrict transfers for these reasons. However, the District does have control over the number, variety, and quality of educational options it provides at its nearly 100 schools sites or special programs. Also, it is responsible for informing parents about the choices available to them. And, it can use conversations with parents who are requesting interdistrict transfers to gauge those parents' opinions regarding Fresno Unified's schools and to make improvements as needed.

Attendance

Attendance is an incredibly important contributor to student achievement. It is also the key determinant of the District's main revenue source, the Revenue Limit, which is a per student allocation determined at the State level. The good news is that Fresno Unified's overall attendance rate is a respectable 95% and compares very favorably with other large urban districts. The bad news is that there are schools which year after year do not do as well as they might.

A one-half of one percent increase in attendance district-wide would bring in approximately \$1.75 million in revenue to the District.

In addition, good attendance plays into the required participation rate of 95% for standardized testing. Failure to attain that participation rate can cause a school to fail on state and federal assessments, even if test scores are good.

To address chronic truancy, the district's Attendance office now uses trained social workers more often than traditional attendance officers to intervene with problem families. Such families have complex and often intractable problems which interfere with their ability to get their children to school every day. For example, it is hard for school attendance to be a priority when mom is in the hospital for cancer surgery, dad was killed by a drunk driver last year, and the preschool children need their 10-year-old sister as a sitter. Or, perhaps a child's chronic truancy is a result of parental substance abuse and that child's school is not one of the schools in the Keep Kids in School grant-funded program which can result in legal action against the parents. Or perhaps, attendance at a particular school could be improved if there were a skilled and persistent attendance clerk, rather than a vacant position or a less-than-inspired person. And, some schools use far more advanced technology than others to track and respond to poor attendance.

Although attendance is everybody's business, in practice responsibility for chronic truancy is vested in an Attendance Office which only works optimally when it is connected to the Instruction Division, which supports and monitors the work of school sites.

Problem:

The District is not sufficiently aggressive in pooling the expertise of Student Support Services leaders along with other District officials to pursue every legal and logical method of enhancing District revenue, particularly enrollment and attendance.

Recommendations:

- a. The Superintendent should appoint a person to be responsible for bringing together people who will develop a District plan for *enrollment maximization*. This needs to be a high priority task, and a report should be prepared for the Superintendent's review and action within 60 days.
- b. The Superintendent should appoint a person to be responsible for bringing together people who will develop a District plan for *attendance improvement*. This needs to be a high priority task, and a report should be prepared for the Superintendent's review and action within 60 days.

ALTERNATIVE EDUCATION

The Alternative Education office falls within the Student Support Services umbrella. In practice, dozens of educational alternatives are invented and managed in the Instruction Division and at school sites, except for one population of students – those whose behavior in the classroom is so disruptive that other children's education is greatly compromised. Alternatives for those children seem to default to the Alternative Education office under Student Support Services. Other alternatives fall under the purview of the Instruction Division.

There is little to suggest that this is a high priority for the District. Services are limited in scope and substance. Those who work with behaviorally disordered elementary students in the Phoenix Community Day School struggle to achieve as much as they would like with an exceedingly difficult group of elementary-age children. The work that is done there is nothing short of heroic, in the face of little advanced training or ongoing training.

The District abandoned its fledgling attempts to provide a Community Day School Program for middle school and high school students, defaulting instead to the County Office of Education for this service.

Alternatives are needed not just in instructional programs, but also in day-and-time configurations for school programs, and in one-to-one access to counseling. As successive waves of budget cuts have decimated the already-thin ranks of school counselors, students who are on the edge have less and less to grab onto. If you ask elementary school principals what resource they wish they had, once they finish talking

about test scores, they quickly jump to the need for mental health services for their students.

Under the Attendance section of Student Support Services, there is a grant-funded Mental Health Coordinator, who oversees District partnerships with County Mental Health, Child Protective Services, school social workers, grant-funded site counselors from community-based organizations, and a host of others. The Mental Health Coordinator has developed a matrix which displays the patchwork of often too-little-too-late counseling and mental health services. Fresno Unified students would benefit from a comprehensive plan for mental health services—one which is not dependent on the resourcefulness of a site principal, the availability of a time-limited grant, the cooperation of other agencies, or reliance on inadequately trained adults. This is a problem throughout California, but it is particularly egregious in a District with Fresno Unified's student population.

Independent Study is an educational alternative. Although there are three small satellite programs, Independent Study occurs mostly via the J.E. Young Academic Center, a fully accredited high school. It serves about 1300 students of whom about ten are elementary age students, a handful are middle school age students, and the vast majority are high school students. Students attend at least one session a week with credentialed teachers, and they are expected to complete at least 20 hours of homework per week. Students can only be enrolled online from their home school, and they must meet criteria, foremost of which is the ability to complete school work independently. It serves a challenging student population. Organizationally, Independent Study falls under the Assistant Superintendent for Secondary Instruction. It serves nearly 6% of the District's high school students.

Although Independent Study is scorned by some as a cop-out for youths who are not serious about school, the following examples of positive impacts of Independent Study at the very least portray the never-ending variety and complexity of students' lives—students for whom traditional schooling doesn't work.

A student came to J.E. Young as a victim of random gang violence. He had been shot in the stomach in front of his home. He lived in total fear of the outside world and refused to go to school or even leave the relative security of his home. His parents were told about J. E. Young, but they had little hope that anything could be done to help their boy. The student was convinced to come out of his house for a visit to the school. On an initial interview with his teacher, the student was persuaded to give the school a try. Meeting with his teacher one-on-one, progress was slow but steady. As academic progress continued, the crippling fears dissipated. A self-confident young man finally emerged that completed all graduation requirements. After graduation, his parents came to school and told the principal and staff that no other school could have saved the life of their child.

A young lady came to J. E. Young as a freshman with two children. At one time in her educational career, she had been classified as eligible for special education services, and arrived with very poor test scores and a short attention span. As she started independent study, her grades were below average and her work was sporadic with minimal effort demonstrated in the work that was completed. As each assignment was evaluated in

private with her teacher, she became interested in improving her performance on assignments. In time it became obvious to her, that with hard work, she could complete high school. She also became interested in the school's program to have young mothers do daily reading with their children. She began to check out several children's books each week to read to her sons. As her reading expanded beyond children's books she realized that she would need to improve her vocabulary. On her own, she started a journal of unfamiliar words and definitions. With that, her work excelled. In her senior year, the decision was made to go to college. By the time she graduated, she was the mother of four children. At Fresno City College, she earned straight A's in all classes except for a B in auto mechanics. She was so proud of her grades that she came back to her high school to share her joy. When asked why she took auto mechanics, she stated that her husband could not fix her car, and she wanted to be able to do it on her own.

A young lady came to independent study in the seventh grade because her parents did not believe public schools supported their religious values. The parents did not have the money for private education, but they wanted to take on the responsibility for home schooling their daughter. The student excelled at independent study. By the time she was fifteen years old, she had completed all graduation requirements including concurrent classes at City College in upper level math and science classes. At the age of sixteen, she was admitted to Brigham Young University with a full scholarship.

A sixteen-year-old expectant mother came to J. E. Young Academic Center because complications with the pregnancy were causing her to miss too many days of school. She took school very seriously and stated that she was going to complete her education for herself and her baby. She made every appointment with her teacher and completed every assignment. She was obviously interested in improving her academic skills and was always asking how she could do better on the next assignment. One morning she called and asked for an emergency meeting with her teacher because labor was starting. She was asking her teacher for a two-week assignment so she would not get behind. She actually came to school on the way to the hospital. While picking up her work, she told her teacher that she had to call and ask a friend for a ride to the hospital. For the first time she revealed that her parents did not want her to have the child and they were doing everything to discourage her, including refusing to give her a ride to the hospital. She stated with tears in her eyes, that school was the only love she had in her life.

Problem:

Responsibility for alternative education is organizationally fragmented and not the subject of sustained or widespread attention.

Recommendation:

Place responsibility for all alternative education in the Instruction Division. Although the Instruction Division is large and has huge responsibilities already, providing alternatives for our diverse student population is part and parcel of the job of the Instruction Division. Alternative Education cannot be a dumping ground for children and youth whom we simply don't know what to do with. Rather, it must consist of a well-thought-out continuum of options with clear purposes, parameters, and expectations.

Problem:

The District does not have a well-developed continuum of Alternative Education options. There is no focused analysis of information about the needs of students who are not well-served by the traditional system, and there is inadequate reliance on experts from other disciplines, such as mental health, who could greatly enhance the district's understanding of student needs and appropriate responses. Also, there are vast racial and ethnic disparities in utilization of alternative programs.

Recommendation:

Responsibility needs to be assigned within the District to amass information and to engage stakeholders in uncovering problems and preparing and implementing improvements.

Problem:

Independent Study is placed in the organizational structure under the Assistant Superintendent for High Schools. However, a few elementary and middle school students are served at the main Independent Study site. Responsibility for short-term Independent Study (5-15 days) has been unassigned until recently.

Recommendation:

Place Independent Study with other forms of Alternative Education in the Instruction Division. It is a core part of a continuum of educational options.

STUDENT CONDUCT

Under the Student Support Services umbrella resides the office of Student Discipline. Actually, this title is a misnomer. It could be more accurately called Student Expulsion Processing. Schools request that cases be considered for expulsion, and this office takes it from there. This office keeps detailed data and has a wealth of knowledge about student discipline. Also, it assists students who are returning after completing post-expulsion requirements.

Fresno Unified has the dubious distinction of expelling far more students than other urban districts. In 2002-03, Fresno Unified expelled 59 of every 1,000 students, compared to 15 per thousand in Garden Grove Unified and 4 per thousand in Long Beach Unified. Even Los Angeles Unified, which has ten times as many students as Fresno Unified, expelled fewer students than did Fresno.

Worse yet, Fresno Unified is expelling *elementary* age students at a rapidly ascending clip—111 in 2002-03 and 133 in 2003-04.

Ask the people who operate the expulsion process why there are so many expulsions here, and they will answer that it is because the district has so few alternatives available for students who do not thrive in the traditional school setting. There may be other contributory factors, as well. But it isn't anybody's job to grab onto the various pieces and craft a strategy to make improvements.

Detailed data are produced on student *suspensions*, for example, but no one person or work group within the District is responsible for analyzing that information and proposing strategies which lead to better outcomes—for the students, the school, or the District. Nor does there appear to be attention to suspensions in the larger context of an overall student behavior plan.

In reality, the topic of student *discipline* cannot reasonably be discussed outside of the larger context of student *behavior*. It isn't as though bad behavior is the problem and discipline is the sole answer. In some instances, imposition of appropriate discipline *is* the best response.

In other instances, however, there can be causative or contributory factors which can only be discerned via a comprehensive assessment in all five domains of child development—cognitive, physical, communication, social and emotional, and adaptive. To put it more simply, suppose a child has grossly defective brain “wiring” and is not capable of connecting cause and effect as easily as most of us do. As is true throughout the nation, Fresno Unified is experiencing a rapid increase in young children with very serious behavioral problems. A group which looked at this problem in Fresno County found that services are fragmented and listed issues contributing to this fragmentation:²

- No formal effort to identify and monitor high risk children
- No single site responsible for comprehensive assessment
- Service delivery, especially treatment, is based on funding schemes
- No single person or agency is responsible for ensuring access to services
- Children in avoidant families “live on the periphery of social, medical, and educational settings so that systems of care never reach them until their complete failure brings them to the attention of the school system or the juvenile justice system or Child Protective Services.”

Fortunately, Fresno Unified is part of a consortium to improve screening, assessment and treatment for children ages birth to 5. It is just beginning.

Furthermore, Fresno Unified lacks a district-wide, rigorously implemented character education program. Currently, district schools grades K-8 use a program called “2nd Step,” and the district has received a four-year grant for developing character education in partnership with the Bonner Center at CSUF.

Problem:

Fresno Unified’s efforts to foster good student conduct and its response to poor student conduct are fragmented and outmoded.

Recommendation:

Instead of having an office of Student Discipline (which is fact is an office of student expulsion processing,) establish an office of **Student Character and Conduct**. It could be the seat of implementation of a district-wide character education program, so that all

² Fresno County Department of Community Health, Maternal, Child and Adolescent Health Babies First and First 5 Fresno County, *Putting the Pieces Together; Ensuring Access to Early Intervention for High-Risk Children Birth Through Five in Fresno County: The SMART Model of Care*, April 30, 2004.

students learn the elements of proper conduct, as well as being the center of development for a cohesive series of strategies for improving student conduct and for imposing discipline. It would still handle expulsions, when they become necessary. But it would work very closely with other community agencies, with Special Education, with the Instruction Division (including site principals,) with parent representatives, with Health Services, and with other qualified professionals (behavioral pediatricians and child psychiatrists, for example) in responding appropriately to student and community needs. The office of the Mayor of the City of Fresno, and police representatives should logically be participants.

HEALTH SERVICES

Nothing illustrates the complexity of services which the District provides to students quite as compellingly as Health Services. Long gone are the days when a school nurse places a bandage on a child's scraped knee.

Consider:

- Currently, the District contracts with an outside agency at a cost of nearly \$400,000 to provide a fulltime health aide, LVN, or RN to assist each student who has a tracheostomy and ventilator and who requires this level of care. Other students who have tracheostomies require less assistance and can get by with a fulltime nurse at their school site who is trained in the proper care of a tracheostomy and who serves several students.
- The District has about 15 students receiving catheterization and tube feedings. Some of these children need two or three services each per day. Trained Health Care Assistants help these children. When a Health Care Assistant is absent, a nurse must be called in to assist.
- There are over 100 children in the District with Type 1 Diabetes. The goal is for all diabetic students to be independent, but for the very young or those who are unstable, the nurses are involved every day helping to determine carb counts, assisting with glucometer readings, verifying orders with the parents, training students on proper insulin doses, etc. This also involves detailed training of each teacher and classroom staff to recognize signs and symptoms of hyper and hypoglycemia.
- There is paperwork involved for each student with a special health care need. Best practices dictate that anyone involved with the student should be involved in the development, implementation and evaluation of Individual Educational Plans, Reasonable Accommodations required by law, and Individualized Health Support Plans.
- Health Services officials say that there are 9,372 children in the District who have asthma. More than 2,000 of them are on record as bringing asthma medications to school. Others no doubt bring medication but have not reported this to the school. For

children who are under the care of a physician, asthma management does not impose a burden on school nurses. But for the many who do not receive medical care or who do not follow-through with a physician's recommendations, school nurses play a major role in extensive education.

- Routine health services are provided through a Mobile Health Center, Child Health & Disability Prevention Clinics, and by teams who perform screenings for hearing vision, scoliosis, and dental health.

Health Services in the District are funded through a mind-numbing and ever-changing array of sources, including restricted Medi-Cal, Special Education, Chapter 1, Safe Schools/Healthy Students grant, Pre-School, Children's Center, Migrant Education, First 5, and Parent and Child Education. There is always cause for concern that the State will shorten the list of services for which school districts can receive reimbursement through Medi-Cal. Only 24 of the 73 Health Services personnel are funded through the unrestricted portion of the District's General Fund, and those positions are always vulnerable when the District has to cut its budget.

Statistics abound to illustrate that Fresno's children are poorer and less healthy than their peers in other areas. Tens of thousands of children in Fresno are uninsured. Moreover, due to low reimbursement rates, it is almost impossible to find a pediatrician or family physician who has not closed his or her practice to Medi-Cal, if they ever took Medi-Cal at all. In the absence of adequate prevention and primary health care for children, our schools cannot avoid becoming the front line of health care delivery, often having to address health issues before our children can get to the business of education.

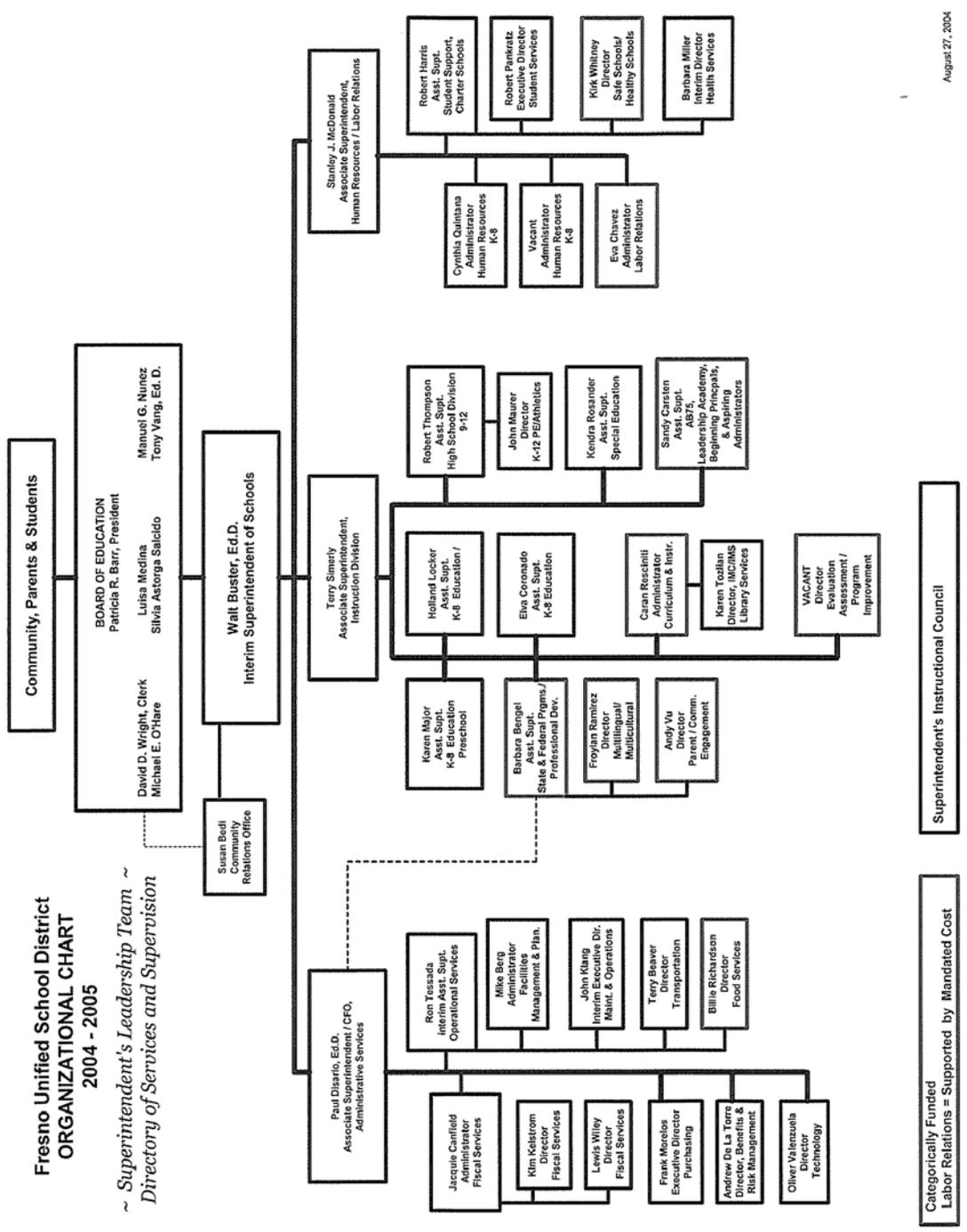
Problem:

Well-meaning people think that when school district budgets have to be cut, there is little harm in reducing school-based health services to children. They should think again. By default, school districts have no choice but to participate in the fractured health care system for children. Otherwise, too many children are absent from school and unable to be effective learners.

Recommendation:

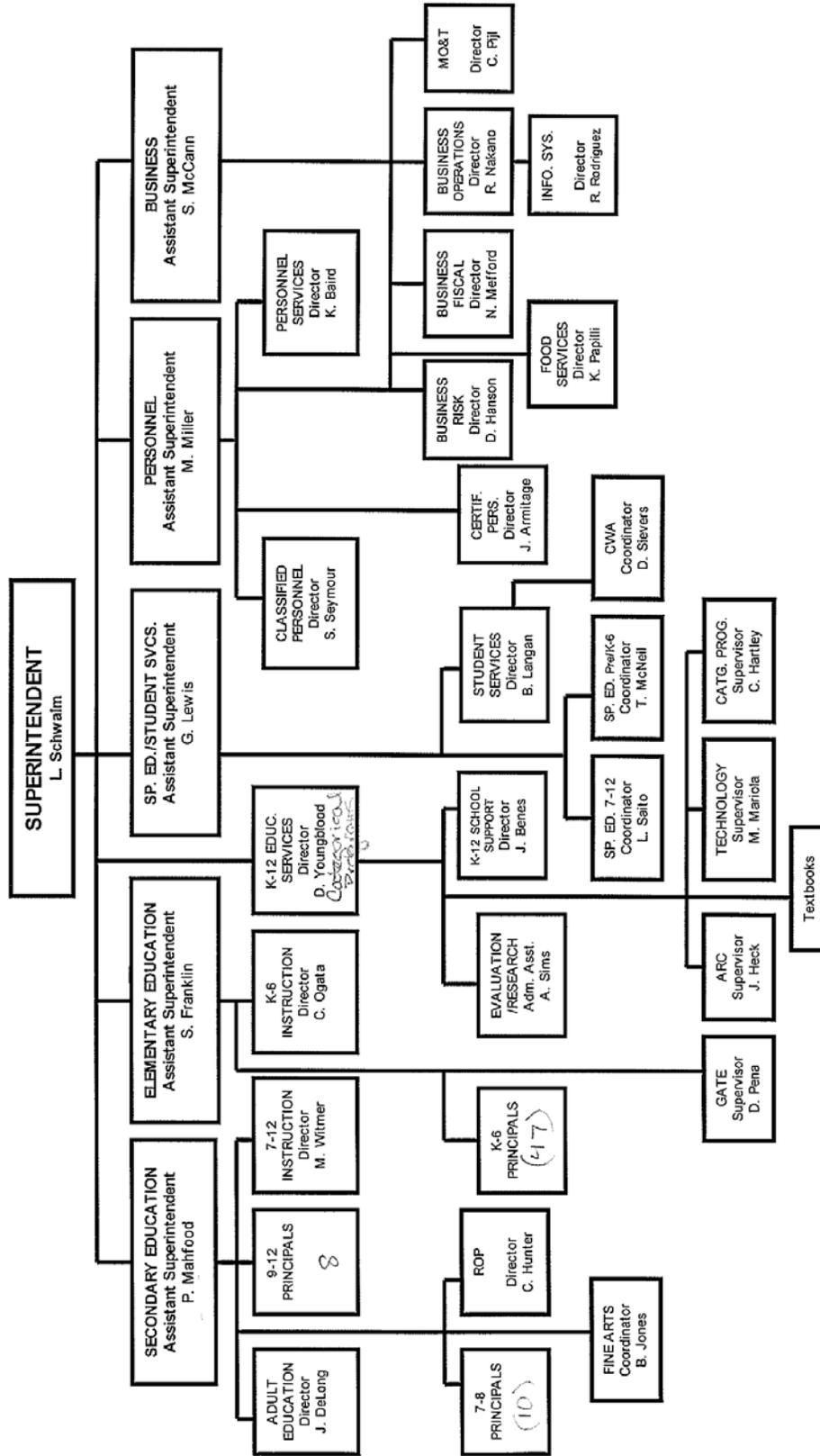
When looking at potential budget cuts, examine the nexus between student health and both attendance and achievement.

I. Organization Charts

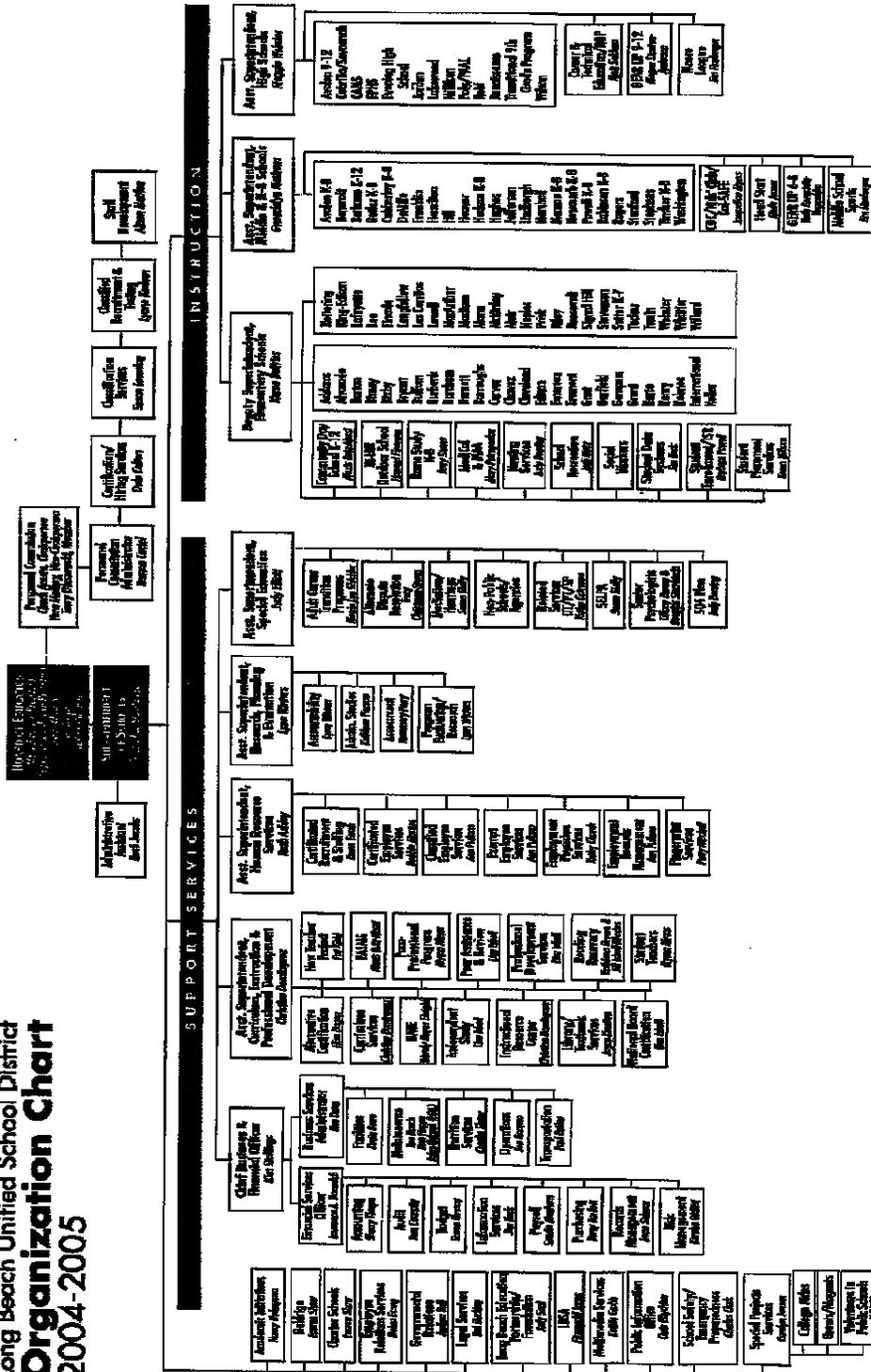


August 27, 2004

GARDEN GROVE UNIFIED SCHOOL DISTRICT
Superintendent's Office



Long Beach Unified School District
Organization Chart
 2004-2005



J. Education Technology Strategy Review

FRESNO UNIFIED SCHOOL DISTRICT Technology Strategic Plan Review

Introduction: FUSD is currently reviewing a comprehensive evaluation of the district's IT strategy and Technology Strategic Plan for 2001. IBM's Business Consulting Services submitted a report to the district dated August 17, 2004 entitled Education Technology Strategic Review. The purpose of the study was to:

- Review existing administrative systems and alignment to the FUSD's educational mission and operational objectives, including the efficiency of these systems to support.
- Examine the integration of administrative and instructional systems across different departments to provide integrated view of data for the district.
- Review the FUSD organizational and technical support for an integrated infrastructure.
- Review initiatives, both current and past, that have come out of the Technology Strategic Plan and evaluate their impact, level of adoption, and success.
- Identification of short term versus long term IT initiatives, which would address known requirements and extend current capabilities to better support FUSD's overall education mission.

Goals of the Study: 1) Improve student learning and performance; 2) Increase effectiveness and efficiency in instruction; 3) Enhance district and site operations to support classroom instruction and management; and 4) Increase parent and community awareness and involvement in the educational process

Preliminary Findings: The IBM evaluation team compared the district's strategic plan with user trends and reported the following positive results:

- Significant progress in equipping schools, particularly those in low income area, with technology resources.
- Growing use of classroom educational software that truly enhances learning in reading and math.
- Progress with implementing a web-based Student Information System (SIS)
- Completion of the GroupWise district wide email roll out.
- Development of the Assessment Information System (AIS) and other successful web resources.

Background: Many organizations are struggling with the same situation that exists in Fresno Unified. Not surprising FUSD's IT portfolio is comprised of a mixture of platforms. FUSD schools have their own funds to spend on technology and do so with minimal consideration for how their school site technology plan relates to the technology plan of another school. Consequently, staff development needs vary and expertise for IT

support is inconsistent. According to the IBM report: “A strategic technology plan is essential for establishing clearly defined goals, gaining stakeholder buy-in, and focusing staff on coordinated efforts that don't compete with each other. Implementing that plan and instituting changes across an organization require leadership, support and commitment.”

“Principal Findings” from the IBM report indicate that FUSD’s technology initiatives are in varying stages of implementation. The top three technology goals identified and prioritized by FUSD are:

- Upgrades to the Student Information System and to the Financial and HR System.
- Consolidation of the two email systems and upgrade of the network operating system
- Acquiring the system hardware and upgrading the network to accommodate the web-based applications.

Current status of FUSD’s technology initiatives:

1. Achieving a 10:1 Student to Computer ratio across the district:

Progress is continuing on this initiative. As funding is acquired, school sites are able to purchase computers for placement in the classroom and computer labs in order to reduce the ratio. However, the majority of the computers are greater than four years old. An overall district replacement program would benefit all of the sites.

2. Secondary PowerSchool rollout, and migration to the latest release of PowerSchool:

PowerSchool (a division of Apple, Inc.) is a web-based student information system. FUSD has used PowerSchool since 2001. Board approval was given to replace the unsupported SASI III system with PowerSchool. The SAMS (School Administrative Management System) project to replace SASI III functionality with PowerSchool is progressing. Fresno High School converted to PowerSchool in Fall 2004. Roosevelt High School will convert in Spring 2005. Today, planning meetings are being held with the remaining secondary sites to decide when to migrate them in order to meet the Fall 2005 goal. Pre-registration for Fall 2005 will be performed on SASI III in Spring 2005. Programming modifications are being done by both the PowerSchool and FUSD Application programmers to provide real-time synchronization with the FUSD Student Records database. This part of the project is progressing as well. Additional information may be obtained at: <http://www.fresno.k12.ca.us/sis/index.html>

3. Mainframe upgrade to the new z/890:

The new z890 Enterprise Server replaced the Multiprise 2000 on August 14, 2004. The z890 processes critical applications and databases related to student records, employee payroll, human resources data and the FUSD budget.

4. Mainframe database upgrade to the current Computer Associates database release (r11):

The CA database was upgraded from r9 to r10. R11 is projected for Fall 2005.

5. ERP system upgrade:

The conversion from CGI-AMS Advantage 2.0 to CGIAMS Advantage 3.4 will occur in two stages. CGI-AMS Financial will convert on July 1, 2005. CGI-AMS HR will convert in January 2006.

6. ePals Student e-mail system:

The first phase of this project will provide 8,000 students with this capability by January 2005. Teacher training is currently being conducted. FUSD policies and procedures are also being modified to support this effort. Additional information on ePals maybe obtained at: <http://www.epals.com/index.tpl>

7. Establishing a standard hardware and software platform:

FUSD currently uses the PC and Macintosh platforms. Standards for each of these platforms have been established and are published on the website. For internal business purposes, the Microsoft Office suite is the standard. Curriculum software decisions are site based. However, the Education Technology Plan will be modified to propose developing a standard for software used in the classroom.

8. Update the Education Technology Strategic Plan:

The plan is being updated. The final version plan was targeted for completion in Spring 2005. However, in order to remain eligible for EETT Competitive Grant funding a draft will be given to the Board at the December 8, 2004 meeting. This Plan is a working document to address future FUSD needs and technological changes.

Table on following page

	Needs and Challenges identified by IBM	IBM Report Recommendations
1	Need for technology leadership at the highest levels of the district.	Establish a Technology Coordinator Establish a Technology Specialist within each major department.
2	Need for organizational changes in management to effectively improve communication and collaboration.	*Establish a configuration Management Group to improve communication and teamwork.
3	Discontinuity/confusion in user support due to lack of cooperation between site-based technology coordinators and the MCS group within Technology Services.	*Benchmark all projects against the technology plan and the district's educational goals.
4	Continued professional development needs for staff lacking proficiency in computer skills	Make staff development a priority
5	Persistence of disparate information systems that house student information in silo databases	Continue to make professional development a priority.
6	Need for online access to district-identified curriculum resources already aligned to standards.	Integrate Silo Systems
7	Expansion of the IT infrastructure to support bandwidth and latency requirements of other goals.	Develop an enterprise web portal to provide web access for newly integrated systems. Build a portal-driven curriculum aligned instructional resources tool for teachers. Develop an infrastructure plan to support increased bandwidth needs.
8		Begin Planning for a district Enterprise Data Warehouse

*indicates recommendations that should be given high priority.

Recommendations: The independent review of the IBM report and the FUSD update indicates that all stated initiatives listed above should be reevaluated, prioritized and either dropped, included in a revised Technology Plan or consolidated with existing efforts. Policies must be updated. Special consideration must be given to systems that facilitate and support data driven decision making through technology. Each of the initiatives has been given a low priority rating pending the development of a district wide technology plan making the development of the plan itself the highest priority. A current district strategy plan with clearly defined goals, objectives, benchmarks, and an implementation timeline coupled with systems to provide technology support, staff development, and cost effectiveness comparisons in the context of the state of the district must be developed.

Task Force Recommendation: Establish an implementation Task Force to: (a) review and update the Technology Strategy Plan in the context of the District goals; (b) recommend implementation steps to the Superintendent; and (c) lead the actual implementation of the plan.

ⁱ William Ouchi. (2003). *Making Schools Work* (p. 12). New York: Simon & Schuster.

ⁱⁱ Peterson, D. "School-Based Management & Student Performance." NASSP ERIC Digest 61 (1991)

ⁱⁱⁱ Hannaway, Jane. (1996). "Management Decentralization and Performance-Based Incentives: Theoretical Consideration for Schools." In Eric Hanushek and Dale Jorgenson, Eds. *Improving America's Schools: The Role of Incentives* (pp. 97–109). Washington, DC: National Research Council.

^{iv} Odden, Allan. "How to Create and Manage a Decentralized Education System." (1998). *New American Schools*. (p. 19).

^v Odden, Allan. "How to Create and Manage a Decentralized Education System." (1998). *New American Schools*. (p. 10).

^{vi} Wylie, Cathy. "School-site Management – Some Lessons from New Zealand." Paper given at the annual AERA meeting, April 1995.

^{vii} Wylie, Cathy. "School-site Management – Some Lessons from New Zealand." Paper given at the annual AERA meeting, April 1995.

Fiscal Crisis Management Assistance Team Report on Fresno Unified School District November 23, 2004

Executive Summary

Fresno Unified School District is the fourth largest district in the state of California. The district serves students in the greater Fresno area in grades kindergarten through 12, plus preschool, charter school, community day school, continuation school, and adult school sites. The student population spans a broad range of ethnic and cultural backgrounds.

The district has confronted the need to make expenditure reductions in the past. A report by School Services of California dated March 16, 2001 noted that unrestricted revenues would drop as a result of lower student enrollment levels and would not be enough to support ongoing expenditure obligations. In addition, staffing levels that exceeded labor contract parameters and the level of general fund support needed for the Peer Assistance and Review (PAR) program were contributing to the decline in district reserves.

The administration and school board did take steps to reduce expenditures, resulting in cuts of \$25.1 million in 2001-02, \$9.7 million in 2002-03, and \$24 million in 2003-04. The final adopted budget for the 2004-05 year (not approved until August 19, 2004) includes \$18.65 million in cuts. Overall, the district reported cuts of \$77.45 million over a five-year period. Additional savings were realized by using flexibility options allowed in the 2002-03 and 2003-04 fiscal years.

The district experienced declining enrollment in the 2003-04 year and projected a decline of 600 enrolled students in the June adoption of the 2004-05 budget. The CBEDS count for October 2003, excluding Bethune Elementary charter school, was 80,421 students. The October 2004 CBEDS count, excluding Bethune, is 79,503 students, a decrease of 918 students. The Fresno County Office of Education is now the sponsoring agency of the charter school. State revenue limit funding allows a declining enrollment district to receive funds based on the higher of the current or prior year ADA, resulting in the fiscal impact of student losses being felt in the following school year.

Historically, the district has experienced multiple changes in the Superintendent and Chief Financial Officer (CFO) positions. There have been approximately 10 superintendents or interim superintendents and 10 CFOs or interim CFOs since 1990. Some of those who held these positions were in them for as few as six months. This has led to a lack of organizational stability in the leadership and oversight of the district's resources, and has been felt most distinctly in the extreme financial difficulties the district is now experiencing.

The Fiscal Crisis and Management Assistance Team (FCMAT) began its review of the district's finances by providing the Fiscal Services department with an extensive document request list that was fulfilled prior to the team's arrival at the district in mid August. In September, the district completed budget revision #1, which FCMAT has used as the base year data for its multiyear projection. The primary calculations of the multiyear projection show increasing deficit spending. In addition, a number of other factors and decreases in funding levels will send the district further into a deficit unless it takes immediate steps to mitigate the effects. These other factors include the rising costs of health premiums for both active employees and retirees, declining enrollment, the rising cost of workers' compensation claims, and the large unfunded liability for health and workers' compensation self-insurance.

The resultant projected shortfall indicated in the multiyear projection for fiscal years 2005-06 and 2006-07 reflects a district in serious fiscal crisis and approaching insolvency. Under AB 1200 and AB 2756, the Fresno Unified School District and Fresno County Office of Education must collaborate to restore fiscal solvency to the district. This will include addressing the increasing level of deficit spending and restoring the projected nonexistent ending fund balance and reserves in the amount of \$35,950,540 in 2005-06 and \$80,415,938 in 2006-07.

As significant as the projected shortfalls may be, the impact to the general fund of other factors will push the budget shortfalls to even more extraordinary deficit levels, depending on the recovery strategies developed by the district and approved by the County Office of Education. The most serious of these unbudgeted factors include:

- The need for the general fund to support the actuarially determined reserve amount for the medical self-insurance plan incurred but not reported (IBNR) claims for active employees in the amount of \$23 million.
- The need for the general fund to service the unfunded liability for workers' compensation claims in the amount of \$41 million.
- The need for the general fund to support the "pay as you go" health benefit costs for active employees and retirees if annual inflation factors are in excess of 15%.

If these factors were required to be addressed entirely in the 2005-06 fiscal year, the resulting budgetary shortfall would increase to over \$100,000,000.

FCMAT has included a copy of the School Services of California Comparative Revenue and Expenditure Analysis report dated November 15, 2004 as Appendix F to this report. This document presents a perspective on the district's financial trends as compared to nine large school districts and 16 unified school districts in Fresno and contiguous counties.

FCMAT analyzed numerous district funds to determine their fiscal status. In the category of special revenue funds, this included: Adult Education Fund #11, Child Development Fund #12, Deferred Maintenance Fund #14, Building Fund #21, Capital Facilities Fund #25, State School Lease Purchase Fund #30, County School Facilities Fund #35, Special Reserve Fund for Capital Outlay #40, and Tax Override Fund #53.

The Adult Education program excels fiscally and in the delivery of quality educational programs. It had a positive ending balance of \$7,315,591 at the close of the 2003-04 fiscal year. Direct and indirect cost calculations should be reviewed to ensure that the maximum possible revenues are being received.

The Child Development Fund will not be able to sustain a positive balance in the future without general fund support if services and staffing levels remain the same.

Because the district has significant deferred maintenance needs, it should continue to fully match the state's deferred contribution.

Appropriate interfund borrowing from the building fund may be necessary to meet the district's cash flow requirements. The district's maximum allowable debt limit is \$335.3 million, with current outstanding debt at \$264 million. However, the district still has \$151 million of its Measure K general obligation bond. The lease-purchase fund can be closed once the Office of Public School Construction (OPSC) has closed out all the district's related projects.

The district has aggressively participated in the state school facilities program. It should explore whether it is eligible for 100% funding through the state's financial hardship program. The district also should immediately refile state school facilities program applications previously rescinded by the OPSC to try to regain the amount originally funded for each project.

A penalty owed to the State Allocation Board for falsifying fund release authorizations should be identified as an expenditure in the Special Reserve Fund for Capital Outlay. The annual repayment amount is \$605,115 for a period of five years.

In the category of enterprise funds, the district has only Cafeteria Fund #61. The cafeteria fund balance has continued to grow over the five-year period reviewed by FCMAT.

The district's internal service funds consist of Self-Insurance Fund #67 (medical-post retirement benefits, property and liability, workers' compensation, and a defined benefit plan). Each of these funds is intended to be self-supporting. However, an actuarial report issued in September 2004 shows that the district has an unfunded prior liability of \$807,928,949 for its medical-post retirement benefits, and a total gross liability of more than \$1.1 billion. Eventually, the district's net assets could be entirely enveloped by this liability.

In addition, based on the district's October 2004 actuarial report, the district will need to devise a multiyear plan to service the unfunded liability for workers' compensation claims of approximately \$41 million as of June 30, 2004.

The accounting manager tracks cash flow regularly. If the district receives its June apportionment on time, FCMAT projects a positive balance at June 30, 2005. If the apportionment is deferred until July, as in the previous two fiscal years, there would be a negative \$10.9 million cash balance in the general fund for approximately five to 10 days until the deferred apportionment is received. The district should ensure that cash projections are updated on a frequent basis as available general fund cash balances decline.

Secondary schools in the district appear to have large numbers of low-enrollment classes. Some of these classes are very specialized or advanced, and might be more appropriately offered through a local community college. Based on the negotiated agreement with the teachers union, site teaching staff numbers are determined from student enrollment. An analysis to consider the fiscal impact of setting minimum class sizes should be discussed. During negotiations, the actual enrollment periods that will be used to determine staffing levels should be identified.

Curriculum and instruction administrators and fiscal services staff should work with secondary school principals to determine whether classes offered outside the traditional six-period day are financially viable.