

February 21, 2007

To: Members of the Board

From: Tom Bishop

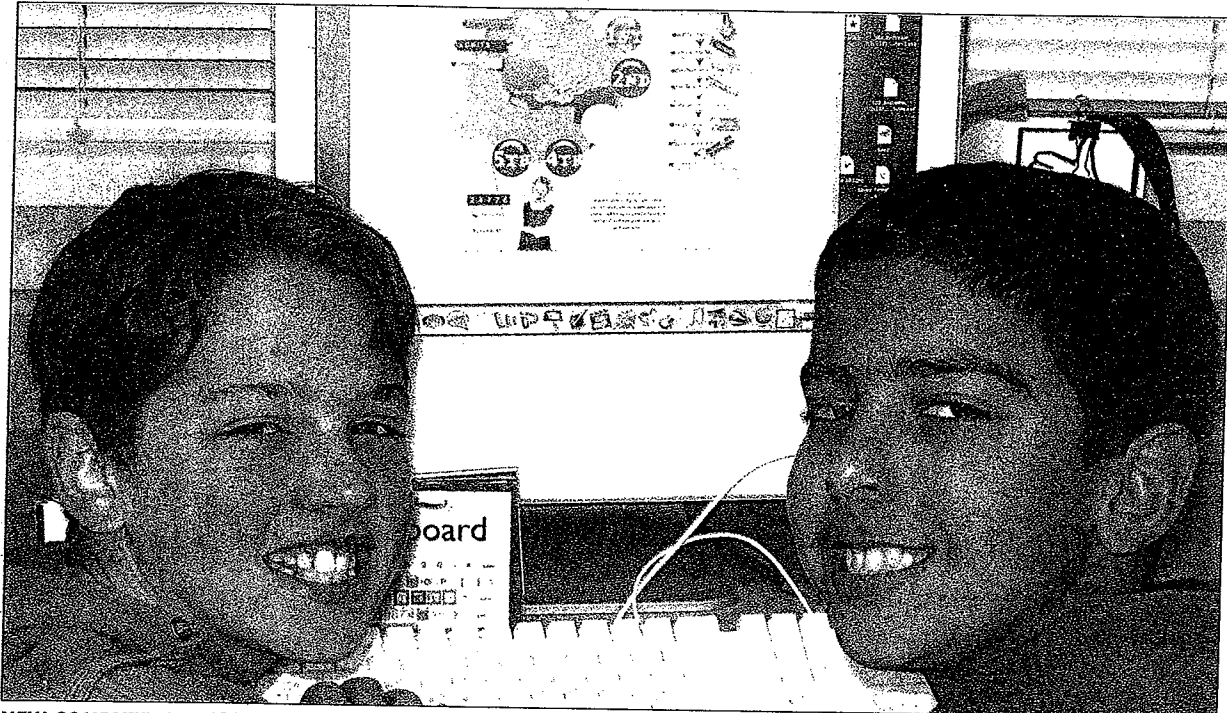
Subject: Article of Interest

Attached is the following article of interest:

- 11.1 *"School overhauls tech lab – Village Voice, Carmel Valley News, January 26, 2007*
- 11.2 *"Fathers roll up their sleeves and dig into childrens' lives" – Del Mar Times, January 26, 2007*
- 11.3 *"Computer lab acquires new equipment" – Del Mar Times, February, 8, 2007*
- 11.4 *"Plan to boost fire protection would use schools' tax funds" – San Diego Union Tribune, February 21, 2007*
- 11.5 *"Elementary students cautioned about the poisons of prejudice" – San Diego Union Tribune, February 21, 2007*
- 11.6 *"Legislative Analyst Releases Budget Forecast/Recommendations", CASBO Newsbreak, February, 2007*

RECOMMENDED: For Information Only.

11.1 – 11.6



**NEW COMPUTERS** - Fifth-graders Allen Brown (left) and Anmol Dhaliwal (right) using one of the brand new iMac computers at Sage Canyon Elementary. *Photo by Janese Swanson*

# School overhauls tech lab

By Jeff O'Brien  
STAFF WRITER

CARMEL VALLEY — At Sage Canyon Elementary School, it's easy to tell that the brand new computers are a hit with the kids.

During recess, the computer lab is filled to the brim with students. Some even have to wait in line to work on projects.

"These computers are awesome," said sixth-grader Nir Solomon. "There are so many cool things you can do. One of the new programs allows you to take your image and use it for creative stuff. Everyone looks forward to coming to the computer lab."

The kindergarten through sixth-grade school, which houses approximately 780 students, received 28 new Apple iMac computers last month thanks to a one-time state block grant paired with additional funds from the school district.

According to Janese Swanson, technology teacher at Sage Canyon, the new iMacs are much faster and have more hard disk

space than the previous machines. The 30 eMac computers that were formerly in the lab have been relocated to classrooms, thus increasing access to technology for all of Sage Canyon's students.

Swanson said students can now use graphic-intensive programs to create movies and edit digital photography.

"The kids are really enjoying it, and recess is a big indicator," she said. "The line grows pretty fast."

A recent research project for fourth-graders combined hands-on artwork with online multimedia. Each student selected a particular animal, wrote a research project to learn about it and used a digital camera to create a "claymation" film of their animal that was put into a Quicktime movie.

Gov. Arnold Schwarzenegger's 2006 fiscal year budget contained funding for public education, and \$71,000 went to the Del Mar Union School District in the form of a discretionary block grant. The money was allocated equally

among the district's seven schools.

However, the grant could only be used toward instructional materials, classroom supplies and educational technology. All seven schools in the district utilized the funds to upgrade their computer labs.

"It was very clear what we could spend the money on," said Peg LaRose, principal at Sage Canyon. "For instance, we couldn't put any of it toward salaries or benefits to hire someone. It had to be spent on tools or supplies to enhance educational programs."

LaRose collaborated with her teachers and the school site council, and they decided that the best way for their school to expend these funds was to upgrade the technology lab.

Sage Canyon also received additional funding from the Del Mar school board.

"The board decided that if your school used the funds to upgrade your existing computer

TURN TO LAB ON 10

11.1

CONTINUED FROM 1

lab, they would match you dollar for dollar," LaRose said. "So, by us choosing to buy 14 new computers, they provided funds to add another 14."

The 28 new iMacs were delivered to Sage Canyon just before Christmas break, with workers from the district's technology department hooking them up and installing the necessary software. LaRose said that the computer delivery marked the third

upgrade to the technology lab since it was first opened in September 2000.

According to LaRose, some of her students actually took the lead in relocating the old equipment to other areas of the school.

"They made sure that all the wireless networking was set up for the old computers, and I'll tell you what, these 11-year-olds are more tech savvy than us adults," she said. "They are really good at troub-

leshooting and setting up the networks."

The school also received 12 new multimedia carts, thanks to funding from the Sage Canyon Parent Teacher Association.

According to LaRose, whether a child is creating a graph, doing Internet research or downloading a video for a project, the newest technology helps to enhance the educational process.

First-graders are studying mathematical formulas using Microsoft Excel, and even kindergartners are quickly learning how to point and click with a mouse.

"When those tools are the most cutting edge, with quick speed to process work, it really benefits us," LaRose said.

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# Fathers roll up their sleeves and dig into childrens' lives

By Karen Billing

It was definitely not a normal lunch hour Jan. 16 at Torrey Hills Elementary School.

There were fathers in ties having lunch with students. Men with an obvious height advantage could be spotted on the playground playing a game of basketball.

Welcome to Bring Your Dad to Lunch Day, a lunchtime event created by the school's Dad's Club, a group seeking to involve fathers more in their children's school lives.

About 400 dads showed up for the Tuesday lunch. Lots of laughter, smiles and hugs spread all around.

"Anytime we can have parents at our school is wonderful," Torrey Hills Principal Gary Wilson said.

Most area elementary schools have Dad's Clubs including Del Mar Heights School, Del Mar Hills Academy and Sage Canyon Elementary, which also held a Dad's Lunch last week.

The Torrey Hills School chapter was started three years ago by the Granddad of Dad's Club, Bruce Kahn. Kahn had done some research showing what kind of impact parents can have on their kids by becoming more involved.

"The most important thing you can do is dedicate your time," said Ted Barduson, who now heads up the group with fellow dad Brian Spain.

By being an active presence in their kids' lives, dads can tackle small issues that erupt before they become bigger ones as the kids get older, many say.

Barduson and Spain joke that they came to their positions after a long political road. In reality, the Dad's Club is very casual. It hosts a Web site. Other concepts and information are sent out via e-mail to the other dads.

"It's a big success," Spain said, referring to Internet connections. "We get a lot of feedback."

The club's staple is these dad lunches, which are scheduled a few times throughout the school year. A glance around the lunch tables and playground told the story: the event seemed to be a success.

Brad Dominak sat across the table from his first grade daughter Isabel, her small legs tucked underneath her to give her more height to hear what her dad had to say.

"My daddy brought it for me," said Isabel Dominak with obvious pride in her "Happy Meal" lunch.

Special lunch deliveries are definite-



KAREN BILLING

Torrey Hills students enjoy having some dads on campus. Left to right, fifth-graders Kathryn Page, Shelby Barduson, Erin Amyer, Sonja Spain and second-grader Chiara Spain. Dads in back are Dad's Club leaders Ted Barduson and Brian Spain.

ly a highlight, but the kids also appreciate dads taking time to be with them.

"It's important to spend time with parents more than just at home," said fifth grader Sonya Spain, Brian Spain's daughter.

It's important for the parents, too, as

they can see what life is like at school for their youngsters. As most parents know, when a kid gets home from school they don't exactly bubble over with information about what their day

SEE DADS, PAGE 29

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## Community

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### DADS, FROM PAGE 26

was like. This lunchtime event gives the dads a valuable sneak peak.

"I get to see her in her natural environment with her friends," said dad Frank Malcangio, who was enjoying lunch with his third grade daughter Talia. Talia reported she planned to beat her dad in a game of dodgeball or handball later.

Besides lunches, Dad's Club also organizes a dad's day in class, where dads come to their child's classroom for about an hour. Some teachers will teach

a regular lesson. Sometimes, teachers will take advantage of the dads' presence in school.

Barduson said last year each dad was invited to share what school was like when they were in the grade that their kids are in now. He said it was a great opportunity for the kids considering their dads grew up in places all over the world such as Africa, the Middle East and Asia and had very interesting and different experiences in their fifth grade years.

The Dad's Club also hosts a field day and barbecue at the end of the year and

an astronomy night camp-out. The camp-out is held on the Torrey Hills school grounds. The North County Astronomy Club helps the group put on the affair by bringing master telescopes that can see 500 feet above the moon.

"It's unbelievable," Barduson said.

"Last year we could see the rings of Jupiter," Spain added.

A new thing the Dad's Club is trying this year is a sport stacking club.

Sports stacking has recently gotten some play on ESPN. It's a sport of trying to stack cups in different formations in the fastest amount of time. The fastest

times to stack certain formations are under three seconds. The kids who have tried it so far are at about 10 seconds, Spain said.

Dad's Club holds its first stacking meeting next week. About 40 kids signed up to participate.

Spending the lunch break with their children is something the dads seem to cherish. Barduson and Spain were anxious to get back to playing with their kids.

"It's fun to have my dad to come once in awhile," said Barduson's daughter, Shelby, a fifth-grader.

# Computer lab acquires new equipment

By Karen Billing

The pitter-patter of little fingers on computer keyboards can be heard daily in the Ashley Falls School's technology lab.

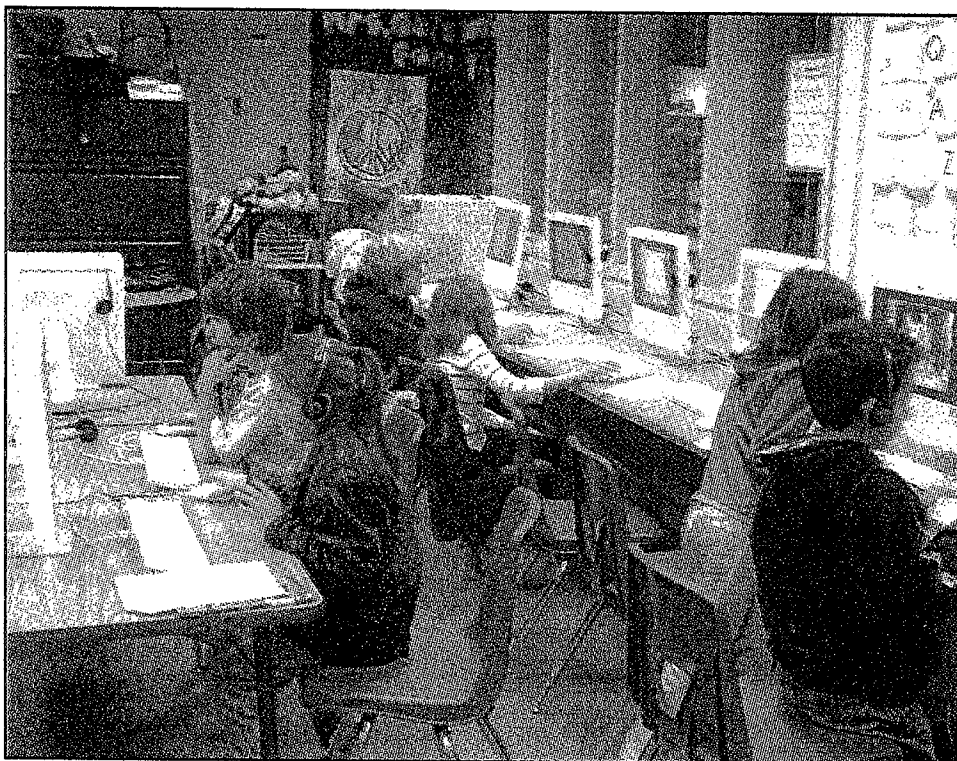
Students are clicking, and clacking, in a lab now housing 28 brand spanking new computers. They are clean and white, 17-inch, flat screen iMacs.

"Having a computer lab, and having access to technology, is a tremendous resource," said Ashley Falls extended studies technology teacher Julie Geisbauer. "We're lucky enough to have kids on computers as soon as they walk in the door, as young as kindergarten."

Ashley Falls was not the only school in the Del Mar Union School District to receive new computers. Each of the district's seven schools received the gift of technology just before the holiday break last December. Half of the money for the new computers came from a state block grant while each school's site council matched the other half.

Students come into the lab to work with their teacher during class or independently of their teacher with Geisbauer leading the way. Geisbauer instructs the kids based on the state and national technology standards.

"I start typing skills as young as kinder-



KAREN BILLING

Students in Cindy Crew's fourth-grade class at Ashley Falls work on the 28 new computers in the school's technology lab.

garten," Geisbauer said.

Computers are part of student instructional life. For example, sixth grade students are studying China, said Geisbauer, so when they come to the lab she helps them research on the Internet for a paper on China and also teaches them how to make a power point presentation.

Another class went on a field trip, taking pictures of their adventure. Then, they came to the lab and learned how to create a movie with pictures of the trip.

Computer games are not often played in the lab—"I don't want it to be an arcade," said Geisbauer — although students sometimes play games incorporating

spelling or typing skills, or educating in math skills.

Cindy Crew's fourth graders were hard at work in the lab last week. Students were learning about California missions. They worked on writing a paragraph about the mission they have selected to research. Student eyes were fixed on their screens, headphones over ears, as they were hard at work.

"Today they are learning word processing skills, transferring data, spell check," Crew said, "and that's just in a 20 to 30 minute lesson. It's great."

Crew walked around the classroom, saving students' work to a flash drive, which

is a small portable hard drive. Crew looked at each student's progress, noting what needed to be edited. In another class period, students look at their teacher's notes and make corrections.

This is advanced technology — elementary school style.

When the kids finished their work, they were able to play on a Mac program called Kid Pix.

"It's a crazy program," Geisbauer said. "It's so cool. It's endless possibilities."

Kid Pix allows students to free draw, use templates and alter digital photographs.

"Cool! A brick wall," said fourth grader Katie Nelson as she built a wall around a photograph of a child. Other students drew extra hair on the child's head or painted in glasses.

Nelson demonstrated art was easy to create, using a spray paint tool and one that spits out colorful bubbles.

Kid Pix creations were posted on the walls of the computer lab. Kindergartners had created snowmen. Fourth graders created explorer galleons to go along with their explorer studies.

"They're learning so much and they've got a great computer teacher," said Crew, emphasizing how organized Geisbauer keeps the lab.

Ashley Falls' computer lab has been a fixture at the school ever since it opened in 1999. Before the new computer's arrival, the lab was fully stocked, but with older models. The old lab computers have now been distributed to each of the school's 25 classrooms, Geisbauer said.

Each classroom has two, or three, desktop computers. The entire school is linked to a network, so work started in the lab can be completed in the classroom.

In addition, Ashley Falls also has a laptop cart that teachers can use in the classroom. There are 20 laptops available for the students' use.

## Plan to boost fire protection would use schools' tax funds

*SAN DIEGO UNION-TRIBUNE* 2-21-07  
 By Chris Moran  
 STAFF WRITER

in El Cajon.

A plan to provide better medical rescue and fire protection to the county's backcountry is being eyed with suspicion by education leaders who fear it may come at the expense of students.

County Supervisor Dianne Jacob wants to pay for more firefighters in remote areas by using money from schools, and she hopes the state will fill any resulting school funding hole.

The San Diego County School Boards Association has invited representatives of all 42 local school districts to a meeting tonight in Linda Vista to learn more about Jacob's proposal and to plan a response.

Association leaders worry the school money won't be replaced. Fire protection is in a bind, they suggest, because the county has chosen to spend fire and public safety money on prosecutors and sheriff's deputies instead of firefighters.

"It seems to me that they're finding it easier to take money away from schools than from the Sheriff's Department," said Barbara Groth, president of the association board and a member of the San Dieguito Union High School District board.

Jacob, who represents East County on the Board of Supervisors, has championed improved fire protection for the backcountry with increased urgency since the 2003 Cedar fire destroyed more than 2,400 homes.

It's not just a backcountry issue, Jacob said. Improved firefighting will stop the spread of a regional inferno like the Cedar fire. More rapid medical response might save the lives of coastal residents who hike in the Cuyamacas, stop for pastries at Santa Ysabel or attend the Mother Goose Parade

The Legislature decides how property tax money is distributed within each county, Jacob said, and schools claim a much higher proportion of property tax money in San Diego County than in other counties. Jacob wants the state to help correct what she sees as an imbalance by shifting local tax money and covering whatever schools lose.

Her legislative proposal, which she expects will be introduced by Friday's deadline for new bills, would shift 1 percent of local property tax money — about \$32 million — from schools to fire protection. Jacob would not say who is sponsoring the legislation because she wants the announcement to come from the lawmaker.

Jacob said the bill will call for the state to cover the money the schools lose.

"I would never bring anything forward that would hurt schools and harm children in any way," said Jacob, a former elementary school teacher and school board member. She is also an inductee in the county school boards association's hall of fame.

Jacob has been a supervisor since 1992 and ran unopposed in her last re-election in 2004.

The school board association is a network of elected officials representing the county's 42 school districts responsible for educating nearly 500,000 children. Part of the organization's mission is to advocate public policy that promotes opportunity for students.

Even small reductions in funding can have significant effects on education, Groth said. For example, San Dieguito has recently increased class sizes in ninth and 10th grades from 20 students to more than 30 to save about a million dollars a year, she said.

# Educators will fight plan to shift funds

Idea would move money to rural fire agency

SHAYNA CHABNER  
STAFF WRITER

SAN DIEGO — Local school board leaders from districts across San Diego County said Wednesday night that they will fight for education funds and that they question a proposal to shift a portion of the county's property taxes from schools to a centralized rural fire agency.

Several dozen school board presidents, vice presidents and representatives from the county's 42 school districts gathered at a San Diego School Boards Association meeting in San Diego to hear more about the proposal and discuss the impact it would have on students.

"Lawmakers need to understand how schools feel on this issue," said Sharon Kudder, president of the Encinitas Union School District school board. "We cannot allow this to happen."

The plan, which has been discussed by leaders including county Supervisor Dianne Jacob for several years, would reallocate a portion of the property tax revenues that currently go to local schools to the creation of a unified rural fire agency.

The county spends about 63 cents of every local property tax dollar it gets on education. The proposal would take a couple of those cents and put them toward the merged agency, generating about \$112 million a year, Jacob has said in the past.

At the same time, Jacob asserts that the shift in funds would not harm local schools because the state would be required by law to cover the extra portion.

Proponents of the merger say that by bringing the 28 rural fire agencies under one department they will improve fire services with unified command and training, and increase the department's abilities to tackle situations like the 2003 Cedar and Paradise wildfires that killed 16 people and destroyed more than 2,400 homes.

Merging the 28 agencies would cost between \$22.2 million and \$447.6 million more a year than the \$22.6 million that those agencies currently spend.

But educators at the meeting said they would not trust the state to pick up the bill and that local school districts would see their budgets tightened if the proposal went into effect.

Kevin Gordon, a lobbyist for the association in Sacramento, said the proposal does not fully grasp the state's requirements for distributing school funding and that as the economy fluctuates in coming years, those funds would be tightened.

"Whenever there is a threat to school money by an individual or group that is naive about how our funding works, it needs to be addressed," Gordon said, noting that if the proposal was passed, it could open the doors for other counties to request more money also.

A result, he said, that many lawmakers will be weary of them and will most likely steer them away from supporting the proposal.

North County  
Times

Jacob said earlier this month that a lawmaker whom she declined to name, will bring the proposal the floor before Friday, the final day to introduce legislation in this session.

In the meantime, board members left the meeting Wednesday night with resolutions to bring back to their districts that outlined their opposition to the proposal on the grounds that would strap local school districts and does adequately address either the issue of funding education or fire services.

"We need to start somewhere, and this was a start," said the association's President Barbara Groth, who added that the evening's goal was to get districts talking about the issue and looking at its effects.

# Elementary students cautioned about the poisons of prejudice

SAN DIEGO UNION TRIBUNE  
By Bruce Lieberman 2-21-07  
STAFF WRITER

As a child of Mexican descent growing up in San Diego in the 1960s, Richard Kiy said he was ashamed to speak Spanish.

Marcella Lee, a TV news reporter for San Diego's CBS affiliate, KFMB, fought assumptions that Asian women are too timid for journalism.

Leslie Nelson, who has used a wheelchair since surviving a traffic accident in high school, endured social isolation as teenage friends dropped away.

Each adult on the panel yesterday at Torrey Hills Elementary School near Carmel Valley had a story to tell. By the end of the morning, students had heard how the poison of prejudice can inflict personal wounds that never really go away.

"These are just little things that you remember as you grow up, through the years," Lee said. "You think back and wonder how people could make a judgment about you by just looking at you. But it does happen."

SEE **Prejudice, Page 3**

## ► PREJUDICE

CONTINUED FROM PAGE 1

### School 'beautiful mix' of cultures, a panelist says

The speakers were brought to the school by Ariella Leeder, a teacher at Torrey Hills who is trained in an international educational program called Future Problem Solvers. The curriculum challenges young people to think critically about big issues of the day.

Among the issues are the state of fundraising and charity in the United States; how people can better protect national treasures and monuments; society's obligation to care for the elderly; privacy in an age of terrorism; and the persistent scourge of cultural and racial prejudice.

"It's a topic that I'm really passionate about," Leeder said of teaching young people about prejudice. "The place where you can make a difference is this age."

The message appears to be getting through.

Eric Nicolas, 11, said it is hard to understand why some people incriminate all Muslims for the 9/11 attacks.

"I thought it was startling how just a few people can change the viewpoint on how the whole world thinks about (Muslims)," Eric said.



Ariella Leeder, (left) a teacher at Torrey Hills Elementary School near Carmel Valley, introduced a panel of speakers during an anti-prejudice program yesterday. Dan Trevan / Union-Tribune

Torrey Hills is an ethnically diverse school, with 57 percent of its students white, about 35 percent Asian and the rest Latino, black and from other ethnic groups.

"What a beautiful mix," said Aboo Nasar, a doctor and Torrey Hills parent who spoke on the panel yesterday. "If you look beyond the horizon, you can see what America is going to be in 20 to 30 years. It's going to be a beautiful melting pot."

During the panel discussion

yesterday, Christine Vaughan, public relations coordinator for Interfaith Community Services in Escondido, brought two girls up to the front to illustrate a point about homelessness.

Imagine that both girls are adults and fast friends, she told their classmates. Then they both lose their jobs. One of them falls back on her parents to get back on her feet. The other has no family in town, loses her apartment and is forced to live in her car.

As the circumstances of each person changes — one for the better and the other for the worse — Vaughan told the girls to step away from one another.

"When you think about someone who's homeless, who literally has nothing — add the additional stigma and comments we then make about these people," Vaughan said. "They can't help but to be further pushed down the line."

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 CASBO  
**newsbreak**

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## **Legislative Analyst Releases Budget Forecast/Recommendations**

By Sandra Silberstein, CASBO Director of Governmental Relations

Earlier today the Legislative Analyst's Office released its in-depth budget forecast and analysis of the administration's 2007-08 budget proposal. In concert with her initial findings in January, Legislative Analyst Elizabeth Hill reaffirmed her contention that the governor's budget plan is not balanced because it over-projects revenues and relies on budget balancing solutions that are unlikely to yield the projected revenues.

With regard to Proposition 98, the LAO notes that Proposition 98 is funded above the minimum guarantee in the current year, and goes on to identify current year savings/over-appropriations that could be captured and redirected to non-98 purposes, thus producing savings to the general fund and reducing the Proposition 98 minimum funding requirement for the 2007-08 budget year.

The LAO recommends the Legislature take the following key actions with regard to the education budget:

- **Reduce Proposition 98 spending in both the current and budget years by identifying current year program savings/over-fundings and redirecting those dollars to non-98 purposes;**
- **Reject the governor's child care shift proposal, reserving the option for use in future budget years;**
- **Reject the governor's controversial home-to-school transportation proposal;**
- **Adopt an alternative, more limited school transportation cost shift proposal designed to reduce Proposition 98 spending in the current year and reduce the minimum guarantee in the budget year;**
- **Direct any new funding to mandate reimbursement and repayment of prior year deferrals, rather than new programs; and**
- **Provide more local flexibility to school districts participating in the new Quality Education Investment Act Program (QEIA).**

It is important to note that the Legislative Analyst's budget recommendations are just that – recommendations. The LAO's analyses are generally accorded high regard and consideration given the office's stature as an independent body with a history of solid, non-partisan, and objective policy and budgetary analysis. However, in the end, it is left to the Legislature and the administration to negotiate through the budget process which, if any, of the LAO proposals are considered or included in the final budget.

The following provides a brief overview of the LAO's key findings and recommendations:

### **General Budget Findings/Economic Forecast**

The LAO forecasts that California's economy will continue to expand in 2007, but at a slower pace than 2006. The downside risks relate to how energy prices behave and the unknown effects of the current

housing market stabilization. The LAO also projects that revenues will fall below the budget forecast for the current and budget years combined by about \$2 billion, primarily due to weaker personal income tax projections.

The LAO also finds that:

- The governor's 2007-08 budget plan would result in expenditures exceeding revenues by \$2.6 billion, leaving the state with a \$726 million year-end deficit, rather than the \$2.1 billion positive reserve estimated by the governor.
- Under the governor's plan, the state would continue to have out year operating deficits estimated at \$3.4 billion in 2008-09, \$2.5 billion in 2009-10, and \$1.4 billion in 2010-11.
- Balancing the 2007-08 budget will require additional legislative considerations beyond those recommended by the governor, including program cuts, tax increases and/or reduced supplemental payments toward paying off the state's deficit bonds.

### **K-12 Education: Current year Proposition 98 savings identified**

Based upon the LAO's lower state revenue forecast for the current year, the Analyst finds that the 2006-07 minimum Proposition 98 guarantee is \$609 million lower than is currently funded under the 2006-07 state budget. In addition, the LAO forecasts a Proposition 98 minimum guarantee that is \$261 million higher in 2007-08 than the governor's budget projected.

Accordingly, the LAO is recommending that the Legislature reduce current-year Proposition 98 spending "*in areas that would have minimal impacts on programs,*" but would result in a lowering of the Proposition 98 minimum obligation for the 2007-08 budget year.

Specifically, the LAO recommends the Legislature move to recapture the following Proposition 98 current year savings – identified as current-year "over funding" – in selected programs:

- \$41.7 million in special education savings, tied to lower student population growth.
- \$100 million in community college growth savings due to lower growth needs.
- \$35.2 million in child care program savings due to the late/lengthy process for implementing the preschool expansion included in the current year budget.
- \$33.1 million in community college "over cap" funding that was double-budgeted in the current year.

The LAO also recommends that the Legislature redirect to non-98 purposes about \$69 million in current-year savings that the governor proposes to use for the following programs:

- \$50 million to expand the low-performing school enrichment program in 2007-08.
- \$10 million for a new Encorps program to train retirees to become teachers.
- \$9 million for equipment, curriculum development and other enhancements for nursing programs in the community colleges.

### **Reject School Transportation Shift; but Consider One-Time Use of PTA Funds**

Due to "legal and policy" concerns, the LAO recommends the Legislature reject the administration's proposal to shift \$627 million in school transportation funding from Proposition 98 to the Public Transportation Account (PTA), with the related rebenching of the Proposition 98 minimum guarantee by a like amount downward. Citing concerns over the policy precedent, the constitutionality of the proposal, and the likely insufficiency of the PTA funding source, the LAO rejects the governor's shift.

However, the LAO does recommend a related proposal – one designed not to address the chronic under-funding of school transportation, but to reduce current year Proposition 98 spending and thus reduce the minimum guarantee in the budget year. In brief, the LAO offers an alternative to direct a smaller portion of PTA monies (\$300 million) on a one-time basis to support the Home-to-School Transportation program in 2006-07. Under this proposal, the Legislature could reduce Proposition 98 spending by a like amount, still meet the lower minimum guarantee for the current year, and produce ongoing savings to the state general fund, by lowering the Proposition 98 obligation for 2007-08.

### **Reject Child Care Shift**

The LAO rejects the governor's proposal to shift the remaining \$269 million in Cal Works Stage Two Child Care costs under Proposition 98, not because of any policy concerns about that proposal, but because the Analyst believes that under her lower revenue forecast there will not be sufficient funding under Proposition 98 to fund that cost and still provide base funding (COLA and growth) across all programs. The LAO goes on to recommend that the Legislature not adopt the child care funding shift, but to leave the option open as *"a viable budget solution in future years"*.

### **Pay Mandated Costs/Deferrals First**

While the LAO does not project additional dollars materializing, the Analyst does recommend that, should any new funds become available, the Legislature place a high priority on paying for the ongoing cost of state-mandated local programs and reducing the level of prior year deferrals.

### **QEIA Reforms Recommended**

The LAO recommends the Legislature consider the new Quality Education Investment Act Program (QEIA) a pilot program – and build on its "existing experimental features." The Analyst recommends allowing schools to self-select one of three reform strategies and then fund an independent evaluator to assess the performance of the groups over the seven-year life of the program. The three reform options recommended would see one group of schools adhere to the existing QEIA program requirements and implement CSR in grades 4 through 12, a second group would be required to hire the same number of teachers as under the QEIA program but be allowed to deploy these teachers as it thought fit, and a third group would be exempt from most QEIA requirements, instead using QEIA funds for any teacher quality initiative – including new teacher recruitment or retention programs, compensation bonuses, enhancements to working conditions or additional professional development opportunities.

### **Career Technical Education (CTE)**

The LAO raises concerns about the governor's budget proposal to direct an additional \$52 million to community colleges to coordinate with K-12 for expanded career education opportunities. The Analyst opines that the proposal provides little direction about the larger purpose of these grants or what the state expects the grants to produce. Instead, the LAO recommends focusing most of the new funding at the regional level accompanied by a clear statement of what the state hoped to accomplish through the program and a set of performance measures. The LAO recommends that a system of local grants supplemented with supportive state agencies provides the Legislature with the best opportunity to make a permanent improvement to CTE throughout the state.

### **LAO: Significant Future Increases in Proposition 98**

The LAO continues to project a five-year Proposition 98 forecast that shows increases significantly beyond those needed to maintain current program funding adjusted for COLA and growth. And the LAO continues to call for using this coming opportunity to develop *"a long-term roadmap for K-14 education over time, to establish long-term funding priorities, coordinate investments, and maximize*

*potential benefits by linking new monies with policy improvements.”*

The LAO recommends the Legislature focus future increases to addressing the achievement gap through expansions and improvements in child development programs and programs for at-risk youth. The Analyst also calls for priorities for future funding to focus on strengthening the assessment and accountability systems for those two programs in particular, and setting aside a significant portion of new discretionary funds for fiscal solvency block grants to help districts address their retiree health benefit unfunded liabilities.

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