



**Student Achievement**

Closing the achievement gap and ensuring all students are prepared for college and career is a priority under the Local Control Funding Formula (LCFF). Once baseline scores have been identified, consider setting differentiated improvement targets on the California Assessment of Student Performance and Progress (CAASPP) results for those significant subgroups who have consistently struggled based on Alvord’s historic Standardized Testing and Reporting (STAR) data:

- Native Hawaiians
- Hispanic/Latino
- African American
- English Learners (ELs)
- Students with Disabilities
- Socioeconomically Disadvantaged

Alvord has a sizeable population of American Indian and Hawaiian students, yet data for these specific groups is consistently missing.

The district has set aspirational and challenging targets for outcomes. In addition, the plan would be strengthened by **differentiating outcomes and actions for significant subgroups** who are underperforming academically or overrepresented in suspension and expulsion data. In most areas, the White subgroup (10.6 percent of the population) is the highest performing subgroup, consistently performing close to the state average; however, in most cases the achievement gap target is the district average for all students. Consider strengthening actions by specific subgroup based on data and priorities. For example,

- Goal 1 reflects the district’s vision that all “Students will be enrolled in a comprehensive course of study taught by highly qualified staff in schools that are clean and in good repair.” In reviewing the data for A-G completion compared to A-G enrollment, the access is exceptional while there are significant gaps in success. The plan addresses this issue; however, it is not always clear how actions are differentiated for subgroups.

Other data noted below also provide a foundation for differentiated outcomes by subgroup. Alvord’s second goal states, “Students will be prepared to be college and career ready when they graduate from high school.” If this goal is to be achieved, the existing gap must be closed, not maintained.

| Metric              | State Average | White       | African American | Hispanic   | English Learner | Low Income | Students w/ Disabilities |
|---------------------|---------------|-------------|------------------|------------|-----------------|------------|--------------------------|
| % of Alvord USD     |               | 10.6        | 3.7              | 79.4       | 41.5            | 83.0       | 9.6                      |
| % UC A-G Enrollment |               | 96.3        | 91.1             | 96.0       | 93.3            | 96.4       | 77.5                     |
| % UC A-G Completion | 41.9          | 37.8        | 26.8             | 24.3       | 8.2             | 25.3       | 1.7                      |
| % EAP – ELA/Math    | 24.8 / 10.5   | 22.5 / 10.3 | 13.7 / 7.1       | 14.5 / 3.8 | 1.2 / 0.0       | 14.6 / 4.3 | 2.5 / 12.5               |
| % CAHSEE – ELA/Math | 83 / 85       | 86 / 92     | 76 / 70          | 78 / 82    | 54 / 65         | 77 / 81    | 28 / 36                  |
| % Suspension        | 4.36          | 2.30        | 5.73             | 2.43       | 2.34            | 2.71       | 5.30                     |

\*Please note that while the CAHSEE is currently suspended, the data illustrate the persistent achievement gap.

We commend Alvord for its work with English Learners. Alvord has **consistently** met its Annual Measurable Achievement Objectives (AMAO) targets for English Learners. Districts from throughout our county and state could benefit by learning from your success. Consider identifying the significant and replicable factors for this success so that they may be implemented consistently across schools and shared with underperforming districts who are struggling to increase the English proficiency of similar students.

| Title III Annual Measurable Achievement Objectives (AMAO) Trends |        |        |      |                                       |        |      |                                     |        |      |
|--|--------|--------|------|---------------------------------------|--------|------|-------------------------------------|--------|------|
|  | AMAO 1 |        |      | AMAO 2a<br>(Less Than 5 Years Cohort) |        |      | AMAO 2b<br>(5 Years or More Cohort) |        |      |
|  | AUSD   | Target | Met? | AUSD                                  | Target | Met? | AUSD                                | Target | Met? |
| 2014-2015  | 66.4%  | 60.5%  | Yes  | 31.2%                                 | 24.2%  | Yes  | 65.3%                               | 50.9%  | Yes  |
| 2013-2014  | 67.8%  | 59.0%  | Yes  | 31.5%                                 | 22.8%  | Yes  | 67.7%                               | 49.0%  | Yes  |
| 2012-2013  | 68.8%  | 57.5%  | Yes  | 34.2%                                 | 21.4%  | Yes  | 66.9%                               | 47.0%  | Yes  |

**Monitoring Progress**

In order to be responsive to those actions that are working or not working, consider developing a process to frequently assess the progress of each planned action and adjust as needed to ensure all goals are met. Identifying leading indicators for progress on goals that can be shared with stakeholders on a regular basis will increase the community commitment to the plan.

**Additional Metrics to Consider**

The purpose of the LCAP is to ensure that all students graduate from high school with the skills to be successful in both college and career. This work cannot wait until high school, nor can it be successful without more specific focus by grade level and by subgroup.

A focus group was convened by the Riverside County Office of Education in 2014-15 to review research on K – 12 college readiness indicators and identify those that would align with the LCAP and have greatest impact. As a result of the focus group research, we recommend that LEAs consider additional college readiness indicators for various grades including but not limited to:

- Score of Level 3 or Level 4, “Standard Met” or “Standard Exceeded,” as indicated on the Smarter Balanced Summative Assessment in Reading and Mathematics at grades 3, 5, 8, and 11 by subgroup; (State Priority 4)
- Chronic absentee rates by grade level and subgroup at the following grades – Kindergarten, 1, 2; last grade of elementary (5 or 6); first grade of middle school (6 or 7); first grade of high school (9 or 10); (State Priority 5)
- Percent of students earning passing grades – C or better – in English and Mathematics at the exit grades from elementary (5 or 6) and middle school (8 or 9) by subgroup and gender; (State Priority 8)
- Suspension and expulsion rates by subgroup and gender for “disproportionality”; (State Priority 6)
- Percent of students failing two or more classes at grade 9 by subgroup and gender; (State Priority 8)

### **Describing Use of Supplemental and Concentration Grant Funds and Proportionality**

The purpose of the LCAP *Section 3* is to ensure that all unduplicated and underperforming students receive increased or improved services in proportion to the increased funding received to serve those identified students in order for them to graduate from high school with the skills to be successful in both college and career.

In *Section 3A*, the justification for using funds districtwide and/or schoolwide should include a description of why this use of funds is most effective and why it is more effective than using the funds to target the students by subgroup in order to meet the district goals. Having a high population of unduplicated students is not in and of itself a justification for districtwide and/or schoolwide use. In addition, when funding is allocated to schools for schoolwide use, a description of how the district will ensure that the schools are implementing actions and that those actions are effective in meeting the district's goals in the eight state priority areas is necessary.

In *Section 3A*, the description noted above is for the dollars received for the 2015-16 school year and should reference the actions that are being implemented for the 2015-16 LCAP year in addition to those implemented in the previous year.

In *Section 3B*, the district is asked to describe how services for the unduplicated students have increased or improved as compared to services provided to all students in proportion to the increase in funding received to serve those students. This is a cumulative process of increasing services until the district is fully funded.

Alvord provided an excellent description of the increased and improved services for the LCAP year, demonstrating proportionality. We recommend in *Section 3B* that the district broadly describe the services identified in the previous year(s) LCAP, and then describe those services being added in the current LCAP year, which is 2015-16. This demonstrates that the district is maintaining and building its support for unduplicated students proportionally each year and increases the transparency of the plan for the stakeholders. This will be important as, by 2020-21, this section will need to demonstrate that the district has increased or improved services to reflect 100 percent of its supplemental and concentration funds at full implementation.

### **Adopted Budget**

In accordance with California Education Code (EC) Section 42127, our office has completed its review of the district's 2015-16 Adopted Budget to determine whether it complies with the criteria and standards adopted by the State Board of Education (SBE) and whether it allows the district to meet its financial obligations for the 2015-16 fiscal year, as well as satisfy its multi-year financial commitments.

The district's adopted budget has been analyzed in the context of guidance provided by our office, based on the Governor's 2015-16 May Budget Revision. Based on our analysis of the information submitted, we approve the district's budget, but note the following concerns:

- *Declining Enrollment* – The district's projections indicate declining enrollment for the current and two subsequent fiscal years.
- *Cash* – Absent temporary borrowing, the district's General Fund cash balance is not sufficient to cover cash flow needs throughout the 2015-16 fiscal year.

The following pages provide further details on the district's 2015-16 Adopted Budget. In addition to this analysis, current law as enacted through AB 2756 (Chapter 52, Statutes of 2004) also requires the County

Superintendent to review and consider any studies, reports, evaluations, or audits that may contain evidence a district is showing fiscal distress. Our office did not receive any such reports for the district.

*LCFF Gap Funding* – For purposes of determining the potential gap funding increase, the district has estimated 53.08 percent for the 2015-16 fiscal year, 37.40 percent for 2016-17 and 36.74 percent for 2017-18. The district has assigned funds each year in the unrestricted ending General Fund balance that will cover a portion of the projected gap funding increase should it not materialize.

*Unduplicated Pupil Percentage* – The district reports an unduplicated pupil percentage of 82.19 percent for 2015-16, 82.18 percent for 2016-17 and 82.18 percent for 2017-18. The district's unduplicated pupil percentage included in the 2014-15 P2 certification by the California Department of Education is 83.14 percent.

*Employee Negotiations* – The district reports salary and benefit negotiations are complete with both the certificated and classified bargaining units for the 2015-16 fiscal year. The certificated agreement provided for a \$1,690 health and welfare benefit cap increase (from \$10,300 to \$11,990) for eligible full-time unit members enrolled in district health plans in the 2015-16 fiscal year. The classified agreement provided for an annual district contribution equal to 0.5 percent of unit member salaries to be applied to offset health and welfare premium increases effective July 1, 2015.

The district's adopted budget was developed prior to adoption of the 2015-16 Adopted State Budget. Actual state budget data should be reviewed and incorporated into the district operating budget and multi-year projections during the First Interim Reporting process.

During our review of the district's Local Control and Accountability Plan, we noted the following:

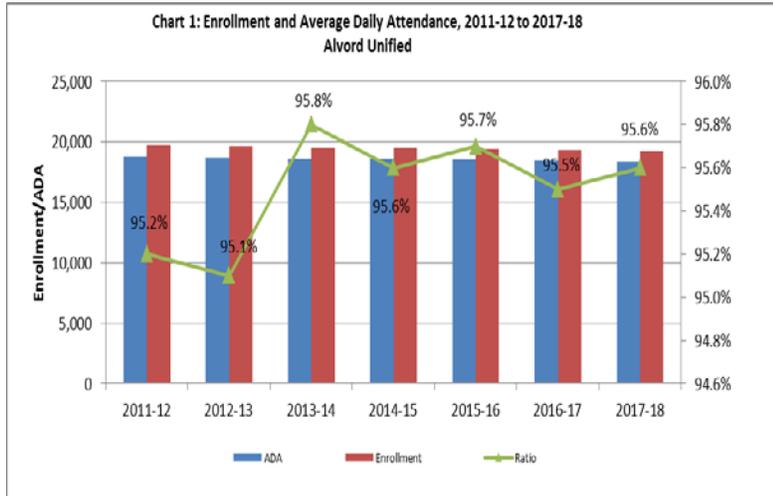
- Supplemental and Concentration (S&C) grant funding is included in the Local Control Funding Formula to increase and/or improve services to targeted student populations. It may be difficult for the district to meet the Minimum Proportionality Percentage at full implementation if S&C grant dollars have not been expended in each fiscal year to serve the targeted students who generated the funding.

Our office commends the district for its efforts thus far to preserve its fiscal solvency and maintain a quality education program for its students. If we can be of further assistance, please do not hesitate to contact our office.

## 2015-16 Adopted Budget Report

### Alvord Unified School District

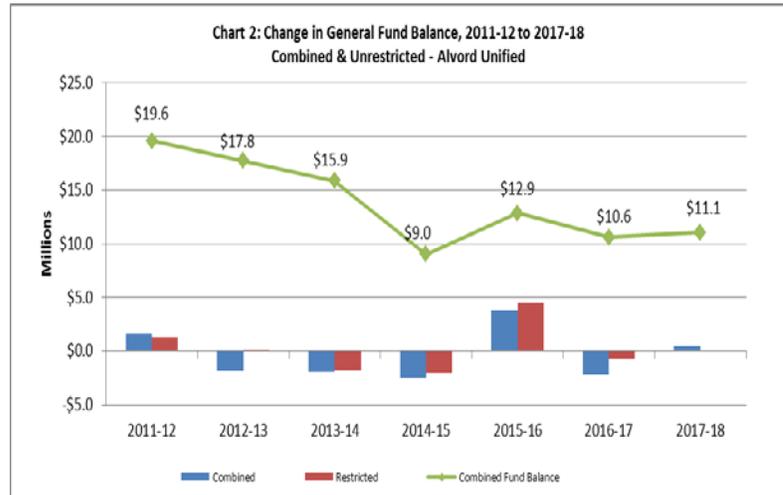
#### Enrollment and Average Daily Attendance (ADA)



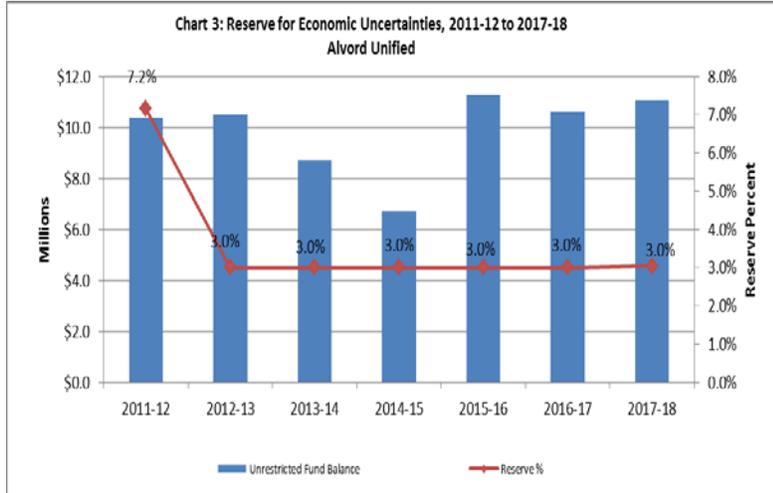
The district's projected ADA to enrollment ratio (capture rate) for 2015-16 is 95.7 percent, which is within the historical average ratio for the three prior fiscal years. The district estimates 18,533 ADA for the current fiscal year, or a 0.3 percent decrease from the 2014-15 P-2 ADA. For 2016-17, the district projects a 0.3 percent decrease and for 2017-18, a 0.2 percent decrease. These projections appear reasonable based on the district's recent enrollment and ADA trends, as summarized in Chart 1.

#### Fund Balance

The district's Adopted Budget indicates a positive ending balance for all funds in the 2015-16 fiscal year. However, for the General Fund, the district anticipates expenditures will exceed revenues by \$2.2 million in 2016-17. Chart 2 shows the district's deficit spending historical trends and projections.



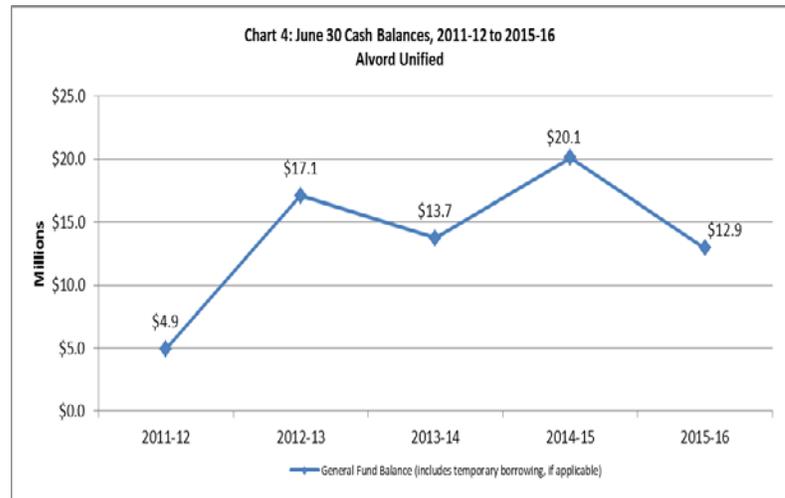
### Reserve for Economic Uncertainties



The minimum state-required reserve for a district of Alvord Unified’s size is 3.0 percent. Chart 3 displays a summary of the district’s actual and projected unrestricted General Fund balance and reserves. The district projects to meet the minimum reserve requirement in the current and two subsequent fiscal years.

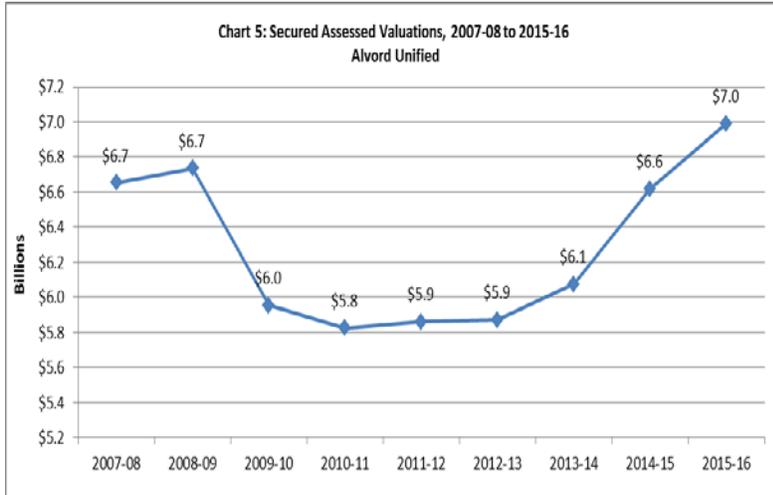
### Cash Management

The district currently has a \$8.0 million temporary loan from the County School Facilities Fund with repayments projected for January 2016. Chart 4 provides a historical summary of the district’s June 30<sup>th</sup> General Fund cash balance. Based on the budget’s cash flow analysis, the district projects a positive General Fund cash balance of \$12.9 million as of June 30, 2016. This balance does not include any temporary borrowings, but does not appear sufficient to cover July 2016 expenditures (estimated at \$13.4 million based on July 2015 disbursements). Our office recommends the district continue to closely monitor cash in all funds to ensure sufficient resources are available. In addition, our office strongly advises districts to consult with legal counsel and independent auditors prior to using *Cafeteria Special Revenue Fund (Fund 13)* and *Building Fund (Fund 21)* for temporary interfund borrowing purposes to remedy cash shortfalls.



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## Assessed Valuations



The Riverside County Assessor's Office has estimated secured assessed valuations will increase by 5.78 percent countywide in 2015-16. Chart 5 displays a historical summary of the district's secured property tax assessed valuations.