

Vallejo City Unified School District (VCUSD) School Closure Decision 2009-2010 Grand Jury Report

This report is being initiated by the Solano County Grand Jury in response to the numerous letters to the editor and accusations about the VCUSD Board, Staff, Superintendent and State Administrator as printed in a local newspaper.

BACKGROUND FACTS

When the Grand Jury considered investigating the matter of the school closure issue, the main concern was whether this was the only solution to what appeared to be a systemic and continuing problem within the District. The Grand Jury decided that this report should be written for public informational purposes only and should include no findings and no recommendations.

There has been talk of school closures in Vallejo in the past. The school district declared bankruptcy in 2004. At that time, a State Administrator was assigned to run the VCUSD until they were fiscally solvent. With attendance declining, State funding would be reduced. Difficult decisions were needed in order to meet present and future operating costs, which would include how to repay the \$60 million State loan.

Schools

There are 23 schools in the system:

- 16 K-5, 4 Middle Schools (MS)
- 3 High Schools (HS)
- One continuation high school
- One community day school
- One home teaching support program
- Adult School and Preschool Programs for families who qualify

Students

The VCUSD student population is diverse, both ethnically and socio-economically and reflects the State's population.

- 16,500 students in K-12
- Over 2000 adult school attendees
- 400 2-4 year olds in preschool programs

Staffing

VCUSD is one of Vallejo's largest employers.

- 1600 full and part-time certificated teachers
- 550 full and part-time classified employees, which include secretaries, administrative, maintenance, bus drivers, classroom aides, and lunch supervisors
- Approximately 100 certificated administrators, principals, assistant principals, reform coordinators, psychologists, program specialists and District Office managers

Budget

- The 2007-08 General Fund Unaudited Actual Expenditures were: \$141 million of which \$87 million was Unrestricted and \$54 million was Restricted. It is important to note that restricted funds are required by law to be spent on specific items. Some examples would be legislatively mandated programs and services such as transportation, Class Size Reduction, special grants, textbooks and instructional materials.
- 2008-09 General Fund Unaudited Actual Expenditures were: \$136 million of which \$82 million was Unrestricted and \$54 million was Restricted.
- 2009-10 General Fund Expenditures, as of the official Second Interim report, is \$137 million of which \$82 million is Unrestricted and \$55 million is Restricted.

In interviews of school board members and VCUSD Staff it appears that there has been some outreach to Touro University for assistance in ways to address the declining attendance problems. Average Daily Attendance (ADA) recovery is being explored as well as the possibility of not refilling some Staff positions.

A property (Parcel) tax possibility has been explored but not pursued. The probability of this passing in Vallejo would be very remote during this national economic down period. Any reduction of salaries and/or furloughs of teachers and/or staff working hours would require negotiations with unions. During interviews with VCUSD Board Members and Administrative Staff Personnel, no other options seemed apparent.

Grants for certain programs at Hogan High School have been provided, but are not transferable to other schools. Transportation costs will need to be considered for students who will need to attend schools in different locations because their own school is being closed. The existence of gangs in territories where children will need to be relocated is a significant concern.

Neither the State Appointed Administrator nor the newly hired School District Superintendent lives in Vallejo. The State Administrator controls the finances of the school district. The Superintendent is in charge of all matters other than finance and works collaboratively with the State Administrator.

The State Administrator, now working a part time schedule, cut his working hours and is currently receiving a reduced salary from the VCUSD of \$122,400 annually. This includes benefits such as professional dues and an expense allowance. His full time salary was \$228,900 and also included professional dues and an expense allowance. The newly hired Superintendent, recruited from within the VCUSD, is paid \$196,439 annually, which includes professional dues. He was previously the Director of the Human Resources Department. School Board members are compensated in accordance with California Education Code and may receive a total of \$400 per month for meetings attended. Individual Board Members may choose not to be compensated. Board members are reimbursed for travel expenses they incur if the expenses are authorized in advance by the Board. Board members may also participate in the health and welfare benefits program which is also provided for School District employees.

The decision to identify and to close the identified schools was presented in a document titled "Vallejo City Unified School District School Consolidation and Surplus Property Advisory Committee (SCSPAC) Final Report" dated October 21, 2009. The report was prepared by the SCSPAC, which had been appointed by the VCUSD Board. The State Administrator and staff took suggestions from that document, made determinations in

conjunction with their investigations and documentation and prepared a letter entitled: *School Closure/Consolidation Recommendations**, dated October 29, 2009, which was presented to the VCUSD Board. This document outlined the background of their investigations, audits, and conclusions. It presented a probable solution whereby the school district could meet its obligation of making payments annually on the state loan as well as provide operating costs for the school district. This plan would pay off the loan to the state in approximately 15 years at which time fiscal responsibility would return to the VCUSD and the State Administrator would return control to VCUSD.

New developments with a lawsuit which involves the sales of some of the School Districts' properties have required the District to ask for an extension of the time limit for the use of receipts from School property sales which will be used for repayment of the State loan. This time limit was originally set to end in 2010. State Bill AB 1874 was introduced to extend the time limit until 2015.

More recent developments have disclosed that the State has not been effective in pursuing funding from Federal programs. A recent announcement indicates that Tennessee and Delaware were awarded \$600 million dollars in grants from the newly initiated \$4.35 billion Federal "Race to the Top" program. California was glaringly absent from the finalists, who won millions of dollars for their states. California expects to compete in the second round for the "Race to the Top" funding. The application for this funding is due in June 2010.

Other new developments indicate that Touro University is presenting an opportunity for VCUSD to team with the Ford Motor Company in a presentation of the "Ford Partnership for Advanced Studies Next Generation Learning Advisory Committee". In a quote from one local newspaper, "Ford has developed a "High School Redesign" vocational academy model that has been implemented in dozens of school districts nationwide and which has lowered dropout rates, increased graduation rates, and improved attendance and grades. This results in increased revenue for the schools and more engaged students."

The major effect on revenue of the school district is ADA, which consists of: a monetary amount for the number of students and their attendance, Special Purpose (State and Federal Categorical Aid), miscellaneous Local and other funding, and Lottery receipts. These components equal the total School

**The letter from the State Administrator references the VCUSD Multi-Year Fiscal Recovery Plan 2004 – 2012. This is a public document and should at least be reviewed by anyone making judgments about what decisions should or should not be considered.*

District Income.

The amount for 2009-10 is approximately \$4,950 per student (after the State's deficit factor and other State reductions have been applied).

Additionally, there may be monetary penalties for exceeding class sizes which are outlined in California Education Code Sections 41376 and 41378, and 52120 – 52128.5.

There have been many suggestions offered by letters to the editor of a local newspaper:

1. Having two shifts for students (Morning and Afternoon) which could allow for smaller class sizes and possibly reduce overhead

2. Better parental involvement
3. Citizens providing solutions on a “What can Parents, Students, and Teachers do” Facebook page
4. Visit a “Stand for Children” website for action items
5. Church “After School Programs”
6. More nurturing teachers to provide students with focus
7. Cancel all extra-curricular activities, including sports and concentrate on academic responsibilities
8. Although some services are presently shared with County Office of Education, more services and responsibilities should be shared with the County and other Education Districts within Solano County in an effort to save resources and dollars

The public has expressed ideas on how to help or improve the educational system in Vallejo, all of which might or might not accomplish what is desired. Unfortunately, parent involvement in schools and student assistance cannot be legislated but there could probably be a campaign waged by the schools, teachers, students, and parents to advocate parental involvement. The fact remains that Vallejo is not the only School District in Solano County which has a problem with financial responsibility, attendance, and educational level's compliance. Several other cities within Solano County are having many of the same problems as those being witnessed in Vallejo. Recent announcements in more than one school district within the county indicate that more teacher layoffs are probable in order to cut costs.

The State Board of Education has recently reported that Vallejo has 4 schools on the list of the 188 worst performing schools in California. Hogan and Vallejo high schools as well as Franklin and Vallejo middle schools received a designation with those of the state's persistently lowest-performing 5 percent. This designation could require them to adopt one of four intervention models as early as this fall. All of the models of intervention will require different actions, but each model will require replacing the principal of the school.

The low rankings of the Vallejo schools may complicate the scheduled closure of Hogan High School. Vallejo High School is ranked below Hogan High on a list of the state's lowest performing schools. Most of Hogan's student body is supposed to move to Vallejo High upon closure in 2011. This, however, has become a problem since closure models require students from a closing school to be relocated to a higher achieving school within a reasonable distance.

There continues to be new information regarding the Vallejo Schools System as well as other County Schools emerging daily and this Grand Jury must stop collecting information at this point (March 31, 2010) in order to prepare this report for publication.

AFFECTED AGENCIES

VCUSD Board President and All Members

VCUSD Superintendent

VCUSD State Administrator/Trustee

COURTESY COPY

Solano County Superintendent of School

Prior to the finalization, publication and posting of this Grand Jury report, the agency(s) involved had an opportunity to review and comment on the content of the report.