

INITIAL STATEMENT OF REASONS

Section 1859.2. Definitions.

Specific Purpose of the Regulation

To provide the meaning of additional specific words and terms that are essential to these regulations.

Need for the Regulation

It was necessary to make minor non-substantive changes to update references to the Education Code (EC) and the correct sections of the Enrollment Certification/Projections (Form SAB 50-01). Also, it was necessary to provide definitions for specific words and terms that are used extensively in these regulations as it eliminates the need for restating definitions at every instance of use.

“Approved Application(s)”: It was necessary to update the revision date for the Form SAB 50-01 from “04/07” to “06/08” because changes have been made to the Form. This will assure that applicants submit the most current version of the Form for consistency and uniformity of the SFP Regulations.

“Committee.” It was necessary to correct the citation to Education Code Section 17070.15 from “(e)” to “(d)” because the definitions in that code section were re-lettered by law.

“County Fund.” It was necessary to correct the citation to Education Code Section 17070.15 from “(j)” to “(e)” because the definitions in that code section were re-lettered by law.

“Department.” It was necessary to correct the citation to Education Code Section 17070.15 from “(d)” to “(f)” because the definitions in that code section were re-lettered by law.

“Fund.” It was necessary to correct the citation to Education Code Section 17070.15 from “(i)” to “(g)” because the definitions in that code section were re-lettered by law.

“Form SAB 50-01”: It was necessary to revise this definition in order to update the Form’s revision date because the form has been changed, and to incorporate the High School Attendance Area Residency Reporting Worksheet required for school districts reporting High School Attendance Area (HSAA) pupil residency data. The Worksheet is incorporated by reference to carry out the purpose of AB 1014, to ensure accurate eligibility calculations, which ensures the accurate apportionment of State school bond funds.

“Linear Regression”: It was necessary to add this definition to accommodate the proposed analysis needed for the use of modified weighting mechanisms. It was determined that this was the best mathematical model to implement the required AB 1014 enrollment projection amendments.

“Non-Severely Disabled Individual with Exceptional Needs.” It was necessary to correct the citation to Title 34 Code of Federal Regulations from Part “300.5” to Part “300.8” because the applicable definition had been re-numbered in that Code.

It was necessary to add "Proposition 1D" to these definitions (the Kindergarten-University Public Education Facilities Bond Act of 2006) because it is a major source of funding for the School Facility Program, and to give continuity to this section because each of the previously approved funding Propositions is already listed here.

"SFP New Construction Account." It was necessary to add the words "Education Code" before Sections 100620(a)(1) and 100820(a)(1), in order to refer to the applicable California Code. This is a non-substantive correction of inadvertently omitted words.

"Small School District": It was necessary to modify this definition in order to update the references to parts of the Form SAB 50-01 because the form has changed, and to capitalize the term "Special Day Class" because it is a defined term in these regulations.

"Zone Improvement Project (ZIP) Code": It was necessary to add this definition to accommodate the calculation of the proposed birth-attendance rate augmentation. This ensures definite boundaries for reporting birth rates, for the purpose of implementing AB 1014, and to ensure accurate eligibility calculations, which ensures the accurate apportionment of State school bond funds.

Section 1859.41. High School Attendance Area Reporting.

Specific Purpose of the Regulation

To amend the criteria for school districts opting to request eligibility determinations for new construction grants based on a HSAA or Super HSAA basis.

Need for the Regulation

Subsection (b): It was necessary to delete this sentence and move it to the proposed Section 1859.41.1(a) because the sentence refers only to districts reporting enrollment on a HSAA attendance basis, while the remainder of this section provides general guidelines applicable to all HSAA reporting options.

Section 1859.41.1. Pupil Reporting Options for Projecting High School Attendance Area Enrollment.

Specific Purpose of the Regulation

To adopt a new Section to provide the necessary language to allow the option of reporting enrollment on the basis on HSAA residence pursuant to EC Section 17071.75(a)(3)(A), to clarify the guidelines for HSAA pupil reporting, and to establish a restriction on changing from reporting by HSAA of pupil residence to reporting by HSAA of pupil attendance.

Need for the Regulation

1st Paragraph: With the addition of the option to report pupils on a HSAA residence basis, it was necessary to provide language clarifying that districts that choose a certain HSAA pupil reporting option must use that same option for all HSAA's for which it wishes to report enrollment. Without this clarification, if a district was able to report residency data for one HSAA and attendance data for another, it is possible that the same pupils could be used to justify eligibility for multiple projects in different HSAA's.

Subsection (a): With the addition of a second HSAA pupil reporting option, it was necessary to add this subsection in order to separately outline guidelines for pupil reporting by HSAA of attendance. In addition, the language removed from Section 1859.41(b) was moved to this subsection because it only applies to districts reporting pupils by HSAA of attendance.

Subsection (b): It was necessary to add this subsection to provide the option of reporting pupils by HSAA of residence. Next, EC Section 107071.75(a)(3)(A) provides authority to require a reconciliation of pupil residency data and California Basic Educational Data Systems (CBEDS) enrollment data collected by the California Department of Education (CDE). Because the CBEDS report lists pupil enrollment by school and not by HSAA of pupil residence, it was necessary to require the completion of the High School Attendance Area Residency Reporting Worksheet to aid the reconciliation of enrollment data. Previously, a worksheet to collect the same type of data was implemented for Critically Overcrowded Schools (COS) HSAA districts wishing to use pupil residency data to justify a Final Apportionment. Last, because EC Section 17071.75(a)(3)(A) specifies that districts utilizing this reporting option may only report pupils residing in the HSAA, it was necessary to add language in this subsection to reflect this requirement. This statutory requirement does not allow HSAA districts reporting residency data to report interdistrict transfer pupils; however, districts may report interdistrict transfer pupils under the other reporting options.

2nd Paragraph: It was necessary to add language restricting districts from changing from reporting HSAA enrollment by pupil residence to pupil attendance to avoid the possibility of double-funding. Without a restriction, if an HSAA district were to file under residency reporting and then in a following year switch to attendance reporting, a district could receive eligibility and funding to build classrooms for the same students twice. This can occur during the period when students are attending school in one HSAA but are residing in another HSAA while classrooms are being constructed in the HSAA of residence. If the district were able to switch back to attendance reporting and those students are not yet being housed in the HSAA of residence, the HSAA of attendance would continue to generate eligibility.

The proposed restriction on changing from HSAA residency reporting to attendance reporting will require a district to complete all projects based on residency projections before switching to reporting enrollment by HSAA of attendance. The date that a district submits a final Expenditure Report (Form SAB 50-06) was chosen as the best approximation of project completion. Requesting additional documentation, establishing additional dates for districts to be aware of, and establishing an arbitrary fixed restriction period are all avoided because the final Form SAB 50-06 is already a required to be submitted for School Facility Program (SFP) projects and must be submitted when the project is 100 percent complete or at the deadline for submittal of the final Form SAB 50-06. Lastly, at the request of stakeholders, language was added to this paragraph to clarify that the restriction on changing between HSAA reporting options does not prevent eligible districts from changing from HSAA reporting to districtwide enrollment reporting.

Section 1859.42. Projecting Non-Special Day Class Enrollment.

Specific Purpose of the Regulation

To clarify and modify the regulation to provide for the options of a birth-attendance rate adjustment and a tenth-year enrollment projection, excepting Special Day Class pupils.

Need for the Regulation

1st Paragraph: It was necessary to revise the language in this section to accommodate the additional option of a tenth-year enrollment projection.

Subsection (a) and (a)(1): It was necessary to revise these subsections to refer to only the fifth-year enrollment projections, because tenth-year enrollment projection process has been added in new subsection (b) below in order to implement AB 1014.

Subsection (a)(1), last sentence: It was necessary to add this sentence to accommodate the option of a birth-attendance rate adjustment to the kindergarten enrollment projection as provided by EC Section 17071.75(a)(2)(C).

Subsection (a)(3): It was necessary to make a non-substantive change by rewording this section for clarity.

Subsection (b) (deleted): For clarity, it was necessary to delete this subsection and move it to the proposed Section 1859.42.1(a) to group it with the other options for augmenting the fifth-year enrollment projection provided by EC Section 17071.75(a)(2)(B) and (C).

Subsection (b) (added): It was necessary to add subsection (b) to provide language to allow the option of the tenth-year enrollment projection as provided by EC Section 17071.75(a)(3)(A). With the exception of the use of eight years of enrollment data instead of four and the projection to ten years in the future instead of five, the calculation of the tenth-year enrollment projection is identical to that of the fifth-year enrollment projection without any supplements. It was necessary to add language requiring the use of eight years of historical enrollment data for the tenth year projection because eight years of data was determined to be most appropriate because more historical data is needed to accurately calculate a longer-term projection, and because using eight years of historical data for a tenth-year projection mirrors the ratio of four years of historical data for the current fifth-year projection.

The proposed regulations do not allow the tenth-year projection or projections based on HSAA residency data to be supplemented with the dwelling unit augmentation, modified weighting mechanisms, or the birth rate adjustment. EC Section 17071.75(a)(2) provides for the fifth-year projection and the aforementioned supplements to the projection. However, EC Section 17071.75(a)(3)(A), which provides for the tenth-year enrollment projection and the option to report HSAA pupil residency data, is a separate section and does not provide for the dwelling unit augmentation, modified weighting mechanisms, or the birth rate adjustment.

This was presented to and discussed with stakeholders during four public State Allocation Board (SAB) Implementation Committee meetings. Several stakeholders commented that, because EC Section 17071.75(a)(3)(A) did not specify that the cohort survival enrollment projection system (CSEPS) must be used to calculate the tenth-year projection, regulations should be written to allow the use of custom calculation methods for the tenth-year enrollment projection. It is most appropriate to propose a tenth-year projection method that mirrors the current fifth-year CSEPS.

Subsection (c): It was necessary to delete the last sentence in this subsection and move it to proposed Section 1859.42.1(a)(8) where it refers to the dwelling unit augmentation.

Section 1859.42.1. Supplements to the Fifth-Year Projection of Non-Special Day Class Enrollment.

Specific Purpose of the Regulation

To modify the regulation and provide the necessary language to allow the options of using birth-attendance rates and modified weighting mechanisms to augment the fifth-year enrollment projection authorized by AB 1014, excepting Special Day Class pupils.

Need for the Regulation

1st Paragraph: It was necessary to make it clear that the augmentations in this section may only be applied to the fifth-year enrollment projection and may not be applied to a fifth-year enrollment projection using HSAA pupil residence data as EC Section 17071.75(a)(2), which provides the augmentations to the enrollment projection, is separate from EC Section 17071.75(a)(3)(A), which allows the use of HSAA pupil residence data. [Please see “Need for the Regulation” for Section 1859.42(b) for further explanation.]

Subsection (a): It was necessary to add this section because the regulation for the dwelling unit augmentation was deleted from Section 1859.42(b). Also, it was necessary to revise the previous language in the regulation for clarity and to refer to the correct subsections in Section 1859.42(a).

Subsection (b) and (b)(1): It was necessary to add this section to accommodate the birth rate augmentation option as provided by AB 1014. The proposed birth-attendance rate adjustment is calculated by first determining the average historical ratio of district kindergarten enrollment to births by mother’s residence in the county or district ZIP codes and then by multiplying the ratio by the births that correspond to future kindergarten enrollment years. The resulting number of pupils will replace the projected kindergarten enrollment as it is currently calculated. Birth data for the current and eight previous years (a total of nine years of birth data) is needed to provide birth data corresponding with the four years of actual kindergarten enrollment data reported on the Form SAB 50-01 and the five years of projected kindergarten enrollment.

Although in reality, only children who will be age five on or before December 2 generally start kindergarten that year, it is assumed that all the children born in a given year will go to kindergarten in the academic year beginning five years later. This assumption was made in order to simplify the calculation of this adjustment because birth data is traditionally reported by calendar year. Next, although the proposed birth rate augmentation does not utilize a “birth rate” in the traditional sense of the number of births per 1,000 population, the proposed method was chosen because it is commonly used by school districts to predict kindergarten enrollment. This method was tested by comparing samples of projected enrollment with this adjustment to actual enrollment, and it proved to produce an accurate enrollment projection. Also, this method using birth number data was chosen because birth number data was found to be extremely reliable, while birth rate data expressed as births per 1,000 population are based on Department of Finance (DOF) population estimates of varying accuracy and reliability depending on the amount of time since the last census.

Subsection (b)(2): It was necessary to add this section in order to specify a reliable, consistent, and publicly available source of birth data to be used in the birth-attendance rate augmentation.

Subsection (b)(2)(A) and (B): It was necessary to add these sections to allow districts flexibility in reporting the required birth number information. Providing for the use of county level birth data is meant to allow districts with fewer resources to easily take advantage of the birth-attendance rate augmentation, while birth data by ZIP code is provided as an option to districts able to calculate births at the district level.

Subsection (b)(2)(B), last sentence: It was necessary to add this sentence because it was found that requiring districts to report birth data for ZIP codes only minimally served by the district could result in a less accurate birth rate adjustment to the projected enrollment.

Subsection (b)(3): It was necessary to specify the calculation method for the kindergarten enrollment projection.

Subsection (b)(4): It was necessary to add this section to provide guidelines for determining provisional birth number data because final birth number data for more recent years may not be available due to delays in reporting by the Department of Health Services (DHS).

Subsection (c): It was necessary to add this section to accommodate the modified weighting mechanism option as provided by AB 1014. EC Section 17071.75(a)(2)(B) specifies that modified weighting mechanisms may be used to supplement the CSEPS “if the board determines that they best represent the enrollment trends of the district.” In the proposed regulations, the modified weighting mechanism is determined by comparing the accuracy over time of historical enrollment projections using several standard modified weighting mechanisms and, if the district chooses, an “alternative” weighting mechanism. As required by EC Section 17071.75(a)(2)(B), the modified weighting mechanisms and analysis were developed in consultation with the Demographic Research Unit of the Department of Finance.

Currently, the fifth-year enrollment projection is calculated by using a weighted average of the enrollment changes of the current and three previous enrollment years. For each grade level, the enrollment change between the current year and first previous enrollment year is weighted more heavily (multiplied by three); the change between the first previous enrollment year and the second previous is weighted less heavily (multiplied by two); and the change between the second previous enrollment year and the third previous enrollment are is weighted least heavily (multiplied by one). This weighting mechanism is referred to as “1-2-3”. The average weighted change for each grade level is determined by dividing the sum of the three products by six. The weighted average of the changes in four years of enrollment is then used to determine the projected change in enrollment from grade level to grade level to arrive at the number of pupils projected for the fifth year.

Because there are infinite possible weighting mechanisms, in order to ease the use of modified weighting mechanisms, the proposed regulations have three “standard” modified weighting mechanisms that will be automatically tested. In addition to the three “standard” weighting mechanisms, districts that wish to may test a custom “alternate” weighting mechanism. The three “standard” weighting mechanisms were chosen because they represent three types of enrollment trends:

1-2-3: A continued use of the existing weighting formula for the projection method as it has been shown to accurately predict future enrollment for the majority of districts. This projection method represents districts for which current enrollment trends are most relevant to fifth-year projections.

3-2-1: This mechanism is designed for districts for which the more recent trends are contrary to the long term trends of the district. By weighting earlier enrollment changes more heavily than the later changes, it is assumed that past trends will be more prevalent in the future than the current trends.

1-1-1: This system is intended for districts that have varied enrollment from year to year, and do not grow or decline in a more predictable manner.

The projected enrollment using each modified weighting mechanism is compared to actual enrollment data to determine the average percentage of inaccuracy of the projected data. The absolute percentages of inaccuracy for projections using each weighting mechanism are then graphed to create a scatter plot. The scatter plot graphically represents the accuracy of the projection method over time. Separate scatter plots and then trend lines are created for K-6, 7-8, and 9-12 data, and then the trend lines are combined with equal weight for to create an average K-12 trend line for each projection method. The average K-12 trend line is used instead of a trend line with each K-12 grade level weighted equally because eligibility funding is determined by grade groupings, not by individual grade level. The resulting data is analyzed using linear regression to develop a trend line for each weighting mechanism. The trend line will indicate the average accuracy of the projection method. The trend lines for each "standard" modified weighting mechanism and any district "alternate" weighting mechanism are then plotted on the same graph. By comparing the trend lines on a graph, at any given point in time in the past, one can see which projection method would have, on average, generated the most accurate projection. In addition, because the lines continue beyond the current enrollment year, the weighting mechanism that will generate the most accurate projection five years into the future is determined.

Subsection (c)(1): It was necessary to add this subsection to request enough historical enrollment data to allow a linear regression analysis that would produce statistically significant results. Eighteen years of historical data are needed produce a comparison of ten historical projections with ten years of actual enrollment data for each of the three modified weighting methods and, if chosen, the alternative weighting method.

Subsections (c)(2) through (c)(10): It was necessary to add these subsections to provide guidelines for calculating the enrollment projection data and conducting the linear regression analysis to compare each modified weighting method. Linear regression analysis was chosen because it is the most widely used statistical technique for fitting a line through a set of points using line of best fit criterion.

Subsection (c)(11): It was necessary to add this subsection to provide districts the option of utilizing an alternative weighting mechanism, provided that the alternative would produce a more accurate projection than the three modified weighting mechanisms ("1-1-1", "1-2-3", "3-2-1").

Section 1859.43. Projecting Special Day Class Enrollment.

Specific Purpose of the Regulation

To provide clarifying language changes and to modify the regulations.

Need for the Regulation

Subsection (a): It was necessary to add language to clarify the regulation to accommodate the addition of the tenth-year enrollment projection option, in order to implement AB 1014.

Subsection (a) and (b): It was necessary to delete the phrase “of each classification” to eliminate the requirement that school districts report Special Day Class (SDC) pupils by classification. It was found that the specific classification subcategory information is not needed to project enrollment or determine eligibility for funding. Also, this requirement was creating an unnecessary burden on districts to reclassify SDC pupils according to SFP requirements.

Subsection (b), 1st Paragraph and (b)(1): With the addition of the tenth-year enrollment projection option, it was necessary to clarify that county offices of education must use either the fifth-year or the tenth-year enrollment projection for all categories of pupils reported, and not one projection for SDC pupils and another projection for non-SDC pupils in the same reporting year. In addition, it was necessary to add language to provide guidelines for calculating the tenth-year enrollment projection. Lastly, it was necessary to make several non-substantive changes to the numbering and lettering of these subsections because this section has been reorganized for clarity.

Subsection (b)(2): It was necessary to add this section to provide regulations outlining the tenth-year enrollment projection calculation for Special Day Class pupils.

Section 1859.51. Adjustments to the New Construction Baseline Eligibility.

Specific Purpose of the Regulation

To provide necessary language to distinguish new construction eligibility adjustments based on the fifth-year enrollment projection from adjustments based on the tenth-year projection.

Need for the Regulation

Subsection (1) and (2): With addition of the option to utilize a tenth-year enrollment projection, it is necessary to add these subsections to distinguish whether an applicant district is using a fifth-year or a tenth-year enrollment projection.

Section 1859.147. Conversion of Preliminary Apportionment.

Specific Purpose of the Regulation

To clarify the regulation.

Need for the Regulation

With the addition of the tenth-year enrollment projection option, it is necessary to make a non-substantive change in order to clarify that only a fifth-year projection must be used to justify a Final Apportionment for COS projects. Originally, it was not necessary to specify that a fifth-year projection be used because there was no tenth-year projection option.

SCHOOL FACILITY PROGRAM FORM

Enrollment Certification/Projection, Form SAB 50-01 (Revised 06/08)

Specific Purpose of the Form

To add the necessary instructions for the implementation of the additional enrollment projection options as provided by AB 1014, and to make clarifying language changes. The proposed amendments delete the existing three pages of text and data fields and reformulate amended text and data fields comprising five pages in order to accommodate the additional enrollment projection options. In several places language unchanged from the existing Form has been retained.

Need for the Form

Page 1, Column 1, "General Information," Paragraph 1: It was necessary to make a non-substantive change to indicate the acronym "SFP" that is used throughout the Form. Also, it was necessary to revise the language in this paragraph to accommodate the additional enrollment data required for the tenth-year enrollment projection option.

Page 1, Column 1, "Pupil Enrollment Projection Options", 1st Paragraph: It was necessary to add this paragraph to identify the enrollment data required for the fifth-year and the tenth-year projections. It was also necessary to clarify that HSAA districts must use the same enrollment projection option for all HSAA districts in the district pursuant to proposed Section 1859.41.1.

Page 1, Column 1, "Pupil Enrollment Projection Options", 2nd Paragraph: The language in this paragraph was moved from another part of the General Instructions of the previous form to better outline the pupil enrollment reporting options. In addition, it was necessary to make minor revisions to the language in this paragraph to accommodate the additional enrollment data required for the tenth-year enrollment projection option and to indicate the additional option of reporting HSAA pupil residency data.

Page 1, Column 1, "Pupil Enrollment Projection Options", 3rd Paragraph: It was necessary to add this paragraph to indicate the options to report HSAA attendance data or residence data.

Page 1, Column 1, "Pupil Enrollment Projection Options", List of Pupil Enrollment Reporting Options: It was necessary to add this section to indicate and clarify the multiple pupil enrollment reporting options, the amount of enrollment data required, and the augmentation options applicable to each pupil reporting option.

Page 1, Column 1, "Augmentations to the Fifth-Year Enrollment Projection": It was necessary to add this section to specify that the augmentation outlined in the following subsections may only be applied to the fifth-year enrollment projection. [Please see "Need for the Regulation" for Section 1859.42, Subsection (b) (added) for further explanation.]

Page 1, Column 1 and 2, "Modified Weighting Mechanisms": It was necessary to add language to indicate the additional enrollment data required to utilize this augmentation, and to clarify that a district-specific alternative weighting mechanism must meet the requirements in Section 1859.42.1(c) in order to be utilized.

Page 1, Column 2, "Birth-Attendance Rate Adjustment": It was necessary to add this section to indicate the requirements of the birth data needed for this augmentation. Also, it was necessary to provide guidelines for reporting ZIP Code birth data in order to allow verification of the data.

Page 1, Column 2 and Page 2, Column 1, "Dwelling Unit Augmentation": The language in this section except the last paragraph, "Student Yield Factor," has been moved and repeated nearly verbatim from "Part F. New Dwelling Units" of the existing Form instructions. Two non-substantive grammatical changes were made to this section.

Page 2, Column 1, "Student Yield Factor": The first sentence of this paragraph is language taken from the General Instructions section of the previous form. Non-substantive changes were made to make this sentence complete, to refer to the correct part of the Form SAB 50-01 because the section lettering has changed, and to capitalize the phrase "Student Yield Factor" because it is a defined term in the regulations. The second and third sentences of this paragraph were added to clarify the supporting information needed for a district-specific Student Yield Factor.

Page 2, Column 1, "HSAA Residency Reporting", Paragraph 1: This paragraph was revised to outline the additional documents and certifications required for districts reporting HSAA pupil residency data. The language in this section was taken from the previous form and modified to also apply to HSAA pupil residence reporting for non-COS projects as well as COS projects and to specifically require that the additional HSAA pupil residence data be submitted on the High School Attendance Area Worksheet instead of the former "enrollment distribution worksheet."

Page 2, Column 1, "HSAA Residency Reporting", Paragraph 2: This paragraph was taken verbatim from the General Instructions section of the existing Form. A non-substantive change was made to this paragraph to define the acronym "CDE" as the California Department of Education.

Page 2, Column 1, "Additional Documentation": It was necessary to add the title, "Additional Documentation" to this section to distinguish it from documentation required for the augmentations to the fifth-year projection. The language in this entire section has been repeated verbatim from several paragraphs of the General Instructions of the existing Form.

Page 2, Column 2, "Specific Instructions", 1st Paragraph: With the addition of the tenth-year projection option, it was necessary to add this sentence to instruct districts to indicate which enrollment projection is being requested.

Page 2, Column 2, "Specific Instructions", 2nd Paragraph: With the addition of the option to report HSAA residency data, it was necessary to add this paragraph to instruct HSAA districts to indicate if it is reporting attendance, residency data for non-COS projects, or residency data for a COS project.

Page 2, Column 2, "Specific Instructions", 3rd Paragraph: With the addition of the option to utilize modified weighting mechanisms or a district-specific alternative weighting mechanism, it was necessary to add this paragraph to direct districts to indicate if it is utilizing a modified weighting mechanism or a district-specific alternative weighting mechanism.

Page 2, Column 2, "Part A. K-12 Pupil Data." 1st Paragraph (deleted): For clarity, it was necessary to delete the instruction to HSAA districts to check either the enrollment or residency

data box because revised instructions were needed to accommodate the new HSAA residency reporting option for non-COS districts.

Page 2, Column 2, “Part A. K-12 Pupil Data.” 1st Paragraph (as proposed): With the addition of the option of report HSAA pupil residency data, it was necessary to move this paragraph from the “Enrollment Data” section below because it is possible that this provision can also apply to a district reporting HSAA residency data.

Page 2, Column 2, under “Specific Instructions,” “Enrollment Data “1st Paragraph: It was necessary to revise the language in this section to accommodate the additional enrollment data required for the tenth-year enrollment projection option.

Page 2, Column 2, under “Specific Instructions,” “Enrollment Data,” 3rd and 4th Paragraphs: For visual clarity, it was necessary to make non-substantive changes to divide the existing paragraphs into bulleted lists. Also, it was necessary to capitalize the phrase “Special Day Class” because it is a defined term in the regulations.

Page 3, Column 1, under “Specific Instructions,” “Residency Data [To be completed by a HSAA district establishing...” Paragraph 1: It was necessary to add this section to provide instructions for the additional HSAA pupil residency reporting option. EC Section 17071.75 (a)(3)(A) specifies that HSAA districts reporting pupil residency data only report pupils appearing on the district’s current CBEDS report and pupils residing in the school district; therefore, the instructions in this section reflect this requirement.

Page 3, Column 1 and 2, under “Specific Instructions,” “Residency Data [For COS HSAA districts ...” It was necessary to make non-substantive changes to this section to correct grammatical errors and to clarify the section.

Page 3, Column 2, “Part B.”: It was necessary to revise this section to request additional enrollment data required for the tenth-year enrollment projection option. In addition, it was necessary to add language to clarify that HSAA districts reporting pupil residency data do not report pupils in this section because EC Section 17071.75(a)(3)(A) requires that only pupils included on the district’s CBEDS report may be used to project enrollment.

Page 3, Column 2, “Part C. Continuation High School”: It was necessary to revise this section to accommodate the additional requirements of the tenth-year enrollment projection and HSAA pupil residency data reporting.

Page 3, Column 2, “Part D. Special Day Class Pupils”: It was necessary to make non-substantive changes to clarify this section. In addition, because Sections 1859.43(a) and (b) were amended to remove the requirement that districts report SDC pupils by classification subcategory, it was necessary to revise this section.

Page 4, Column 1, “Part E. Special Day Class Enrollment”: It was necessary to revise this section to request additional enrollment data required for the tenth-year enrollment projection option and to make a non-substantive change to capitalize the phrase “Special Day Class” because it is a defined term in the regulations.

Page 4, Column 1, “Part F. Birth Data”: It was necessary to add this section to provide instructions for reporting birth data for the birth-attendance rate adjustment. To allow

verification of the reported birth data, it was necessary to instruct districts reporting birth data by district ZIP Codes to submit a separate letter listing the ZIP Codes served by the district.

Page 4, Column 1, “Part G. New Dwelling Units”: It was necessary to make non-substantive changes to this section to improve clarity and organization. The section lettering was changed because the Birth Data section was added to the Form. The language outlining requirements for requesting a dwelling unit review was moved with no substantive changes to the “General Information” of the current form.

Page 4, Column 1, “Part H. District Student Yield Factor”: It was necessary to make several non-substantive changes to this section to improve clarity. The section lettering was changed because the Birth Data section was added to the Form. The phrase, “Student Yield Factor” has been capitalized because it is a defined term in the regulations. Instructions directing districts to the General Information section for guidelines for additional documentation for the use of a district-specific Student Yield Factor have been added.

Page 5, Column 1, under “Specific Instructions,” “Part I. Projected Enrollment”: It was necessary to delete an obsolete section, to make a non-substantive change for clarity, and to revise this section to accommodate the additional options provided by AB 1014. “Part I. One Year Projected Enrollment (Used for the State Relocatable Classroom Program)” was deleted because this section is no longer necessary because the State Relocatable Classroom is being phased out. The section lettering was changed because the Birth Data section was added to the Form. The phrase “Five Year” was deleted from the title of this part of the Form in order to accommodate the tenth-year projection option. The word “Residency” was deleted for clarity. “To be completed by the OPSC” and “Complete this form manually....” were deleted because currently the vast majority of districts complete the Form SAB 50-01 using an Excel calculation tool made available by the Office of Public School Construction, and, in the near future, it is intended that a web-based enrollment projection tool be available for districts to report enrollment and calculate the projection. Finally, in the last sentence, the references to the appropriate regulation section were updated to reflect the addition of Section 1859.42.1.

Page 5, under “Check one: Fifth-Year Enrollment Projection...”: It was necessary to add this section to allow districts to identify which enrollment projection method is being utilized.

Page 5, under “HSAA Districts Only – Check one:”: It was necessary to add this section to allow HSAA districts to identify which enrollment reporting option is being utilized.

Page 5, under “Modified Weighting...Alternate Weighting...”: It was necessary to add this section to allow districts to indicate which modified or alternative weighting mechanism is being utilized. The boxes in this section are needed to allow districts utilizing a district-specific alternate weighting mechanism to indicate the desired weighting mechanism.

Page 5, “Part A. K-12 Pupil Data”: It was necessary to modify this section for clarity and to accommodate the additional enrollment data required for the ten-year enrollment projection option. The title, “K-12 Pupil Data” was added for clarity. Additional boxes were added to accommodate the additional historical pupil data required for the tenth-year enrollment projection.

Page 5, “Part B. Pupils Attending Schools Chartered By Another District”: It was necessary to modify this section by adding boxes to accommodate the additional enrollment data required for the tenth-year enrollment projection option.

Page 5, “Part C. Continuation High School Pupils”: It was necessary to modify this section by adding boxes to accommodate the additional enrollment data required for the tenth-year enrollment projection option and by adding a line for yearly enrollment totals to ease verification of enrollment data.

Page 5, “Part D. Special Day Class Pupils”: It was necessary to modify this section to remove the boxes for pupil classifications because the regulations were changed to eliminate the requirement to report SDC enrollment by pupil classification, and to add a column for total Non-Severe and Severe pupils to ease verification of the Form.

Page 5, “Part E. Special Day Class Pupils”: It was necessary to modify this section by adding boxes to accommodate the additional enrollment data required for the tenth-year enrollment projection option.

Page 5, “Part F. Birth Data”: It was necessary to add this section to accommodate the birth data required for the birth-attendance rate adjustment. Check boxes were added to allow districts to indicate whether county or district ZIP Code birth data is being utilized. Other check boxes were added to allow districts to indicate whether estimated birth data is being used in the instance that final birth data is unavailable from the DHS.

Page 5, “Part G. Number of Dwelling Units” and “Part H. District Student Yield Factor”: It was necessary to make non-substantive changes to re-letter these sections because “Part F. Birth Data” was added to the Form.

Page 5, “Part I. Projected Enrollment” (added): It was necessary to make a non-substantive change to re-letter this section because “Part F. Birth Data” was added to the Form. Next, it was necessary to modify this section to remove the boxes for SDC pupil classifications because the requirement to report that information was removed from the regulations. Finally, it was necessary to add boxes to show the tenth-year enrollment projection calculations.

Page 5, “Part 1. One-Year Projected Enrollment – State Relocatable Classroom Program Projections” (deleted): It was necessary to delete this section because it is no longer needed as the State Relocatable Classroom Program is being phased out.

Page 5, Certifications: It was necessary to add a reference to the new High School Attendance Area Residency Reporting Worksheet because the worksheet has been added to the proposed regulations as a requirement for districts reporting HSAA residency data. Also, it was necessary to make a non-substantive change to revise the reference to the regulation for the dwelling unit augmentation because the relevant regulation has been moved to a different section.

Page 5, District Representative Information: For clarity and to ease verification of the Form, it was necessary to add space on the Form for the District Representative’s printed name, telephone number, and e-mail address.

High School Attendance Area Residency Reporting Worksheet

Specific Purpose of the Worksheet

To collect the pupil residency data by HSAA needed for reconciliation with CBEDS enrollment data for districts choosing to report HSAA pupil residency data.

Need for the Worksheet

EC Section 17071.75(a)(3)(A) authorizes the “reconciliation of districtwide CBEDS and residency data.” Because residency data cannot be verified using the enrollment data listed by school on the CBEDS report (not all pupils attend school in the HSAA in which they live), it is necessary to request pupil residency data for each of the district’s HSAAs. The High School Attendance Area Residency Reporting Worksheet is a formalized version of the COS residency data worksheet. When regulation changes were made to allow COS HSAA districts to report residency data, a worksheet requesting identical data was vetted at several Implementation Committee meetings and incorporated in the Form SAB 50-01 instructions.

Eligibility Determination, Form SAB 50-03 (Revised 06/08)

Specific Purpose of the Form

To make revisions to accommodate the tenth-year enrollment projection, and to make non-substantive changes to correct references to sections of the Form SAB 50-01.

Need for the Worksheet

Page 1, Column 2, “Part II – New Construction Eligibility Determination”: It was necessary to add language this section to accommodate the option of using the tenth-year enrollment projection to determine baseline eligibility.

Page 1, Column 2, “Part II – New Construction Eligibility Determination”; Page 2, Column 2, “Option A”; and Page 3, Column 1 “Option B”: It was necessary to revise these sections to refer to the correct parts of the Form SAB 50-01 because the Form SAB 50-01 was changed in the past to add a section for reporting pupils attending schools chartered by another district.

DOCUMENTS RELIED UPON AND STATEMENTS REGARDING THE RULEMAKING

Technical Documents Relied Upon:

The State Allocation Board’s Action Item, dated June 25, 2008, entitled “Proposed Regulations for the Implementation of Assembly Bill (AB) 1014.”

Alternatives to the Proposed Regulatory Actions that would be as Effective and Less Burdensome to Private Persons

The SAB finds that no alternatives it has considered would be more effective in carrying out the purpose of the proposed regulations or would be as effective and less burdensome to affected private persons than the proposed regulations.

Alternatives to the Proposed Regulatory Actions that would Lessen any Adverse Economic Impact on Small Business

The SAB has determined that the proposed regulations do not affect small businesses.

Finding of Significant Adverse Economic Impact on Businesses

The SAB has determined that the adoption of the regulations will not affect businesses, including small businesses, because they are not required to comply with or enforce the regulations, nor will they be disadvantaged by the regulations.

Impact on Local Agencies or School Districts

The SAB has determined that the proposed regulations do not impose a mandate or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. It will not require local agencies or school districts to incur additional costs in order to comply with the proposed regulations.