

Schools Efficiency

Summary

The Nevada County Grand Jury reviewed the current organization of public schools in western Nevada County and the demographic and financial trends that impact the overall health of the public school system. Based on observed trends, public schools in western Nevada County are likely to face a near-term future of declining enrollments and per-pupil funding.

Residents of western Nevada County need to increase their understanding of the financing and organization of public schools. With the limited resources available and the demographic realities facing Nevada County, the Nevada County Grand Jury recommends that elected and school system officials and residents be open to, and supportive of, changes that could result in system-wide efficiencies and improved educational opportunities for the children of western Nevada County.

As a result of its review, the Nevada County Grand Jury found that the public schools in western Nevada County need to become even more efficient if the educational experience is to stabilize or improve. The Nevada County Grand Jury also found that further efficiencies could be realized through school district consolidation, increased sharing of services and better coordination of school calendars.

While many actions have been taken in the past few years to increase the efficiency of the school system, including school closures and further sharing of services, more needs to be done. Many of the decisions represent hard choices for school officials and others, but for the sake of the overall quality of education in western Nevada County, those choices need to be made.

California state law created a County Committee on School District Organization. These County Committees have the responsibility, when petitioned, to review the current organization of school districts in each county. The Nevada County Grand Jury recommends that

- various local leaders petition the County Committee on School District Organization to formulate plans for the consolidation of local elementary school districts in western Nevada County,
- the board of trustees for each local elementary school district in western Nevada County explore opportunities for improving school efficiency, including possible consolidations,

- all school districts actively pursue potential savings from an increase in shared services,
- all school districts better coordinate school calendars for greater efficiency,
- school districts apply the savings from all such efforts to enhance or restore the quality of the educational experience in western Nevada County, and
- residents of western Nevada County review the Nevada County Grand Jury's report in its entirety to learn more about the status and probable future of our schools.

The Nevada County Grand Jury recognizes that a discussion has been initiated between the Grass Valley School District and the Nevada City Elementary School District regarding potential consolidation. The Nevada County Grand Jury also recognizes that the Union Hill School District is pursuing the idea of becoming a charter school district. The recommendations contained in this report take these developments into consideration.

Reasons for Investigation

The past and continuing decrease in school-age population and public funding led the Nevada County Grand Jury (Jury) to investigate how the public school system in western Nevada County could achieve greater efficiency. The Jury believes that this is one of the most important issues facing the residents of western Nevada County.

Pursuant to California Penal Code Section 933.5, the Jury has the authority to investigate public school districts in Nevada County.

Background

The population of Nevada County is significantly older than average for California. The percentage of the county population over the age of sixty-five is much higher than the state average, and the percentage of the county's population under the age of eighteen (public school age) is significantly lower than the state average. These population distributions are expected to continue into the foreseeable future. Most importantly, student enrollment in all public schools in western Nevada County has been in decline for seventeen years and that trend is expected to continue. The population of each grade in western Nevada County declines by grade level from twelfth through first grade. One result of these demographic changes is that only about two-thirds of the local elementary school capacity is being used despite the recent closure of three schools. Capacity utilization is expected to continue to decline.

Also, the funding for public schools has been reduced significantly over the recent past:

- Local property taxes have declined due to lower real estate valuations;
- State contributions have decreased significantly due to the state's fiscal problems; and
- Federal money has decreased since stimulus money evaporated almost two years ago.

Finally, western Nevada County has ten local school districts serving 9,746 students (2010-11 school year). The average size of a local elementary school district is 681 students, almost 70% smaller than the state average of 2,227 students. While the geographic features of Nevada County (rural and hilly, with winding roads) may justify a greater-than-average number of schools, they do not explain the need for so many school districts.

Procedures Followed

The Jury interviewed many officials involved with the western Nevada County public school system. The Jury also reviewed

- the State Education Code,
- the California Department of Education *District Organization Handbook*,
- the Schools Services of California report entitled *Analysis of the Revenue Impacts of School District Consolidations*,
- the Legislative Analyst's Office report entitled *An Analysis of School District Consolidation*, dated May 2, 2011, and
- data from the 2010 U. S. Census, the County Superintendent of Schools and Ed-Data from EdSource.com.

Facts

General

F.A.1. The 2010 U.S. Census shows the population of Nevada County is approximately 98,000. The population of western Nevada County is approximately 80,000.

F.A.2. The 2010 U.S. Census shows 19% of the population of Nevada County is under the age of eighteen, compared to 25% in California as a whole.

- F.A.3.** The 2010 U.S. Census shows 19% of the population of Nevada County is over the age of sixty-five, compared to 11% in California as a whole.
- F.A.4.** There are nine local elementary school (grades K-8) districts in western Nevada County.
- F.A.5.** Local elementary school district enrollment in western Nevada County has decreased from 8,991 during the 2000-01 school year to 6,132 during the 2010-11 school year, a decline of almost 32%.
- F.A.6.** As of the 2011-12 school year, the population of each grade in western Nevada County declines by grade level from twelfth through first grade.
- F.A.7.** The nine local elementary school districts vary in student population. The largest, Grass Valley School District, has an enrollment of 1,679, while the smallest, Twin Ridges School District, has an enrollment of 102 for the 2011-12 school year.
- F.A.8.** The average size of a local elementary school district in western Nevada County is 681 students, almost 70% smaller than the state average of 2,227.
- F.A.9.** Three public elementary schools in Nevada County have closed since the 2009-10 school year.
- F.A.10.** The nine local elementary school districts in western Nevada County have the physical capacity to accommodate an estimated 8,500 students (2011-12). The on-site enrollment is 5,904, only 69% of capacity.
- F.A.11.** School districts in Nevada County receive funding from federal, state and local sources.
- F.A.12.** Most school districts receive their general purpose funding under the “Revenue Limit” formula. The Revenue Limit is essentially calculated by taking a set amount of dollars per student, as determined by the State of California, and multiplying that figure by each district’s Average Daily Attendance (ADA).
- F.A.13.** Some school districts receive their general purpose funding under the “Basic Aid” formula. Basic Aid, also known as “local funding,” essentially occurs when the local property tax revenue in a district exceeds the total general purpose funding the state would have provided. In other words, there is no need to factor in any state funding because the local property taxes alone surpass the minimum funding level established by the state.
- F.A.14.** Twin Ridges School District, Ready Springs Union School District and Nevada City Elementary School District are currently the only Basic Aid districts in Nevada County.

- F.A.15.** The total cost of the salaries and benefits for the nine local elementary school district administrative and clerical staffs in western Nevada County during the 2011-12 school year is approximately \$2,775,000.
- F.A.16.** For the 2011-12 school year, the total current cost of the salaries and benefits for the staffs at two of the smallest local elementary school districts (Clear Creek Elementary School District and Chicago Park School District) is almost one-third of their Revenue Limit income.
- F.A.17.** At the request of the Nevada County Office of Education, in April 2011, School Services of California (SSC) prepared a report entitled, Analysis of the Revenue Impacts of School District Consolidations (Analysis).
- F.A.18.** The Analysis found that California General Fund revenues have fallen more than 14% since the fiscal year 2007-08, affecting funding for Nevada County schools.
- F.A.19.** The Analysis also found that kindergarten-through-grade-twelve schools have seen funding for general purpose functions decrease by more than 10%, and funding for “Categorical” (specialized) programs has decreased by 20% since fiscal year 2007-08.
- F.A.20.** State funding, per pupil, in western Nevada County local elementary school districts that are funded via the Revenue Limit formula declined from an average of \$5,710 in the 2006-07 school year to \$5,248 in the 2010-11 school year, a decrease of 8%.
- F.A.21.** Based on the Jury’s interviews, local elementary school districts are anticipating further decreases in state funding in the 2012-13 school year.
- F.A.22.** Some local elementary districts are recruiting students from other local elementary districts.
- F.A.23.** There is a non-partisan agency of state government called the Legislative Analyst’s Office (LAO).
- F.A.24.** The LAO published a report entitled An Analysis of School District Consolidation on May 2, 2011 (LAO Report).
- F.A.25.** The LAO Report indicated that, although the state historically has encouraged school district consolidation, it now encourages schools and school districts to remain small by providing them with substantial funding advantages, while providing disincentives to consolidation through loss of funding and additional costs.
- F.A.26.** The LAO Report defines school district sizes as follows: (a) Very Small (6-100); (b) Small (100 - 1,000); (c) Midsize (1,001-5,000 and 5,001-10,000); (d) Large (10,001-40,000) and (e) Very Large (40,001 +).

- F.A.27.** The LAO Report indicated that smaller school districts tend to have slightly lower student achievement compared to mid-size districts, although the differences are not large.
- F.A.28.** Of the almost 1,000 school districts in California, about 400 (40%) are considered “small,” having an ADA of less than 1,000.
- F.A.29.** Of Nevada County’s nine local elementary school districts one would be considered “Very Small,” five “Small” and three “Midsized” in the LAO Report.
- F.A.30.** The LAO Report cited a number of other states (e.g., Arkansas, Maine and Vermont) that are either mandating or encouraging school district consolidation.
- F.A.31.** The LAO Report found that, while small districts find ways to economize, they still face fiscal and personnel challenges.
- F.A.32.** The LAO Report found that smaller school districts dedicate a larger share of their budgets to overhead, including “classified” staff such as clerical and maintenance, although the differences are not large.
- F.A.33.** The LAO Report found that, while larger school districts are able to dedicate almost half of their budgets to “certificated staff” (teachers), smaller districts dedicate only a little more than a third of their budgets to teachers.
- F.A.34.** The LAO Report also found that it is much harder to hold very small districts accountable for overall student outcomes due to the decreasing statistical accuracy of reduced sample size.
- F.A.35.** The LAO Report also found that local communities often prefer small districts, despite the fiscal advantages and enhanced curricular offerings that are more often available within larger school districts. The LAO Report noted that this is often the case because of the important role the district plays within the community, particularly in rural communities.

Union Hill School District and Grass Valley School District

- F.A.36.** The Union Hill School District (UHSD) has an enrollment of approximately 675 students for the school year 2011-12.
- F.A.37.** Approximately 70% of the students enrolled at UHSD are from outside of UHSD’s geographical boundary and attend the school as a result of inter-district transfer agreements.

- F.A.38.** At the beginning of the 2011-12 school year, the Grass Valley School District (GVSD) stopped approving inter-district transfers for students residing within the GVSD.
- F.A.39.** Without inter-district transfers, UHSD estimates that its enrollment will decline from approximately 675 to approximately 250 students within eight years.
- F.A.40.** UHSD is geographically surrounded by the GVSD.
- F.A.41.** UHSD owns two school buses and is not a part of the Joint Powers Agency (JPA) which provides student transportation services to most of the other school districts in western Nevada County.
- F.A.42.** Buses transporting GVSD students to and from school pass through UHSD.
- F.A.43.** The Analysis stated that a consolidation of UHSD and GVSD would result in an 8.0% increase in state-funded revenue.

Ready Springs Union School District and Pleasant Valley Elementary School District

- F.A.44.** The Ready Springs Union School District (RSUSD) and the Pleasant Valley Elementary School District (PVESD) currently share district administrative staff including the position of superintendent.
- F.A.45.** The responsibilities of the shared administrative staff of RSUSD and PVESD include:
- preparation of two school district budgets;
 - negotiation of two sets of district employee contracts;
 - preparation of two sets of required federal, state and local district reports;
 - negotiation of two sets of business contracts, e.g., student transportation;
 - staff attendance at two boards of trustees meetings.
- F.A.46.** District administrative staff at RSUSD and PVESD have less time to lead educational programs due to the duplication of administrative duties required to maintain two school districts.
- F.A.47.** There is a document, Consolidation Plan Review for PVESD and RSUESD (Plan). This document was prepared in March 2010.
- F.A.48.** The Plan noted that in 1995 a consolidation commission facilitated by the Nevada County Superintendent of Schools developed a report on the consolidation of RSUSD and PVESD. The report did not recommend consolidation at that time.

- F.A.49.** The Plan noted that since 1995 RSUSD and PVESD have experienced significant declines in student enrollment.
- F.A.50.** RSUSD and the PVESD remain separate school districts, each with its own board of trustees and budget.
- F.A.51.** The Analysis stated that a consolidation of RSUSD and PVESD would result in a 7.9% increase in state-funded revenue.

County Committee on School District Organization

- F.A.52.** Pursuant to State Education Code, Section 35720, Nevada County has a County Committee on School District Organization (CCSDO).
- F.A.53.** According to Chapter 3 of the California Department of Education District Organization Handbook (Handbook), the CCSDO is responsible, in part, to “hold hearings and formulate plans and recommendations for the unification or other reorganization of the districts in the county...” and “pursuant to a petition by local electors...” (Education Code Sections 35720-35724).
- F.A.54.** The CCSDO has eleven members. Each of the ten local school districts (including the high school district) nominates a committee member. There is one at-large member.
- F.A.55.** The County Board of Supervisors can initiate the type of petitions referred to in the Handbook for all or a portion of school districts within its jurisdiction.
- F.A.56.** A City Council can initiate the type of petitions referred to in the Handbook for all or a portion of school districts within its jurisdiction.
- F.A.57.** A school district board of trustees can initiate the type of petitions referred to in the Handbook for its school district and/or for all or a portion of a school district within its school district.
- F.A.58.** No such “local electors” (Education Code Sections 35729-35724) have petitioned the CCSDO to review the organization of school districts in Nevada County.
- F.A.59.** District consolidations do not require schools to be closed.
- F.A.60.** School closures happen without district consolidations (e.g., Nevada City Elementary, Pleasant Ridge and Gold Run).

Shared Services

- F.A.61.** Most western Nevada County local school districts share many services, including food preparation, computer services, resource specialists and student transportation.
- F.A.62.** Some services, such as curriculum coordinators, business and payroll services, and maintenance are shared by few, if any, western Nevada County school districts.
- F.A.63.** Elementary school district calendars in western Nevada County vary as to instructional days.
- F.A.64.** Transportation costs increase and scheduling for families becomes more difficult with differences in school district calendars.

Findings

- F.I.1.** The school age population of western Nevada County is declining and will continue to decline for the foreseeable future.
- F.I.2.** Revenues received by school districts in western Nevada County are declining and will continue to decline for the foreseeable future.
- F.I.3.** The utilization of school facility capacity in western Nevada County is low and will continue to decline.
- F.I.4.** Larger school districts can devote proportionately more of their budgets to classroom instruction.
- F.I.5.** Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.
- F.I.6.** School district consolidation can increase Revenue Limit income, decrease costs and enhance educational programs.
- F.I.7.** Due to geography and the number of inter-district transfers, UHSD is currently a de facto part of GVSD.
- F.I.8.** Due to geography, the number of inter-district transfers and the projected increase in revenue, a consolidation of GVSD and UHSD is logical and desirable.
- F.I.9.** Most of the administrative staff in the RSUSD and the PVESD are working two jobs, which is unsustainable and detracts from the educational programs.

- F.I.10.** The efficiency of local western Nevada County school districts can be increased by sharing or centralizing more services.
- F.I.11.** There is a major opportunity to increase the coordination of school district calendars.
- F.I.12.** Standardization of school district calendars would result in cost savings and allow families to plan for school closures and vacations.

Recommendations

The Jury recommends that:

- R.1.** Residents of western Nevada County review the Nevada County Grand Jury's report in its entirety.
- R.2.** The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to Education Code Section 35700.
- R.3.** The County Committee on School District Organization formulate plans for the consolidation of local elementary school districts in western Nevada County, pursuant to Education Code Section 35720.
- R.4.** The boards of trustees for all local elementary school districts in western Nevada County adopt and deliver to the County Committee on School District Organization, a resolution proposing consideration of consolidation of such district with one or more other districts in western Nevada County, pursuant to Education Code Section 35721(c).
- R.5.** The Nevada County Board of Supervisors adopt and deliver to the CCSDO a resolution proposing consideration of consolidation of local elementary school districts in western Nevada County, pursuant to Education Code Section 35721(c).
- R.6.** The Boards of Trustees of the Grass Valley School District and the Union Hill School District begin, or continue, discussions regarding the consolidation of the two districts.
- R.7.** The Boards of Trustees of the Ready Springs Union School District and the Pleasant Valley Elementary School District begin, or continue, discussions regarding the consolidation of the two districts.

- R.8.** The County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the Board of Trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:
- Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;
 - More centralization of curriculum experts;
 - More centralization of enrichment programs, including those in music and the arts;
 - Increased sharing and centralization of administrative services, including business and payroll services;
 - Student transportation.
- R.9.** All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendars for greater efficiency and publicly report their conclusions.

Responses

Nevada County Board of Supervisors: Recommendation 5 – Due Date: September 10, 2012

Nevada County Committee on School District Organization: Recommendation 3 – Due Date: September 10, 2012

Nevada County Superintendent of Schools: Recommendation 8 – Due Date: August 10, 2012

Chicago Park School District, Board of Trustees: Recommendations 2, 4, 8, 9 – Due Date: September 10, 2012

Clear Creek Elementary School District, Board of Trustees: Recommendations 2, 4, 8, 9 – Due Date: September 10, 2012

Grass Valley School District, Board of Trustees: Recommendations 2, 4, 6, 8, 9 – Due Date: September 10, 2012

Nevada City Elementary School District, Board of Trustees: Recommendations 2, 4, 8, 9 – Due Date: September 10, 2012

Nevada Joint Union High School District, Board of Trustees: Recommendations 8, 9 –
Due Date: September 10, 2012

Pleasant Ridge Union Elementary School District, Board of Trustees: Recommendations
2, 4, 8, 9 – Due Date: September 10, 2012

Pleasant Valley Elementary School District, Board of Trustees: Recommendations 2, 4,
7, 8, 9 – Due Date: September 10, 2012

Ready Springs Union Elementary School District, Board of Trustees: Recommendations
2, 4, 7, 8, 9 – Due Date: September 10, 2012

Twin Ridges Elementary School District, Board of Trustees: Recommendations 2, 4, 8, 9
– Due Date: September 10, 2012

Union Hill School District, Board of Trustees: Recommendations 2, 4, 6, 8, 9 – Due
Date: September 10, 2012



Chicago Park School District
15725 Mt. Olive Road, Grass Valley, CA 95945
(530) 346-2153 Fax (530) 346-8559

Dan Zeisler Superintendent/Principal

August 17, 2012

The Honorable Judge Tom Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Judge Anderson,

Please find attached, Chicago Park School District's Board of Trustees response to the June 5, 2012 Grand Jury Report on Schools Efficiency.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Dave Davis", is written over a circular stamp or seal.

Dave Davis
President, Chicago Park School Board

Response to Grand Jury Recommendations

Chicago Park School District

2. The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to Education Code Section 35700.

The recommendation has been implemented.

In 2010, two members of the CPSD School Board attended a meeting held at the Nevada Union High School cafeteria which included board member representatives from all western Nevada County schools to learn about and discuss the advantages and disadvantages of consolidation. Four current school board members attended an informational meeting on February 17, 2011 conducted by School Services of California where an "Analysis of the Revenue Impact of School District Consolidations in Nevada County" study was shared. In the study (p. 11) it shows that if Grass Valley School and Union Hill School District were to consolidate, there would be an increase per ADA of 7.99% per student. However, if Chicago Park School consolidated with both of these Districts, the increase in ADA for all students would .09% less.

In addition, there would be increased costs in providing transportation to our rural campus. Chicago Park currently does not provide transportation. If consolidation occurs and CPS is no longer serves K-8 students, those that live within a five minute bike ride of our campus, may be put on a bus for up to 45 minutes one-way to get to and from school.

The CPSD Board of Trustees is knowledgeable of the benefits and disadvantages of consolidation and finds that the disadvantages far outweigh the advantages at this time.

4. The boards of trustees for all local elementary school districts in western Nevada County adopt and deliver to the County Committee on School District Organization, a resolution proposing consideration of consolidation of such district with one or more other districts in western Nevada County, pursuant to Education code Section 35721(c).

The recommendation will not be implemented at this time.

The only district bordering CPSD is Grass Valley School District. The CPSD Board of Trustees is not interested in preparing a resolution proposing the consideration of consolidation with the Grass Valley School District at this time.

8. The County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the Board of Trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:

- Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping – **CPS currently employs one part-time person to conduct all grounds keeping and general maintenance duties on campus. His knowledge of our site (electric panels, water and gas shut offs, irrigation valves, etc.) make it imperative for safety purposes, that we have someone familiar with our site here as much as possible while students are in attendance. We would readily consider consolidating specialized services such as HVAC, plumbing and electrical jobs beyond the scope of what our one person can manage.**
- More centralization of curriculum experts – **We are not really sure what you mean by this and request more information on what this configuration would look like. Our Superintendent does attend monthly Curriculum Leaders Council meetings which is a collaborative effort among all district superintendents and the County Schools Office to stay updated on cutting edge changes such as Common Core Standards.**

- More centralization of enrichment programs, including those in music and the arts – **We already share a music teacher with another district and subscribe to our local art docent curriculum. After school and summer enrichment programs are open to students from any district when space is available.**
- Increased sharing and centralization of administrative services, including business and payroll services – **CPSD has found that the most efficient way to handle our business needs is through a part-time individual who is housed on-site.**
- Student Transportation – **CPSD does not provide transportation to or from school, therefore there is no need to explore shared service options.**
- Other – **In addition, Chicago Park School also shares nursing services with Union Hill School.**

This recommendation has been partially implemented, and will continue to be whenever it benefits cost savings to the District.

9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendars for greater efficiency and publically report their conclusions.

The recommendation has been implemented.

For the past several years, CPSD has aligned their school-year calendar with the high school's in the following key areas:

- **First day of school**
- **Fall Break**
- **Winter Break**
- **President Day Holidays**
- **Spring Break**

CPSD will continue to align our calendar with the high school whenever possible.

August 14, 2012

To the Honorable Thomas Anderson, Presiding Judge of the Grand Jury:

We, the Board of Trustees of the Clear Creek Elementary School District, wish to express our appreciation for the efforts you have made examining the issue of school district consolidation in Nevada County. We agree that in times such as now, with the unprecedented pressures placed upon schools and their budgets, all angles should be explored in order to protect our students and their educational future. We also believe that great care must be taken so that in our endeavors, we don't apply a blanket solution that might turn out to be more harmful than beneficial. Therefore, in our exploration of the recommendations made by the Grand Jury, we have found some to be quite helpful, so much so that we have been in the process of implementing them for some time now. Others, we feel, while worth keeping in mind, might have the opposite effect and be detrimental to the students and district we have been elected to serve. Thank you for taking the time to consider our responses.

GRAND JURY REPORT

RECOMMENDATIONS:

2. The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to Education Code Section 35700

The recommendation has been implemented.

Nevada County School District boards meet last year with the purpose of reviewing consolidation. It was found to not be beneficial, educationally or financially, by the Clear Creek School Board at that time. Consultation with other schools will continue in the future as circumstances dictate.

4. The boards of trustees for all local elementary school districts in western Nevada County adopt and deliver to the County Committee on School District Organization, a resolution

Rec'd
8/20/2012
[Signature]

proposing consideration of consolidation of such district with one or more other districts in western Nevada County, pursuant to Education Code Section 35721(c).

The recommendation will not be implemented at the present time.

The Clear Creek School Board of Trustees feels this would not make sense for our district due to a number of factors. First, in contrast to most other districts in the county, we have seen a student increase of 68% since 2000. Second, we are one of the only districts in Nevada County to project a positive fund balance next school year even if the November education ballot fails. Third, 58% of our student population comes from other districts. We are a school district of choice for these students and their families. If we consolidated with our neighboring districts, it is highly unlikely these students would want to be part of a system they left. That would most likely result in them going to charter schools or home school situations. Either case is not going to help the traditional public schools in Nevada County. Fourth, the LAO report quoted in the Grand Jury Report states that a school district should not consider consolidation if it has a negative impact on the district (p. 7). Since our enrollment is up, our budget is sound, and we are a district of choice, combining with another district that does not meet that criteria, would only have a negative impact upon the students of our school district. If any or all of the above factors were to change, Clear Creek School would reconsider consolidation.

8. The County Superintendent of Schools, the board of trustees of all local elementary school districts in western Nevada County and the Board of Trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:

- Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;
- More centralization of curriculum experts;
- More centralization of enrichment programs, including those in music and the arts;
- Increased sharing and centralization of administration services, including business and payroll services;
- Student transportation.

This recommendation has been implemented.

For the past 21 years, Clear Creek School has looked to shared services to reduce overhead costs as long as there is not a negative impact on the student body. For instance, in the 2011-2012 school year we shared a music teacher with Chicago Park School District, a nurse and business services with the Nevada County Superintendent of Schools office, and a speech/language pathologist and psychologist with Auburn Union Elementary School District in Placer County. We will continue to look at all opportunities for shared services where they make educational and financial sense.

9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendars for greater efficiency and publicly report their conclusions.

This recommendation has been implemented.

We always try to coordinate our calendar with the high school district and neighboring school districts. Roadblocks in the past have included the varying school days due to furlough days in other districts and the prolonged negotiations at the high school district regarding the school calendar. We have every intention to continue our efforts to coordinate the school calendar with all districts in the future.

Thank you for providing Clear Creek School district another opportunity and perspective under which to examine potential consolidation.

Respectfully,

Clear Creek Elementary School District Board of Trustees



November 13, 2012

Honorable Judge Thomas Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Re: Re-submittal of Grass Valley School District's Response to the June 5, 2012 Report of the Nevada County Grand Jury on the subject of Schools Efficiency.

Dear Judge Anderson:

As directed by Keith Overbey, Foreperson of the 2012-2013 Nevada County Grand Jury, the Board of the Grass Valley School District hereby re-submits this formal response to the Grand Jury's Report on Schools Efficiency. The Board's September 5, 2012 response has been revised, consistent with the requirements of Penal Code section 933.05(b), that the Board provide the timeframe for implementation for each Grand Jury recommendation or an explanation why a recommendation will not be implemented.

Findings:

- 1. The school age population of western Nevada County is declining and will continue to decline for the foreseeable future.**

Partially agree

It is true that the school age population has been declining since 1994, but there are signs that kindergarten enrollments are beginning to increase. In 1994 Grass Valley School District's enrollment was 2,416 students. This year our district's enrollment is 1,697. Although this is a significant drop in enrollment over the last 18 years, there are some signs of hope. This year's enrollment is up by 20 students from last year and we currently have 15 more kindergarten students enrolled this year than we did at this time last year. The challenge with determining the impact of declining enrollment of school age children in the county is the number of students attending other districts on inter-district transfers and students attending charter schools, private schools and home school programs.

- 2. Revenues received by school districts in western Nevada County are declining and will continue to decline for the foreseeable future.**

Partially agree

We agree that State revenues have been declining since 2008, and districts that have been facing declining enrollment have experienced an additional reduction in revenues. Although the future outlook looks grim, even with the governor's tax initiative on the

ballot for November, we can't anticipate what the state budget will look like in the upcoming years. We also can't predict whether student enrollment will continue to decline, which has an impact on the amount of revenue a district receives. One of the biggest issues negatively effecting school districts at the present time is the impact on cash flow due to the state deferring payments to districts.

3. **The utilization of school facility capacity in western Nevada County is low and will continue to decline.**

Partially Agree

Although we agree that most districts in the county have been declining in enrollment and have more capacity, with the reconfiguration of the Grass Valley School District programs last year, the district has experienced an overall increase in district enrollment and the current facilities are being used efficiently.

4. **Larger school districts can devote proportionately more of their budgets to classroom instruction.**

Partially Agree

There are too many unique circumstances that impact a district that can influence the amount of funding that is dedicated to classroom instruction. If a large district that is experiencing declining enrollment is compared to a smaller district that is not experiencing declining enrollment or is experiencing increased enrollment, the smaller district would be able to dedicate more funding to classroom instruction. There are too many variables to consider to adequately respond to this finding any further.

5. **Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.**

Partially Agree

The Grass Valley School District has made a concerted effort to examine its operational practices and school configurations to improve efficiency and maximize its educational delivery and have made substantial changes in achieving that goal. Although efficiency is a desirable outcome, it is not a guarantee for educational success.

6. **School district consolidation can increase Revenue Limit income, decrease costs and enhance educational programs.**

Partially Agree

There are many factors and variables that determine whether consolidation would increase the Revenue Limit income, decrease costs and enhance educational programs. The consolidation of some school districts in our county could produce an increase in the Revenue Limit that would be worth considering, while other combinations would be minimal. (See the School Services of California 2011 Study" Analysis of the Revenue

Impact on School District Consolidations in Nevada County”). Even if a consolidation of some districts could generate an increase in the Revenue Limit, there are other funding factors that could have a negative impact, such as a reduction in state and federal categorical funds that are determined by student populations e.g., students that qualify for free and reduced lunch.

Whether costs could be decreased by consolidation, a more detailed analysis would have to be conducted. It stands to reason, that each school district’s governing board has the fiduciary responsibility to examine whether consolidation is a viable consideration for their school community.

7. **Due to geography and the number of inter-district transfers, UHSD is currently a de-facto part of GVSD.**

Partially Agree

Geographically speaking, it makes total sense that the Union Hill School District should be part of the Grass Valley School District. The impact on families that live in the Grass Valley School District and must drive by Union Hill School to reach their school of residence in the Grass Valley School District places an illogical demand on families, and puts the Grass Valley School District in a very tenuous situation with parents who question this logic. It also prohibits the ability of the Grass Valley School District to create a neighborhood school environment in that area of the district. Geographically, if the Union Hill School District were part of the Grass Valley School District, it would provide the opportunity for the Grass Valley School District to establish a school closer to the families residing on the Hwy. 174 corridor.

As far as the impact of inter-district transfers, approximately 70% of the students who attend the Union Hill School District are attending on an interdistrict agreement, with the majority of those students coming from the Grass Valley School District. Of the 70% of the students on inter-district transfers, between 200-300 of those students, or nearly 60%, of the students on inter district contracts are from the Grass Valley School District.

Although Union Hill School District’s boundary lines are surrounded on each side by the Grass Valley School District, and geographically it makes sense for the Union Hill School District to be part of the Grass Valley School District, the Union Hill School District is its own distinct school district, with its own governing board, and there are many other factors that have to be considered besides the geographic location.

8. **Due to geography, the number of inter-district transfers and the projected increase in revenue, a consolidation of GVSD and UHSD is logical and desirable.**

Partially Agree

Although we believe there would be many positive benefits to the consolidation of the Grass Valley School District and the Union Hill School District, further analysis needs to be conducted to determine the actual cost benefit and impact that consolidation would have on the two districts. The Grass Valley School District encourages the Union Hill

School District's governing board and its stakeholders to engage in examining the possible consolidation of the two districts.

9. **Most of the administrative staff in the RSUSD and the PVESD are working two jobs, which is unsustainable and detracts from the educational programs.**

No Response

Since the Grass Valley School District has no oversight over these two districts and does not know the specifics of each district's operations, we do not feel qualified to respond to this finding.

10. **The efficiency of local western Nevada County school districts can be increased by sharing or centralizing more services.**

Agree

Although there has been a concerted effort over the years to share and centralize services such as transportation, food services, staff development, and special education services, there is always room for increased efficiency.

11. **There is a major opportunity to increase the coordination of school district calendars.**

Agree

Because each school district determines its own calendar, it would stand to reason that by districts consolidating there would be less likelihood of conflicting calendars. Over the years, the Grass Valley School District has made the effort to align its calendar as closely with the Nevada Joint Union High School calendar as possible. Given the fact that the calendar must be negotiated with various employee groups as well as the need for each district to align its calendar with its specific strategic plans, it is not always feasible to align calendars.

12. **Standardization of school district calendars would result in cost savings and allow families to plan for school closures and vacations.**

Partially Agree

With a standardized calendar there would be a cost saving for districts that share transportation. Families that have children in both an elementary school district and the high school district would benefit from a standardized calendar. Families that have children attending only one district would not be impacted by a standardized calendar.

A standardized calendar would improve the opportunity of school districts to coordinate professional development opportunities, which could lead to better learning opportunities for staff and could reduce the cost of professional development.

Recommendations:

- R 2. The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to Education Code Section 35700.**

This Recommendation has been partially implemented with respect to the Nevada City School District; however, implementation with regard to Union Hill School District and the other elementary districts is not currently reasonable.

During the 2010/11 school year, the Nevada County Superintendent of Schools contracted with School Services of California to complete an "Analysis of the Revenue Impact on School District Consolidations in Nevada County". Following the completion of this report a joint meeting of the school boards in western Nevada County was held at the Nevada City Council Chambers to review the study and discuss the findings.

The Grass Valley School District Governing Board directed the District's Superintendent to inquire with the other superintendents in the county to see if their boards were interested in having a conversation regarding consolidation.

At several monthly superintendent meetings, the District's Superintendent expressed his desire to meet with the other elementary school governing boards and has on numerous occasions made it clear that the District was open to having a discussion with any other school districts' governing boards in western Nevada County.

In response to these overtures, Nevada City School District's superintendent expressed interest in discussing consolidation. As a result, Grass Valley School District is currently working with Nevada City to identify consolidation opportunities. However, because the issues related to consolidation are numerous and complex, Grass Valley cannot assert with any reasonable certainty whether its discussions with Nevada City will result in an agreement to formally pursue consolidation, nor can Grass Valley provide a timeframe for implementing consolidation should both districts agree to move forward. In addition, because the Grass Valley School District is governed by an elected board of trustees accountable to the voters of the District, continued discussion with Nevada City is crucial for the Board to determine whether pursuing consolidation is in best interests of its District's students and families.

Aside from Nevada City, the other local elementary school districts in western Nevada County have not responded affirmatively to Grass Valley's good faith attempt to discuss consolidation, and Union Hill's superintendent specifically informed Grass Valley's Superintendent that Union Hill had no interest pursuing consolidation. Thus, consistent with Penal Code section 933.05(b)(4), implementation of Recommendation No. 2 with respect to the Union Hill School District and the other districts in Western Nevada County is not reasonable, based upon the fact that the recommendation requires the cooperation of each of these other districts. Other than Nevada City School District, none of the other school districts have expressed any interest in discussing consolidation

with Grass Valley and Grass Valley has no authority to require these other districts to consider consolidation.

- R.4. The boards of trustees for all local elementary school districts in western Nevada County adopt and deliver to the County Committee on School District Organization, a resolution proposing consideration of consolidation of such district with one or more other districts in western Nevada County, pursuant to Education Code Section 35721(c).**

This Recommendation cannot be implemented at this time

The Grass Valley School District is in the process of discussing consolidation with the Nevada City School District, and, in conjunction with the Nevada City School District, has invited the other districts in western Nevada County to participate.

As stated in the District's response to Recommendation No. 2, other than Nevada City, none of the other elementary districts have been willing to discuss consolidation. In addition, it is important to note that while Grass Valley and Nevada City are working together to explore consolidation, the issues are numerous and complex. As a result, Grass Valley cannot assert with any reasonable certainty whether its discussions with Nevada City will result in the presentation of a resolution for consolidation to the County Committee on School District Organization, nor can Grass Valley provide a timeframe for the adoption of a resolution for consolidation should Nevada City agree to move forward. Since the Grass Valley School District is governed by an elected board of trustees accountable to the voters of the District, continued discussion with Nevada City is crucial for the Board to determine whether pursuing consolidation is in best interests of its District's students and families.

Therefore, pursuant to Penal Code section 933.05(b)(4), the District responds that Recommendation No. 4 will not be implemented, based upon the fact that the recommendation requires the cooperation of all the elementary school districts in western Nevada County, and other than Nevada City, none of the districts have agreed to discuss consolidation, much less present a resolution for consolidation to the County Committee on School District Organization. .

- R.6. The Boards of Trustees of the Grass Valley School District and the Union Hill School District begin, or continue, discussions regarding the consolidation of the two districts.**

The Grass Valley School District has made good faith efforts to implement this recommendation, but without the cooperation of Union Hill implementation of this recommendation is not reasonable.

As set forth in the District's responses to Recommendation Nos. 2 and 4, Grass Valley School District has openly offered to meet with the other school districts in western Nevada County, and has specifically invited the superintendent and governing board members of the Union Hill School District to discuss the benefits of consolidation. Grass Valley's efforts in this regard began in early 2011 after attending a meeting sponsored by

the Nevada County Superintendent of Schools and the Nevada County School Boards Association on the “Analysis of the Revenue Impact on School District Consolidation” report conducted by School Services of California, in 2011.

As part of this outreach effort, the Union Hill School District’s governing board and superintendent attended the August 28, 2012, consolidation discussion between the Grass Valley School District and the Nevada City School District. Although the Union Hill School District governing board chose to not officially participate in the discussion, they did attend the meeting. During this meeting the Grass Valley School District Governing Board continued to encourage the Union Hill School District to participate in the process.

However, after the August 28, 2012 meeting, Grass Valley School District’s Superintendent received an email from Union Hill’s superintendent stating that Union Hill was not interested in even discussing consolidation.

Therefore, pursuant to Penal Code section 933.05(b)(4), the District is unable to implement Recommendation No. 6, because implementation is not reasonable in the absence of any interest or cooperation on the part of the Union Hill School District.

R.8. The County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the Board of Trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:

- Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;
- More centralization of curriculum experts;
- More centralization of enrichment programs, including those in music and the arts;
- Increased sharing and centralization of administrative services, including business and payroll services;
- Student transportation.

This Recommendation has been partially implemented, and Grass Valley is committed to continuing its discussions with all western Nevada County school districts on sharing services where feasible.

The superintendents of each school district meet monthly for the Superintendents’ Council meeting, hosted by the Nevada County Superintendent of Schools. During these meetings the superintendents frequently strategize with one another regarding ways to share services.

Maintenance, particularly centralized, mobile services: This is an area that the Grass Valley School District is willing to have further discussion. However, it is a very complicated issue, as most of the employees that provide these services in the various districts are represented by the California School Employees Association (CSEA) and each district has its own specific collective bargaining agreement that defines the terms and conditions of employment for the classified employees serving in maintenance and grounds classifications.

Centralized curriculum experts: The Nevada County Superintendent of Schools employs an assistant superintendent, who serves in the capacity of a countywide curriculum expert. This position provides countywide support and planning for math training, assistance in Program Improvement (PI), and other professional development and curriculum support.

As part of the current discussions being held between the Grass Valley School District and the Nevada City School District regarding consolidation, one of the positives of consolidating would be the possibility of creating a position to coordinate curriculum and professional development for a combined district, thus enhancing the opportunities for students and staff.

Centralized enrichment programs: The Nevada County Superintendent of Schools provides countywide support in music through partnerships with the Music in the Mountains education program, In Concert Sierra, and Center for the Arts. The County Superintendent of Schools office also coordinates a county-wide art docent program which includes providing materials and training to volunteers who are deployed to give art lessons in elementary classrooms.

As part of the current discussions being held between the Grass Valley School District and the Nevada City School District regarding consolidation, an additional benefit of consolidating would be the possibility of offering a richer elective program for students in both of these districts.

Increased sharing and centralization of administrative services: The Nevada County Superintendent of Schools is currently providing various forms of services for three school districts. Because of the unique nature of each school district's operation it is very challenging to share services. The most efficient method of centralizing administrative services is through consolidation or unification of districts.

Transportation: For many decades, the Grass Valley School District, Nevada Joint Union High School District, Pleasant Ridge School District, and the Nevada City School District have been parties to a Joint Powers Agreement (JPA) for transportation and have contracted with Durham Transportation for home to school transportation services. In addition, Durham provides coordinated transportation services for western Nevada County special education students who are part of the Nevada County Special Education Program. These cooperative efforts between the school districts in western Nevada County have resulted in cost savings for these districts.

Food Services: For many decades, the Grass Valley School District has provided food services for the majority of the school districts in western Nevada County. Currently, the Grass Valley School District's Central Kitchen is providing food services for nine districts in western Nevada County.

The foregoing demonstrates that the school districts of western Nevada County have made considerable efforts to share services. However, while this recommendation has been partially implemented, and while Grass Valley School District has every intention to

continue to explore additional ways to share services, Recommendation No. 8 cannot be fully implemented in that it requires the cooperation of all of the local school districts, each of which has its own unique needs and contractual obligations with exclusive bargaining representatives such as CSEA and/or pursuant to the Transportation JPA.

R.9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendars for greater efficiency and publicly report their conclusions.

This Recommendation has been partially implemented.

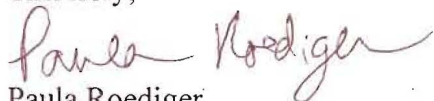
As stated in response to Findings Nos. 11 and 12, the Grass Valley School District has made an effort to coordinate its school year calendar with Nevada Joint Union High School District, but due to the requirements in collective bargaining agreements applicable to both certificated and classified employees in each district, as well as the specific individual interests of each district, it is not always possible to totally align the calendars. The Grass Valley School District distributes copies of its approved calendar to all stakeholders and publishes the calendar on the District's website.

Therefore, pursuant to Penal Code section 933.05(b)(4), the District responds that it is not reasonable to fully implement Recommendation No. 9 based upon the fact that it not only requires the cooperation of all the school districts in western Nevada County, but also agreement with the unions representing certificated and classified employees in each district.

The Board of Trustees of the Grass Valley School District appreciates the time and dedication of the Grand Jury members in providing the District with its report and recommendations. The Board will implement the Grand Jury's recommendations to the extent and in the manner set forth above.

If you have any questions, please do not hesitate to contact me. Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read "Paula Roediger", written in a cursive style.

Paula Roediger

President, Governing Board



Twin Ridges Elementary School District

P.O. Box 529
North San Juan, CA 95960

(530) 265-9052
FAX (530) 265-3049

August 24, 2012

The Honorable Judge Tom Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Judge Anderson,

This letter serves as my response to the June 5, 2012 Grand Jury Report on **Schools Efficiency**.

Recommendations:

2. The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to Education Code Section 35700.

The recommendation has been implemented. The discussion of consolidation has taken place on multiple occasions within the regular Superintendent's meetings. The Twin Ridges Elementary School District Superintendent has also attended the meeting between the GVSD and NCSD as well as the individual district meetings when they were discussing consolidation. At this time the TRESA does not feel that it is our best interest to consolidate with any other district within Nevada County.

4. The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to Education Code Section 35700.

The recommendation will not be implemented at this time.

The only district bordering Twin Ridges Elementary School District is the Nevada City School District. The TRESA Board of Trustees is not interested in consideration of consolidation with the Nevada City School District at this time. A resolution stating that fact will be sent to the County Committee on School District Organization.

8. The Nevada County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the board of trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:

- Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;

This recommendation will not be implemented at this time. The Twin Ridges Elementary School District currently has two full time maintenance personnel at this time. These two people are responsible for maintaining four sites within the district. Two of these sites are currently not being used as schools but house a variety of other operations. The district feels that our staff has local knowledge that is unique to our sites. A rotating mobile service would not meet our needs. It is our best interest to have someone immediately available in case of emergencies. If there were an emergency we could not expect to get someone to our rural isolated site(s) in a

timely manner. Our Facilities/maintenance people are our first responders when the alarm system goes off. They need to be able to get to the school in a timely manner. The district is also obligated to maintain these positions as they are negotiated union positions. However, continued discussions will be held regarding possibilities that might arise in the future.

- More centralization of curriculum experts;
This recommendation will not be implemented at this time. Currently, only the county superintendent of schools employs a position specifically designated as a curriculum expert. This position provides countywide support and planning for math training, assistance in program improvement, staff development opportunities and other curriculum assistance. The position also provides coordination of regional curriculum activities. Information is shared at monthly superintendents' council meetings and at countywide principals meetings. The Superintendent/Principal currently acts as the curriculum director for the TRESA. At this time it is not economically viable for our small district to hire a designated curriculum expert.
- More centralization of enrichment programs, including those in music and the arts;
This recommendation will not be implemented at this time. Due to our geographic isolation within the county, the sharing of staff is not economically viable. The cost of transportation to and from other districts will only increase the cost. Travel time is also a consideration that does not fit our district.
- Increased sharing and centralization of administrative services, including business and payroll services;
This recommendation has been partially implemented. Twin Ridges Elementary School District has already eliminated some administration by combining the Superintendent and Principal position. Currently the Superintendent/Principal acts as the sole administrator to both the schools in the district. TRESA's business and payroll services are sent to the Nevada County Superintendent of Schools office for back-up and internal control.

Student transportation;

This recommendation will not be implemented at this time. Due to our geographic isolation within the county we are not included in the JPA that several other districts utilize. Washington School does not offer any bus services at this time because the school is located within walking distance to all students. Our second school, Grizzly Hill, does contract out with Durham Transportation. When our current contract with them expires at the end of the 2012-2013 year, we will be looking into a variety of alternatives.

9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendars for greater efficiency and publicly report their conclusions.
This recommendation will not be implemented at this time. Calendars are a negotiated item. The Twin Ridges Teachers Association put forth the current calendar that was adopted for the 2012-2013 school year. This item will be put up for consideration next year.

Sincerely,



James Berardi
Superintendent/Principal
Twin Ridges Elementary School District

READY SPRINGS UNION ELEMENTARY SCHOOL DISTRICT
14806 Pleasant Valley Road, Penn Valley, CA 95946
Phone: (530) 432-7311 FAX: (530) 432-7314

September 4, 2012

The Honorable Thomas Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Judge Anderson:

Attached is the Ready Springs Union Elementary School District response to the Nevada County Grand Jury Schools Efficiency letter dated June 5, 2012.

The Board of Trustees appreciated the opportunity to review your findings and recommendations. We took these discussions seriously and found this to be a great starting point for conversations with other districts.

We especially look forward to continuing conversations with our neighboring district, Pleasant Valley.

Sincerely,



Debra Sandoval
Superintendent

*Rec'd
9/10/2012*

**READY SPRINGS UNION ELEMENTARY SCHOOL DISTRICT
PLEASANT VALLEY ELEMENTARY SCHOOL DISTRICT**

**RESPONSE TO NEVADA COUNTY GRAND JURY
REPORT DATED JUNE 5, 2012
SCHOOLS EFFICIENCY**

Approved by the Ready Springs Board of Trustees: August 7, 2012
Approved by the Pleasant Valley Board of Trustees: August 14, 2012

FINDINGS

F.I.1 The school age population of western Nevada County is declining and will continue to decline for the foreseeable future.

Agree

F.I.2 Revenues received by school districts in western Nevada County are declining and will continue to decline for the foreseeable future.

Agree

F.I.3 The utilization of school facility capacity in western Nevada County is low and will continue to decline.

Agree

F.I.4 Larger school districts can devote proportionately more of their budgets to classroom instruction.

Partially Agree

This would depend on a variety of factors including, but not limited to, actual staffing costs, negotiated employee contracts, number of school sites, the size of a campus, litigation, etc. Consolidation does not necessarily reduce the number of employees; it might just mean that some titles and responsibilities are changed.

- F.I.5 Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.

Partially Agree

We can only speak for Ready Springs and Pleasant Valley School Districts. When our two districts established the Shared Management Team in 2004 it was done to improve the educational experience in each school by ensuring that there could be a principal instead of a Superintendent-Principal in each district. Also, the Boards at that time felt that it was very difficult to not just hire entry level management. By sharing services the Districts would be in a better position to hire staff with more experience who could focus on specific areas that would improve student learning. Ready Springs knew that their District needed a full-time principal. Also this arrangement allowed the Districts to provide specialized support for students in areas that were lacking: for example, Director of Special Education, Director of Curriculum and Instruction, and Maintenance Supervisor. It also helped the two districts be more efficient.

The Leadership and Budget Committees for both districts have acknowledged that a real benefit educationally might be the combining of our middle school programs which would allow us to offer more electives and sports. This could ease the transition for Penn Valley students into the high school. However, it might also mean that we would lose some of our students to other districts such as Grass Valley. Community conversations will need to be held regarding this.

- F.I.6 School district consolidation can increase Revenue Limit income, decrease costs and enhance educational programs.

Disagree

This is a very complex issue. Although on the surface it would seem that this should be the case, an increase in Revenue Limit income through consolidation is only one of the financial factors that must be examined. When districts consolidate there is a process that must be followed to adjust the salary schedule of the districts to the same level. Funding resources other than revenue limit may change, decrease, or actually be eliminated (transportation funds, federal and state funding (i.e. Title I, Title II, Rural Education Achievement Program, After School Education and Safety Program, eRate funding) which are based on socio-economic levels of students, categorical block grants, etc.). For example, if we were consolidated we might not be able to receive the \$150,000 in After School funding for Ready Springs or provide universal breakfast to all students at Ready Springs School.

It should also be noted that while there might be an increase in revenue limit for the consolidated districts, that income might be allocated to changes in compensation packages in the newly formed district through the collective bargaining process. It is a reasonable assumption that the negotiating units in the district with the higher salary scale and benefit package would be unwilling to negotiate a lower salary scale for their employees in the consolidated district.

The Districts are interested in finding out what the actual effect to the revenue would be through consolidation but we understand there could be a huge cost involved in getting this additional information. To verify that revenue would increase and costs be decreased would have to be examined further. The Districts are open to learning more and would appreciate any financial assistance with this.

Enhancement of educational programs depends on what the staff and program do, not just the level of funding. "Who" you have is what is most important. The Districts have been able to hire more experienced and well trained staff through the shared management team than they would have as single districts.

- F.I.7 Due to geography and the number of inter-district transfers, UHSD is currently a de facto part of GVSD.

Not applicable to Ready Springs and Pleasant Valley School Districts.

- F.I.8 Due to geography, the number of inter-district transfers and the projected increase in revenue, a consolidation of GVSD and UHSD is logical and desirable.

Not applicable to Ready Springs and Pleasant Valley School Districts.

- F.I.9 Most of the administrative staff in the RSUSD and the PVESD are working two jobs, which is unsustainable and detracts from the educational programs.

Partially Agree

Our administrative staff do work very hard as each principal administers two schools, and district level staff (Director of Special Ed/School Psychologist, Superintendent, Business Manager, Administrative Assistant, Nurse, Technology Coordinator, and Clerical/Technicians) support both districts. The original design of this shared staffing was sustainable. However, with state budget cuts and declining enrollment, administrative staff has been reduced (i.e. Director of Curriculum and Instruction, one principal position, Maintenance Supervisor, technology and library support, and school site office staffing) which has increased the duties of each administrator and shared staff. There has also been an

increase in the Superintendent's and Administrative Assistant's responsibilities due to the turnover in the business department (six business managers in four years). This stretching of staff resources means that staff do not always have time to dig as deep or investigate ways to do things better.

Our conversations have focused on whether or not this design is sustainable. Over the past four years we have tried to streamline the responsibilities. There is a difference between a staff member doing two different jobs and doing the same job twice. For example, the accounts payable technician's job is more standardized since she only had to learn the tasks once and completes it separately for each district. Whereas the human resources and payroll staff have different salary schedules and different employee contracts to maintain for each district.

If we did not have the shared management, we would not be able to financially provide enough support staff. The Superintendent would need to be a principal also and the Business Manager would handle all of the technician duties for the district. The inefficiencies that we have now center around double reporting (time, money, and sanity); different negotiated contracts for the four employee organizations; different medical and liability insurance carriers; different versions of board policies and administrative regulations; double school board meetings; and double memberships in education support organizations.

We do not agree that our shared management team has detracted from or harmed our educational programs. The Grand Jury Report may be missing the benefits we have gained through our good leadership team. When the Districts work together, it benefits our students whether we are consolidated or not. We have actually seen benefits to our program through more experienced and trained leadership; more staff development options; and a greater focus on improvements in instruction and learning. Plus the shared management allows the Districts to maintain the needs of the individual populations and schools and communities we serve. The challenges of raising and educating children and preparing them for NJUHSD is universal.

F.I.10 The efficiency of local western Nevada County school districts can be increased by sharing or centralizing more services.

Agree

F.I.11 There is a major opportunity to increase the coordination of school district calendars.

Agree

F.I.12 Standardization of school district calendars would result in cost savings and allow families to plan for school closures and vacations.

Agree

RECOMMENDATIONS

- R.2. The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to Education Code Section 35700.

The recommendation has been partially implemented.

The Nevada County Superintendent of Schools Office arranged two workshops related to consolidation for Nevada County School Boards during the past four years. Members of the Ready Springs and Pleasant Valley Boards participated in both workshops. The first workshop was presented by a representative from the California Department of Education. During the second workshop our two boards were able to have a lengthy discussion about the successes of our collaboration and other areas we could explore for expanding our shared services/programs.

The Nevada County Superintendent of Schools Office also initiated the conversation with School Services of California to conduct an initial study of consolidation in Nevada County. Through the report prepared by School Services of California, districts were provided with information about the effect various consolidation options would have on the revenue limits. However, this report addressed each district as if it was funded by revenue limit with no adjustment for those districts funded through basic aid. A further analysis would need to be made to determine if overall a specific consolidation would benefit the districts programmatically as well as financially. At this time the Ready Springs and Pleasant Valley Districts must be very conservative with expenses of time and money. The Districts would be open to pursuing this analysis if it is not cost prohibitive. The Districts want to build on the gains we have made through our shared services. The Districts will pursue discussions with our community related to further collaboration between these two districts and possible consolidation.

- R.4. The boards of trustees for all local elementary school districts in western Nevada County adopt and deliver to the County Committee on School District Organization, a resolution proposing consideration of consolidation of such district with one or more other districts in western Nevada County, pursuant to Education Code Section 35721(c).

The recommendation has been partially implemented.

At this time, this response can only address the Ready Springs and Pleasant Valley Districts. Before the release of the Schools Efficiency Grand Jury Report, the Ready Springs and Pleasant Valley Boards had informed their superintendent in their respective public board meetings that they wanted her to facilitate discussions between the two districts related to greater collaboration and/or consolidation options. In June, the RSUESD/PVESD Superintendent let the County Superintendent of Schools know that the districts would like more information on the fiscal effects of consolidation.

- R.7. The Boards of Trustees of the Ready Springs Union School District and the Pleasant Valley Elementary School District begin, or continue, discussions regarding the consolidation of the two districts.

The recommendation has been partially implemented.

As mentioned above, these discussions have started. Community input will be sought and an analysis (dependent on cost) will be conducted to determine whether or not this is feasible, fiscally sound and beneficial to the educational programs.

- R.8. The County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the Board of Trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:
- Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;
 - More centralization of curriculum experts;
 - More centralization of enrichment programs, including those in music and the arts;
 - Increased sharing and centralization of administrative services, including business and payroll services;
 - Student transportation.

The recommendation has been partially implemented.

During the past three years, all superintendents have participated in discussions related to shared services and programs. At this time, this response can only address the Ready Springs and Pleasant Valley Districts. Any joint services and programs that we offer are carefully analyzed to ensure that they benefit our students.

- Maintenance options will be explored if allowed through our collective bargaining agreements. RSUESD and PVESD had a shared Maintenance Supervisor until that position was eliminated due to budget cuts. Equipment, expertise, and assistance are still shared across the two district boundaries.
- Options will be explored for curriculum experts. RSUESD and PVESD had a shared Director of Curriculum and Instruction until that position was eliminated two years ago due to budget cuts. These responsibilities are now shared across the two districts by the two Principals, the Superintendent, and the Director of Special Education. Staff from the two districts have participated in joint staff development in several topics including but not limited to autism spectrum disorder; Explicit Direct Instruction; Olweus Bully Prevention; training of instructional aides; Systematic Supervision; blood borne pathogens; child abuse prevention; sexual harassment; technology; transitional kindergarten; first aid/CPR, and special education.
- Options will be explored for enrichment programs. RSUESD and PVESD both offer after school programs and we try to coordinate enrichment opportunities and training. The Penn Valley Family Resource Center also provides special opportunities for students from both districts and parenting classes. The two districts have worked cooperatively to implement a new program this year for middle school students from both districts, the Phoenix Academy. This program emphasizes academic improvement and helps these students achieve their full potential.
- Ready Springs and Pleasant Valley already have centralized administrative services, including business and payroll. We have utilized our joint purchasing power for numerous contracts including propane, transportation, office and instructional supplies, technology, and transportation.
- During the spring of 2012, Ready Springs and Pleasant Valley explored transportation options through Durham Transportation, but determined that it would not be a cost savings during the 2012-13 school year. This will be re-examined in the spring of 2013.

- R.9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendars for greater efficiency and publicly report their conclusions.

The recommendation has been implemented.

Ready Springs and Pleasant Valley have adopted a 2012-13 calendar that has a common start day, Fall Break, Winter Break, and Spring Break with Nevada Joint Union High School District. Both Districts examine the NJUHSD calendar which must be negotiated by the NJUHSD employee associations. In the past couple years the NJUHSD calendar negotiations have been completed very late in the school year. Also in recent years some districts, including NJUHSD, have negotiated furlough days. Ready Springs and Pleasant Valley have not had any furlough days and are not interested in reducing instructional time unless it becomes a fiscal necessity.

Pleasant Ridge Union School District

22580 Kingston Lane, Grass Valley, CA 95949 • (530) 268-2800 • FAX (530) 268-2804

Britta M. Skavdahl, Superintendent

October 8, 2012

The Honorable Thomas Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, California 95959

Dear Judge Anderson,

This letter serves as the response to the Grand Jury Report of June 5, 2012 on **School Efficiency**.

FINDINGS:

1. The school age population of western Nevada County is declining and will continue to decline for the foreseeable future.

Partially disagree

In the Pleasant Ridge Union School District, the sizes of grade level cohorts entering Kindergarten continue to be smaller than those graduating from eighth grade. However, the Kindergarten class entering school for the 2012-13 school year reflects approximately a 30% enrollment increase as of July 23, 2012. Should this trend continue the District would begin to experience increases in enrollment starting with the 2014-15 school year.

2. Revenues received by school districts in western Nevada County are declining and will continue to decline for the foreseeable future.

Partially agree

Revenues for schools and across the State of California have declined due to sagging revenues brought on by the global recession. At this time the Legislature has charged a subcommittee to develop a new system for funding K-12 education in California and bring it forward for legislative action. At this time we have no way of knowing the level of funding for school districts in the state or how it will be calculated.

3. The utilization of school facility capacity in western Nevada County is low and will continue to decline.

Partially disagree

The Pleasant Ridge Union School District is not able to comment on issues related to facility utilization in other districts. However, for the 2012-13 school year the district anticipates no less than a 90% utilization rate. As of this writing Alta Sierra School is slated to be at 89% of capacity with Cottage Hill



and Magnolia Intermediate schools at 96% and 85% of capacity respectively. Should the need to add class sections arise, as anticipated, the utilization would increase. Likewise, based on trending we anticipate increases in the utilization rate in the 2013-14 school year.

4. Larger school districts can devote proportionately more of their budgets to classroom instruction.

Partially disagree

In the Pleasant Ridge Union School District no less than 89% of the unrestricted revenue stream is directed to classroom instruction. School districts with high poverty, immigrant, second language learner, and other at-risk subgroups may have additional revenue streams that could be directed to classroom instruction. Without an in depth study, based on a statistically valid random sample of California school districts that controls for all revenue and function coding variables, it would be impossible to arrive at any valid conclusion.

5. Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.

Disagree

The Pleasant Ridge Union School District is not able to comment on issues related to operational efficiency in other districts. With respect to the Pleasant Ridge Union School District numerous positions have been eliminated with job functions reviewed and either eliminated or restructured into remaining positions. Accordingly, administrative staffing has decreased by 30% with classified and certificated positions being reduced by 15% and 13% respectively. At the same time our class sizes have remained low in comparison to many, if not most, districts, test scores have been consistently high, and all co-curricular and extra-curricular student programs remain in place. With the economic downturn exceeding historical cyclical timelines and additional global issues hindering an already sputtering recovery our choices are increasingly limited. Further, solutions at this juncture are not an issue of efficiency, though we continue to look for additional strategies. In observing that school districts of all sizes across California are struggling with fiscal issues it would appear that district size is not the issue. Instead, the key issue is that school districts across the state have no real solutions without firm, defensible, decisive, long term fiscal decisions being made by the State Legislature who appear to lack the will and/or ability to perform their constitutional duties.

6. School district consolidation can increase Revenue Limit income, decrease costs, and enhance educational programs.

Partially disagree

The District would agree that public agencies should always be vigilant in seeking and implementing measures to make the most efficient use of funding streams. Further, the District would agree that increased revenue limit funding can occur as a result of consolidation. It should also be noted that achieving cost savings is not a reason to embark on a consolidation. In fact, at the Spring 2010 meeting on school district consolidation sponsored by the Nevada County Superintendent of Schools' Office, the presenter clearly stated that cost savings rarely, if ever, result from school district consolidations. The presenter went on to state that the best reasons to consider such an action would be those that result in providing a service more efficiently or enhancing program quality.

7. Due to geography and the number of inter-district transfers, UHSD is a de facto part of GVSD.

Disagree

The Union Hill School District is a legal entity charged with providing educational services to students within their geographic boundaries. The fact that, over time or by other circumstance, the geographic boundaries of the Grass Valley School District have surrounded the territory serving the Union Hill District does not diminish Union Hill's standing as a school district. Further, an inter-district transfer is an agreement between two school districts in which students are allowed to attend school in a district other than the district serving the geographic area in which the student resides. The use of this process, nor a district that has a high volume of incoming transfers, in no way diminishes its standing as a school district. Certainly, it could not be argued that by accepting a high volume of incoming transfers the receiving district becomes a "de facto" subsidiary of the district students are seeking to exit.

8. Due to geography, the number of inter-district transfers and the projected increase in revenue, a consolidation of the GVSD and UHSD is logical and desirable.

Disagree

While increased revenues may occur due to a consolidation of the Grass Valley School District and the Union Hill School District, it is unlikely that there would be an offset in costs. Moreover, geography is not the reason families seek inter-district transfers to the Union Hill School District. Rather, families opt to attend Union Hill School District because they feel the smaller K-8 setting is desirable, other services available at the site allow for all children to be in one geographic location, and/or they believe the educational program best meets the needs of their children. A consolidation may serve only to drive those families who attend Union Hill to other districts, charter school, or private school options.

9. Most of the administrative staff in the RSUSD and the PVESD are working two jobs, which is unsustainable and detracts from the educational programs.

Partially disagree

The Pleasant Ridge Union School District is not able to comment on issues related to how the sharing of administrative services between two districts, other than the Pleasant Ridge District, detracts from educational programs. However, if this issue refers to site administrators taking responsibility for district level functions such as assessment, coordination of programs, and issues of that nature, the Pleasant Ridge School District's experience is that such practices allow for administrators to have growth experiences that in turn set them up for career advancement opportunities. In the event that by the term "working two jobs" the practice of two small districts sharing a Business Manager or Superintendent is what is being referenced we would note that there are examples in many districts where this practice is both effective and sustainable.

10. The efficiency of local western Nevada County school districts can be increased by sharing or centralizing more services.

Partially disagree

The Pleasant Ridge Union School District is open to exploring ideas for sharing or centralizing services when such an action will lead to cost efficiency or produce a higher level of service for our customers. However, central to taking such an action would be the realization of an attached cost savings.

Moreover, in many respects this action would potentially result in a single employee being responsible for multiple functions or the same function over multiple districts which the Grand Jury appears, based on Finding 9, to find as an unsustainable practice.

11. There is a major opportunity to increase the coordination of school district calendars.

Partially agree

The Pleasant Ridge Union School District would prefer more coordination of school district calendars. Whether or not a "major opportunity" to increase the coordination of school calendars exists rests with level of willingness by the certificated bargaining units to either remove calendar from the negotiations process or present a menu of coordinated, jointly agreed upon calendar options that will be forwarded for review and selection by the Superintendents of the county's school districts.

12. Standardization of school district calendars would result in cost savings and allow families to plan for school closures and vacations.

Partially disagree

The cost savings realized by coordination of district calendars would be limited at best. There may be cost reductions in the area of Home-to-School transportation by those districts that currently share services in that area. A second area of savings would be in the area of itinerant staff that services the needs of Special Education students across the county. In order for there to be increased planning on the part of families or allow for the scheduling of family vacations a calendar would have to be in place by January of the year before the school term was to start. Additionally, to maximize the family planning benefit there would have to be a "black out" of high school sports practices and activities.

RECOMMENDATIONS:

2. The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidations with a view to petitioning the County Superintendent of Schools pursuant to Education Code Section 35700.

The recommendation has been implemented.

In the spring of 2010 elected representatives from all districts in western Nevada County participated in a presentation by the California Department of Education that oversees school district consolidations. Additionally, in the spring of 2010 elected as well as appointed officials, members of the public, and the 2009-10 Grand Jury participated in a facilitated round-table dialogue on this issue. Further, in the spring of 2011 these same parties met again to hear a report generated by School Services of California which examined only the revenue side of this issue. Lastly, the Pleasant Ridge School District Governing Board continually seeks opportunities in which services can be shared between districts.

The Pleasant Ridge Union School District and Clear Creek School District reviewed the consolidation study done by the two districts in 1989. The study was updated with regard to revenue limit figures, educational design, costs, and transportation. The result, using the enhanced revenue limit provided by the 2011 study on school district revenue commissioned by the Nevada County Superintendent of Schools' office, was a decrease of approximately \$400,000.00 in revenue. This decrease resulted in the fact that the new revenue limit is lower than the existing revenue limits of both districts. Further, we found that the cost of equalizing the salary schedules for certificated staff alone would be \$70,000.00

before equalizing benefit packages. Moreover, the cost of providing an equal level of educational services across the newly formed district would generate new costs in excess of \$250,000.00. Lastly, with the continuation of home-to-school transportation funding being uncertain layering on the additional cost of at least two additional bus routes was financially unfeasible.

The message delivered by the spokesperson for the California Department of Education at the spring 2010 presentation was clear that cost savings virtually never materialize in a consolidation scenario and thus the best reason to consider such a move would be improved program. Hence the District would posit that in the event that the Nevada Joint Union High School District should decide to close Bear River High School it would be in the best interests of the South Nevada County students and community to reform the Pleasant Ridge Union School District as a K-12 agency to assure a quality educational product though it does not reduce the number of school districts in the county.

4. The boards of trustees for all local elementary school districts in western Nevada County adopt and deliver to the County Committee on School District Organization, a resolution proposing consideration of consolidation of such school district with one or more other districts in western Nevada County, pursuant to Education Code Section 35721(c)

The recommendation will not be implemented because it is not warranted or reasonable.

The Pleasant Ridge Union School District and the Clear Creek School District revisited and updated a 1989 study on consolidation of the two districts. The findings indicated a loss of revenue and significantly increased costs. Therefore, the process will not move forward. The potential consolidation with Clear Creek was, and has been, the most logical pairing for students residing in southern Nevada County. All other pairings would result in significantly extended travel times and merging with school districts whose academic offerings and successes may not provide a parallel experience.

8. The County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the Board of Trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:

- Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;
- More centralization of curriculum experts;
- More centralization of enrichment programs, including those in music and the arts;
- Increased sharing and centralization of administrative services, including business and payroll services;
- Student transportation

The recommendation has been implemented.

At this time a number of western Nevada County school districts, including the Pleasant Ridge Union School District, are in the initial phases of studying a Food Service Joint Powers Agency with an eye toward increased efficiency in this area. This would be the most productive area to focus on at this time with other issues related to maintenance and landscaping being addressed at a later date.

Currently, and for many years, the Pleasant Ridge Union School District in collaboration with three other western Nevada County school districts have a Joint Powers Agreement (JPA) for the purpose of

operating a common home-to-school transportation system. At any time additional districts are welcome, and encouraged, to become members of the JPA.

Further, fiscal oversight and business services such as payroll are currently centralized with the Nevada County Superintendent of School's office. While documents are prepared for processing at the District level, the actual processing occurs through a centralized fashion which also serves as an additional layer of checks and balances.

The Pleasant Ridge Union School District is unclear as to how enrichment programs could be centralized. Currently we offer a wide range of electives as well as sports and a comprehensive Band program for students in grades 4-8 as well as Choir and classroom music curriculum for all students in grades K-8. We have the needed staff to provide these services for our clients and no additional time to share with other districts.

The centralization of curriculum experts is designed to rest within the Nevada County Superintendent of Schools' office. Currently, that office has an Assistant Superintendent for Instruction. In response to this area being recommended as an area of need, the Pleasant Ridge Union School District would posit that the issue of centralized service is not the integral factor in need of attention.

Moreover, the Pleasant Ridge Union School District may, arguably, be the K-8 educational system in western Nevada County most aggressively and proactively readying staff and students for the new Common Core curriculum slated to be the basis for high stakes achievement testing in the 2014-15 school year. To that end we have consistently invited surrounding districts to trainings in this area, at no cost, and had no participants. Further, we are always open to sharing information and practices in the area of technology with other districts and do so on a frequent basis.

9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school calendars for greater efficiency and publicly report their conclusions.

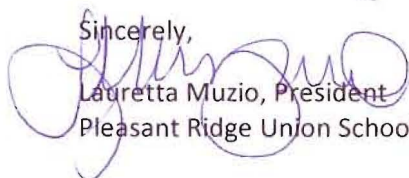
This recommendation has been implemented.

For the 2012-13 school year our calendar aligns for all the following school breaks:

Fall Break, Winter Break and Spring Break and all legal holidays

We always try to coordinate our calendar with the high school district and neighboring school districts. Roadblocks in the past have included the varying school days due to furlough days in other districts and the prolonged negotiations at the high school district regarding the school calendar. We have every intention to continue our efforts to coordinate the school calendar with all districts in the future.

Sincerely,



Laurretta Muzio, President
Pleasant Ridge Union School District



GRAND JURY
COUNTY OF NEVADA
Eric Rood Administrative Center
950 Maidu Avenue
Nevada City, California 95959
Phone Number: 530-265-1730
Email: grandjury@nevadacountycourts.com

September 28, 2012

Pleasant Ridge Union School District
Board of Trustees
22580 Kingston Lane
Grass Valley, CA 95949

The Grand Jury of Nevada County has received your response to the Nevada County Grand Jury's Report. The response received does not comply with California Penal Code section 933.05(b)(3).

California Penal Code section 933.05(b)(3) states;

(b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

(3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

The Grand Jury requests that your response be resubmitted. The Grand Jury thanks you and appreciates your cooperation.

Sincerely;

Keith Overbey, Foreperson
Nevada County Grand Jury 2012-2013

County Committee on School District Organization

112 Nevada City Highway Nevada City, CA 95959

• 478-6400 • fax: 478-6410 •

August 16, 2012

The Honorable Judge Tom Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Judge Anderson,

This letter serves as the response from the Nevada County Committee on School District Organization (CCOSDO) to the June 5, 2012 Grand Jury Report on **Schools Efficiency**.

Findings:

1. The school age population of Western Nevada County is declining and will continue to decline for the foreseeable future.

Partially Agree

According to preliminary figures from the beginning of the 2012-13 school year, there have been some increases in enrollment noted in the lower grades. In addition, there is less decline than anticipated. However, the total school age population continues to decline.

2. Revenues received by school districts in western Nevada County are declining and will continue to decline for the foreseeable future.

Partially Agree

While there has been decline in revenues for the last five years, and we have no idea how long we will continue to face lower revenues, there have been cases in the past where financial situations have turned around.

3. The utilization of school facility capacity in western Nevada County is low and will continue to decline.

Partially Agree

While there might be some capacity in existing schools, there are currently no empty schools. In some instances, charter schools, which are public schools, have leased available space when previously they had leased non-school facilities.

Rec'd
9/4/2012
(2)

4. Larger school districts can devote proportionately more of their budgets to classroom instruction.

Partially Agree

This issue would require further study. However, in their report dated May 2011, the Legislative Analyst's Office concluded that while small districts (under 1,000 students of which we have 6 in Nevada County) tend to spend more on overhead costs, the differences are not large. However, very small districts (under 100 students, of which we have 1) tend to spend significantly larger portions of their budgets on overhead costs which results in less funding for classroom instruction.

5. Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.

Disagree

The educational experience provided to students in Nevada County is exceptional. The school districts in Nevada County are already demonstrating efficiency in many areas. It is in the nature of our schools/teachers/parents to consistently look for ways to improve.

6. School district consolidation can increase Revenue Limit income, decrease costs and enhance educational programs.

Partially Agree

The recent study provided to Nevada County schools by School Services of California concluded that in some cases there can be an increase in revenue limit when school districts consolidate, but this is not always the case. The determination of decreased costs can't be made until further studies are conducted. Other factors play into decisions to consolidate than simply funds alone. Both the State of California and Nevada County have demonstrated this by the significant number of consolidations throughout history. Individual districts should make the decisions about conducting further studies to look at expenses. In agreement with the Legislative Analyst's report, it should remain up to local constituencies to determine how to best structure their local school districts.

7. Due to geography and the number of inter-district transfers, UHSD is currently a de facto part of GVSD.

Disagree

It is true that geographically Union Hill sits in the middle of Grass Valley School District. However, Union Hill has its own educational history and unique school culture. Union Hill also provides a k-8 environment not provided by the GVSD. Union Hill obviously is doing something that attracts many parents who reside in Grass Valley. We do not believe that this adds up to the conclusion that UHSD is a de facto part of the Grass Valley School District.

Nevada County Superintendent of Schools
Fellersen Conference Room
 112 Nevada City Highway, Nevada City, CA 95959

Susan Barry, Superintendent



10879 Bartlett Drive Grass Valley, CA 95945 Ph. 530.273.0647 Fax 530.273.5626
www.uhsd.k12.ca.us

September 5, 2012

The Honorable Judge Tom Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Judge Anderson,

This letter serves as Union Hill School District's Board of Trustee's response to the June 5, 2012 Grand Jury Report on **Schools Efficiency**.

Findings:

- F.I.1 The school age population of western Nevada County is declining and will continue to decline in the foreseeable future.

Partially Agree

The school age population of western Nevada County has been declining over the past decade. It seems speculative to predict that there is a foreseeable future of declining enrollment, as the local economy, job market, and affordable housing are key factors relating to local school enrollment.

- F.I.2 Revenues received by school districts in western Nevada County are declining and will continue to decline in the foreseeable future.

Partially Agree

State and federal education revenues have been reduced over the last five years. At this time future funding for education is unclear as we wait to see the outcome of the Governor's tax initiative on the November ballot.

*Rec'd
9/10/2012*

- F.I.3 The utilization of school facility capacity in western Nevada County is low and will continue to decline.

Partially Agree

Although Union Hill School has experienced declining enrollment, we maximize the use of our facilities by expanding our charter school program and by leasing classrooms to house students from the county special education programs.

- F.I.4 Larger school districts can devote proportionately more of their budgets to classroom instruction.

N/A

- F.I.5 Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.

Partially Agree

Efficient school operations are *one of many* factors that contribute to improvements of educational experiences.

- F.I.6 School district consolidation can increase Revenue Limit income, decrease costs and enhance educational programs.

Partially Agree

Increased revenues due to consolidation may or may not occur, depending on the combination of districts consolidating. Costs associated with consolidation may or may not decrease, depending on the combination of the districts consolidating.

- F.I.7 Due to geography and the number of inter-district transfers, UHSD is currently a de facto part of GVSD.

Disagree

Although Union Hill School District shares boundaries with Grass Valley School District, UHSD has been a separate established school district since 1868. The high number of inter-district transfer requests from families seeking attendance with the Union Hill School District exemplify that the two districts are perceived to have separate and unique school climates, philosophical foundations, and educational practices.

- F.I.8 Due to geography, the number of inter-district transfers and the projected increase in revenue, a consolidation of GVSD and UHSD is logical and desirable.

Disagree

The process for consolidating school districts depends upon local initiation and approval. Local stakeholders are the appropriate bodies to determine the merits of a potential consolidation.

- F.I.9 Most of the administrative staff in the RSUSD and the PVEST are working two jobs, which is unsustainable and detracts from the educational program.

N/A

- F.I.10 The efficiency of local western Nevada County school districts can be increased by sharing or centralizing more services.

Agree

- F.I.11 There is a major opportunity to increase the coordination of school district calendars.

Partially Agree

The school districts in Nevada County attempt to develop aligned school calendars, however, the school calendar is a negotiated item and total alignment may not be feasible due to the unique issues of each district.

- F.I.12 Standardization of school district calendars would result in cost savings and allow families to plan for school closures and vacations.

Partially Agree

Cost savings through the standardization of school calendars has not been determined. Standardization of district calendars would assist families in planning for vacations and child care for school closure times.

Recommendations:

- R.2. The Boards of Trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to EC 35700.

The recommendation has been implemented.

Union Hill School District's Board of Trustees will attend the August 28, 2012 joint meeting between Nevada City School District and Grass Valley School District where district consolidation will be discussed.

- R.4. The Boards of Trustees for all local elementary school districts in western Nevada County adopt and deliver to the County Committee on school District Organization, a resolution proposing consideration of consolidation of such district with one or more other districts in western Nevada County, pursuant to EC 35721(c).

The recommendation will not be implemented.

On February 17, 2011, the Nevada County Superintendent of Schools in conjunction with School Services of California, presented a forum, Analysis of the Revenue Impact of School District Consolidations in Nevada County. While this forum addressed the revenue impact, it did not address the costs or multitude of other educational issues associated with consolidation. The Union Hill School District Board of Trustees feel that at this time there is not factual evidence to support school district consolidation in our county.

- R.6. The Boards of Trustees of the Grass Valley School District and the Union Hill School District begin, or continue, discussions regarding the consolidation of the two districts.

The recommendation has been implemented.

Union Hill School District's Board of Trustees will attend the August 28, 2012 joint meeting between Nevada City School District and Grass Valley School District where district consolidation will be discussed.

R.8. The County Superintendent of Schools, the Boards of Trustees of all local elementary school districts in western Nevada County and the Board of Trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:

- Maintenance, particularly a centralized, mobil service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;
- More centralization of curriculum experts;
- More centralization of enrichment programs, including those in music and the arts;
- Increased sharing and centralization of administrative services, including business and payroll services;
- Student transportation.

The recommendation has been implemented.

Union Hill School District currently shares services with other school districts whenever it is economically feasible and supportive of the educational and fiscal needs of the district.

R.9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendar for greater efficiency and publicly report their conclusions.

The recommendation has been implemented.

The school districts in Nevada County attempt to develop aligned school calendars, however, the school calendar is a negotiated item and total alignment may not be feasible due to the unique issues of each district. School calendars are publically adopted at a Board of Trustees meeting.

Sincerely,



Susan Barry
Superintendent
Union Hill School District



November 13, 2012

The Honorable Judge Tom Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Judge Anderson,

I respectfully submitted the response to the Grand Jury's findings and recommendations in a timely and complete manner. I was notified by the foreman that our responses that were, for the most part, aligned with the County Superintendent's responses, were not satisfactory. I have re-responded below from only the high school district's perspective and not through the whole 'school community lens' as was done in the previous letter.

Our district's earlier submission was thoughtful and accurately reflected our position. However, I am sending this updated and revised response. As Superintendent, I am responding as the representative of the District, and have provided the following.

Regarding the findings, my position, on behalf of our staff and our Board of Trustees, is that I support and echo the 'bigger-picture' responses that Holly Hermansen, Nevada County Superintendent of Schools, provided to the Jury. Her responses were factual, and I concurred with her positions. I have responded below, focusing on NJUHS and, again, responding from our district's perspective.

Findings:

1. The school age population of Western Nevada County is declining and will continue to decline for the foreseeable future.

Partially Agree

The high school district closely monitors enrollment and projects enrollment from the local elementary school districts. The District has been in declining enrollment since 1999 and is projected to continue this decline. However, internal efforts are in place to attract students who are not currently enrolled in the District, and there are signs that the decline may be slowing.

2. Revenues received by school districts in western Nevada County are declining and will continue to decline for the foreseeable future.

Partially Agree

Now that the Governor's budget has passed, we should not see further cuts to per-student revenues. However, we continue to receive funding below our statutory revenue limit and there are indicators that difficult fiscal times will continue for schools for at least three more years.

3. The utilization of school facility capacity in western Nevada County is low and will continue to decline.

Partially Agree

NJUHSD has experienced declining enrollment and we have adequate space for increased enrollment. We have no plans to close any schools in the District at this time.

4. Larger school districts can devote proportionately more of their budgets to classroom instruction.

Partially Agree

That may be the case (evidence?), and we are aware that some of the local elementary school districts are looking at the benefits and challenges of consolidation. There are currently no discussions regarding unification. The high school district continues to direct as much funding for student class sections as possible.

5. Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.

Agree

Although this finding refers to local elementary schools, the high school district believes that it is incumbent upon all school districts to do so.

6. School district consolidation can increase Revenue Limit income, decrease costs and enhance educational programs.

Partially Agree

Again, the finding may be true. Some of the local elementary school districts are looking at the benefits and challenges of consolidation. The high school district is not involved in consolidation.

7. Due to geography and the number of inter-district transfers, UHSD is currently a de facto part of GVSD.

The high school district is not able to respond to this finding other than agreeing with the county superintendent's response.

8. Due to geography, the number of inter-district transfers and the projected increase in revenue, a consolidation of Union Hill and Grass Valley School Districts is logical and desirable.

The high school district is not able to respond to this finding other than agreeing with the county superintendent's response.

9. Most of the administrative staff in the RSUSD and the PVESD are working two jobs, which is unsustainable and detracts from the educational programs.

The high school district does not have information that allows it to respond to this assumption.

10. The efficiency of local western Nevada County school districts can be increased by sharing or centralizing more services.

Agree

The county superintendent and the school district superintendents meet monthly and often explore ways to share services and increase efficiencies.

11. There is a major opportunity to increase the coordination of school district calendars.

Partially Agree

The school calendars are negotiated separately in each district, and if any county-wide calendar was to be developed, it would need agreement with all bargaining units in order to be implemented.

12. Standardization of school district calendars would result in cost savings and allow families to plan for school closures and vacations.

Partially Agree

Cost savings would be realized for those districts sharing transportation. Families that are affected are those with multiple students attending different schools. The High School District and/or feeder districts may experience loss of revenue (ADA) when vacation periods are different from feeder districts when parents choose to take their students out of school to enjoy a family vacation.

Recommendations:

8. The Nevada County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the board of trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:

- Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;

Partially implemented

The topic of shared maintenance has been discussed at the superintendents' council. Continued discussions will be held regarding possibilities in this area and implications for collective bargaining. High School District personnel manage maintenance for the largest campuses in our county. While the High School District has an efficient, cost effective system, with the cutbacks over the last five years, to even plan to extend services to elementary school districts would be expensive and time-consuming for staff that can barely manage current responsibilities.

- More centralization of curriculum experts;
No regional plan for implementation


Since 2005, when a vacancy occurred in the position of NJUHSD Assistant Superintendent of Curriculum and Instruction because of retirement, the responsibility for Curriculum and Instruction (C & I) for the high school district has been assigned to the Superintendent. In July, 2012, the District partially restored this administrative position to assist the Superintendent with this critical area of work. New state academic standards are in the process of being integrated into our courses and state assessments are changing. There is a need for a full time position to serve the high school district, but the District's current budget situation does not allow for this additional support.

- *More centralization of enrichment programs, including those in music and the arts;
This recommendation will be implemented as necessary.
NJUHSD will continue to consider the sharing of a teacher(s) should full-time assignment no longer be sustainable.*
- *Increased sharing and centralization of administrative services, including business and payroll services
This recommendation has been partially implemented.
NJUHSD provides internet access and email hosting to the majority of our local elementary school districts and the county schools office. The District also provides access to the SIS (Student Information System) for four local elementary school districts. NJUHSD collects developer fees for all of the school districts in the county.*
- *Student transportation
This recommendation has been implemented.
There is currently a JPA with Durham Transportation Services with the four largest school districts. NJUHSD is one of the member districts in the Transportation JPA and is responsible for the administration of the JPA. We will continue to explore ways to share services in this area; however the uncertainty of the transportation funding in the state budget makes planning difficult at this time.*

9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendars for greater efficiency and publicly report their conclusions.

Each year the school districts in Nevada County attempt to increase coordination of calendars. However, this is a negotiated item and needs agreement with bargaining units to implement. I will participate in any discussions on this issue with districts in Western Nevada County and with our local teachers' union (NJUHSTA).

Respectfully submitted by:


Marianne Cartan
Superintendent


Katy Schwarz
President, Board of Trustees

Nevada City School District

To: Grand Jury, County of Nevada

Attention: Honorable Judge Tom Anderson
Robert T. Coats, Grand Jury Foreperson

From: Roxanne Gilpatric, Superintendent

Date: **October 2, 2012**

Re: Response to School Efficiency letter dated June 5, 2012

Thank you your interest in gathering facts and responses from school districts in western Nevada County concerning school efficiency. I will use reorganization and/or consolidation in place of efficiency. I appreciate the opportunity to respond to your findings and recommendations. I would like you to know that the NCSD met with the GVSD in a publicized and public board meeting on June 19, 2012. The two districts plan to continue conversations around district reorganization/consolidation at a second public meeting on August 28, 2012. Please note that my responses to your findings and recommendations are from the lens of the Nevada City School District.

To make the responses easier to read, I first placed the statements from the Grand Jury in ***italicized bold font*** and directly underneath the Nevada City School District's responses in regular font.

Findings

F.1.1 The school age population of western Nevada County is declining and will continue to decline for the foreseeable future.

Agree. The Nevada City School District has been in declining enrollment since 1993/94.

F.1.2 Revenues received by school districts in western Nevada County are declining and will continue to decline for the foreseeable future.

Partially Agree. My response is for the Nevada City School District only. Our revenues are declining due to:

- Lower property taxes (local revenue)
- Less Federal and State categorical funds received

F.1.3 The utilization of school facility capacity in western Nevada County is low and will continue to decline.

Partially agree. The Nevada City School District is utilizing all of its facilities by:

- Educating our students
- Educating students who attend our district on Interdistrict Attendance Agreements
- Increasing the enrollment of both Seven Hills and Deer Creek school through school closure
- Leasing of Nevada City Elementary School; Gold Run School; and 215 Washington Street

Nevada City School District

F.1.4 Larger school districts can devote proportionately more of their budgets to classroom instruction.

Disagree: The State of California has approximately 1,700 Local Education Agencies (LEA/districts) each district set their goals and determines their budget priorities based upon their student population therefore disagree with your statement.

F.1.5 Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.

Disagree: The Nevada City School District continues to provide an outstanding education balanced with enrichment and health; after school activities; before and after school child care; preschool; community service via the Bicycle Recycle Shop.

F.1.6 School district consolidation can increase Revenue Limit income, decrease costs and enhance educational programs.

Disagree: Requires further study of:

- Adequate number of pupils
- Equitable division of property/facilities
- Substantial increases in State costs
- State school facilities costs
- Effect on fiscal status and management
- Community identity
- Discrimination/serration issues
- Soundness of the educational program
- Effect on property values

F.1.7 Due to geography and the number of inter-district transfers, UHSD is currently a de facto part of GVSD.

Partially agree. For the 2011/12 school year, NCSD approved 85 Interdistrict Attendance Agreements for students to attend Union Hill.

F.1.8 Due to geography, the number of inter-district transfers and the projected increase in revenue, a consolidation of GVSD and UHSD is logical and desirable.

Disagree: It is not warranted or is not reasonable for the Nevada City School District to expend resources on a consolidation between Grass Valley School District and Union Hill School District.

F.1.9 Most of the administrative staff in the RSUSD and the PVESD are working two jobs, which is unsustainable and detracts from the educational programs.

Disagree: Knowledge of only two administrators that work in both the RSUSD and the PVESD. They are the Superintendent and the Business Manager.

F.1.10 The efficiency of local western Nevada County school districts can be increased by sharing or centralizing more services.

Partially agree. Currently, the NCSD shares the following services:

- Transportation
- Central Kitchen

Nevada City School District

- NCSOS
- SELPA
- NCSD students feed into the NJUSD
- School nurse shared with Union Hill and the county sponsored charters
- Our Coordinator of Students Services has oversight over our NCSD Special Education students at Milhous
- Regionalized special education services

Recommendations

R. 2. The boards of trustees for all local elementary school districts in western Nevada County consult with the other local elementary school districts to identify opportunities for consolidation with a view to petitioning the County Superintendent of Schools pursuant to Education Code 35700

>The recommendation has been implemented. Please see below.

February 17, 2011: The Nevada County Superintendents of Schools commissioned School Services of California to complete an "Analysis of the Revenue Impact of School District Consolidations in Nevada County". On February 17, 2012 a joint meeting of the Nevada County school district governing boards was held at the Nevada City Council Chambers for a presentation and discussion of the findings.

Addendum A - Analysis of the Revenue Impact of School District Consolidations in Nevada County

June 6, 2011: Superintendent Gilpatric sent a letter to the chair of the county committee requesting that the county committee issue a Request for Proposal to address school organization, unification, and/or consolidation.

Addendum B – Letter from Superintendent Gilpatric to county committee chairperson

June 18, 2012: Paula Campbell, NCSD board president sent out an email to all governing board presidents of Nevada County School Districts.

Addendum C – Email from Paula Campbell, NCSD board president along with two agendas; one from NCSD and one from Grass Valley School District

June 19, 2012: NCSD and Grass Valley School districts held a public meeting to discuss consolidation. All school districts within Nevada County were notified and extended an invitation to attend. The meeting was held at NCSOS.

Addendum D – Minutes from the June 19, 2012 meeting

Additionally, the Nevada County School boards meet annually with the purpose improving education and services to students. One topic is the review of consolidation.

Nevada City School District

R. 4. The board of trustees for all local elementary school districts in western Nevada County adopt and deliver to the County Committee on School District Organization, a resolution proposing consideration of consolidation of such district with one of more other districts in western Nevada County, pursuant to Education Code Section 35721

>The recommendation will not be implemented at the present time. NCSd governing board continues to hold public meetings with GVSD governing board to consider consolidation. The NCSd governing board and has invited every Local Education Agency (district) to come to the meetings and or join in the process.

Education Code Section 35721 – Public hearing following receipt of petition; grant or denial of petition

Creating a resolution would be premature as the actions needed to happen described in Education Ed Code 35720 and Ed Code 35720.5 have not taken place.

R. 8. The County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the Board of Trustees of the Nevada Joint Union High School District actively pursue increased shared services areas:

>The recommendation has been implemented. Please see below.

- ***Maintenance, particularly a centralized , mobile service that can be rotated to each school site, including electrical, HVAC, plumbing and landscaping;***
- Maintenance and custodial services are classified positions that are protected by the labor (bargaining) group, Classified Employee Services Association (CSEA #390)
- At times there is a need to contract out for electrical, HVAC, plumbing and landscaping, the district requests bids from outside vendors
- ***More centralization of curriculum experts;***
- NCSd participates in the Special Education Local Planning Area (SELPA) Consortium which includes all the school districts and charter schools within Nevada County
- ***More centralization of enrichment programs, including those in music and the arts;***
- Our after school enrichment programs are self-supporting as they are fee based. Classroom teachers K – 6 provide music and art (dance; music; drama; and visual art) at grades seven and eight, music is provided by a .40% FTE certificated teacher
- ***Increased sharing and centralization of administrative services, including business and payroll services;***
- NCSd contracts with the NCSOS office to provide payroll services and business services
- ***Student transportation***
- NCSd is part of the Joint Powers Agreement with Durham Transportation. The Joint Powers Agreement is between NCSd, NJUSD, Grass Valley, and Pleasant Ridge school districts

Nevada City School District

The Nevada City School District will continue to share services to reduce overhead cost as long as there is not a negative impact on our students, families, and school district.

R. 9. All local elementary school districts in western Nevada County and the Nevada Joint Union High School District coordinate their school-year calendars for greater efficiency and publicly report their conclusions.

>The recommendation has been implemented. Please see below.

Each year the school districts in Nevada County every attempt to increase coordination of calendars. However, this is a negotiated item and needs agreement with bargaining units to implement. I understand that this is a concern in our school community. I will participate in any discussions on this issue with my superintendent colleagues and encourage discussions with the teachers' labor unions, as well.

June 6, 2012: Received an email from NJUSD Superintendent that contained an attachment of their 2012/13 negotiated and adopted academic calendar

Addendum E – 2012/13 NCSD negotiated and adopted academic calendar

Addendum F - 2012/13 NJUSD negotiated and adopted academic calendar

COUNTY OF NEVADA
STATE OF CALIFORNIA
BOARD OF SUPERVISORS



Nathan Beason, 1st District
Ed Scofield, 2nd District
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Vice Chair **Wm. "Hank" Weston**, 4th District
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Donna Landi, Clerk of the Board

August 28, 2012

The Honorable Thomas Anderson
Presiding Judge of the Nevada County Grand Jury
Nevada County Courthouse
201 Church Street
Nevada City, CA 95959

Re: Board of Supervisors' Responses to the 2011-12 Nevada County Civil Grand Jury Report,
Schools Efficiency.

Dear Judge Anderson:

As required by California Penal Code Section 933, the Board of Supervisors hereby submits its responses to the 2011-2012 Nevada County Civil Grand Jury Report, dated June 11, 2012, entitled *Schools Efficiency*.

These responses to the Grand Jury's Findings and Recommendations were approved by the Board of Supervisors at their regular meeting on August 28, 2012. The Responses are based on either personal knowledge, examination of official County records, information received from the County Executive Officer, or the Board of Supervisors and County staff members.

The Board of Supervisors would like to thank the members of the 2011-2012 Grand Jury for their participation and effort in preparing their Reports, and their participation in the Grand Jury process.

Sincerely,

Ted S. Owens
Chairman, Board of Supervisors

cc: Keith Overbey, Foreman, Grand Jury
Rick Haffey, County Executive Officer

950 Maidu Avenue, Suite 200, Nevada City CA 95959-8617
phone: 530.265.1480 | fax: 530.265.9836 | toll free: 888.785.1480 | email: bdofsupervisors@co.nevada.ca.us
website: <http://www.mynevadacounty.com/nc/bos>

County of Nevada's Grand Jury Response

Schools Efficiency

Findings

R.5. The Nevada County Board of Supervisors adopt and deliver to the County Committee on School District Organization (CCSDO) a resolution proposing consideration of consolidation of local elementary school districts in western Nevada County, pursuant to Education Code Section 35721 (c).

The recommendation will not be implemented at the present time.

Education Code Section 35720, et seq, authorizes a number of public agencies to propose consideration of consolidation of local elementary school districts, including the County Committee on School District Organization ("CCSDO") itself. One of the CCSDO's primary functions is to formulate plans and make recommendations to the State Board of Education regarding changes in the organization of existing school districts. Due to the unique issues associated with educational funding and the delivery of educational services, the CCSDO is in the best position to consider and act on any consolidation proposals.

NEVADA COUNTY SUPERIOR COURT
201 Church Street, Suite 6
Nevada City, CA 95959
(530) 265-1311

Thomas M. Anderson
Presiding Judge
of the Grand Jury

August 14, 2012

Keith Overbey, Foreman
Nevada County Civil Grand Jury
950 Maidu Avenue
Nevada City CA 95959

Dear Keith:

I have reviewed the letter & material enclosed, submitted by Holly A. Hermansen, and have asked the Deputy Jury Commissioner to forward the letter & accompanying documents on to you.

Thanks to you and the other members of the Grand Jury.


Sincerely,



THOMAS M. ANDERSON
Presiding Judge of the
Civil Grand Jury

TMA:cjm

Enclosure

Rec'd
8/16/2012


August 10, 2012

The Honorable Judge Tom Anderson
Presiding Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Judge Anderson,

This letter serves as my response to the June 5, 2012 Grand Jury Report on **Schools Efficiency**.

Findings:

1. The school age population of Western Nevada County is declining and will continue to decline for the foreseeable future.

Partially Agree

The school age population has been declining for the last decade at least. It appears that it will continue to decline, but we also know that there are signs of the decline leveling out as well as at least one district that has seen slight increases in kindergarten enrollment.

2. Revenues received by school districts in western Nevada County are declining and will continue to decline for the foreseeable future.

Partially Agree

Education revenues have been reduced for the last five years. While there is no sign of improvement in the near future, we cannot anticipate what the state budget will look like for education in the next year or two, nor do we know the outcome of the Governor's tax initiative on the ballot.

3. The utilization of school facility capacity in western Nevada County is low and will continue to decline.

Partially Agree

While many schools have seen declining enrollment and may have capacity for more students, the four schools that have closed in the last 3 years are now occupied by charter schools, three of which were previously in other non-school facilities.

4. Larger school districts can devote proportionately more of their budgets to classroom instruction.

Partially Agree

In May 2011 the Legislative Analyst's office released a report on School District Consolidation. In the report they concluded that while small districts (under 1,000 students, of which we have 6 in Nevada County) tend to spend more on overhead costs, the differences are not large. However, very small districts (under 100 students, of which we have 1), tend to spend significantly larger portions of their budgets on overhead costs which results in less funding for classroom instruction. I believe that this holds true in Nevada County as well.

5. Public elementary schools in western Nevada County need to increase their efficiency if the educational experience is to stabilize or improve.

Agree

We continue to find as many ways as possible to increase efficiencies and reduce costs in these times of economic crisis.

6. School district consolidation can increase Revenue Limit income, decrease costs and enhance educational programs.

Partially Agree

The statement above assumes that consolidation increases revenue limit funding. While that is true in some cases, the increased revenue limit is for the purpose of leveling up salaries in a newly formed district. There are cases where the cost to level up salaries may be higher than the increase in revenues, resulting in increased costs to districts. In addition, there are some cases where consolidation will result in lower revenues due to loss of categorical funds and other factors. There have been no recent studies conducted to determine whether consolidation will result in decreased costs. A study of this type needs to be specific to individual school districts and the structure they would create in a newly organized district.

In the Legislative Analyst's report mentioned above it was concluded that there is no evidence that consolidating small districts would necessarily result in substantial savings or in better educational outcomes for students. However, individual districts may conclude that they can offer better educational programs and realize cost savings or increased revenues should they consolidate, and in these cases they are encouraged to pursue this action. In agreement with the Legislative Analyst report, it should remain up to local constituencies to decide how to best structure their local districts.

7. Due to geography and the number of inter-district transfers, UHSD is currently a de facto part of GVSD.

Disagree

While it is true that geographically UHSD is surrounded by the Grass Valley School District and that there are a large number of inter-district transfer students attending Union Hill, I disagree that "for all intents and purposes" UHSD is part of GVSD. Each school district is governed by a separate governing board with a separate and unique school culture, educational structure and history.

8. Due to geography, the number of inter-district transfers and the projected increase in revenue, a consolidation of Union Hill and Grass Valley School Districts is logical and desirable.

Partially Agree

Consolidation is a local decision. The school boards of each of the districts and the local constituents should make the decision of whether consolidation is logical and desirable. However, it is the responsibility of each of the districts to consider the possibility, including fiscal and educational benefits.

9. Most of the administrative staff in the RSUSD and the PVESD are working two jobs, which is unsustainable and detracts from the educational programs.

Partially Agree

While it is true that many of the administrative staff are serving two districts, this structure was created with the intention of sharing services, something that we strive to do across the county in many areas. However, after several years of implementation of this model, it certainly creates a challenging workload for the staff. I have no evidence that the model detracts from the educational programs.

10. The efficiency of local western Nevada County school districts can be increased by sharing or centralizing more services.

Agree

We continue to look for more ways to share services and increase efficiencies. This is a frequent discussion at school board meetings and the superintendents' council.

11. There is a major opportunity to increase the coordination of school district calendars.

Partially Agree

Each year the school districts in Nevada County attempt to increase coordination of calendars. However, this is a negotiated item and needs agreement with bargaining units to implement.

12. Standardization of school district calendars would result in cost savings and allow families to plan for school closures and vacations.

Partially Agree

Cost savings would only be realized for those districts sharing transportation. The impact on families would be for those families who have students attending more than one school district.

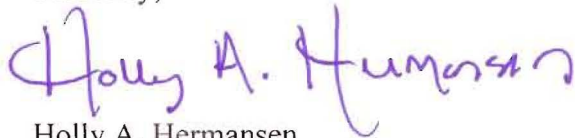
Recommendations:

8. The Nevada County Superintendent of Schools, the boards of trustees of all local elementary school districts in western Nevada County and the board of trustees of the Nevada Joint Union High School District actively pursue increased shared services in the following areas:
 - Maintenance, particularly a centralized, mobile service that can be rotated through each school site, including electrical, HVAC, plumbing and landscaping;
This recommendation has been partially implemented. The topic of shared maintenance has been discussed at the superintendents' council. Continued discussions will be held regarding possibilities in this area and implications for collective bargaining.
 - More centralization of curriculum experts;
This recommendation will not be implemented. Currently, only the county superintendent of schools employs a position specifically designated as a curriculum expert. This position provides countywide support and planning for math training, assistance in program improvement, staff development opportunities and other curriculum assistance. The position also provides coordination of regional curriculum activities. Information is shared at monthly superintendents' council meetings and at countywide principals meetings. Ideally, the county office would be able to increase the coordination and provision of curriculum support to districts, but it is not possible during this fiscal crisis.
 - More centralization of enrichment programs, including those in music and the arts;
This recommendation has been implemented. Currently the county superintendent of schools office provides countywide support in music through partnerships with the Music in the Mountains education program, InConcert Sierra and the Center for the Arts. The county office provides transportation for Nevada County students to many activities and coordinates the events. In addition, the county superintendent of schools office coordinates a county-wide art docent program including providing materials and training volunteers to provide art lessons in elementary classrooms. The county office is willing to consider other opportunities to coordinate countywide programs in these areas.

- Increased sharing and centralization of administrative services, including business and payroll services;
This recommendation has been partially implemented. The county office is currently providing some form of business services to three school districts. We will continue to explore ways to share services in these areas.
- Student transportation;
This recommendation has been implemented. There is currently a JPA with Durham Transportation Services with the four largest school districts. We will continue to explore ways to share services in this area, however the uncertainty of the transportation funding in the state budget makes it an inappropriate time to make any revisions or additions to current programs in place for student transportation.

The County Superintendent of Schools and the School Districts in western Nevada County are committed to continuously improving educational opportunities for students, pursuing efficiencies and being responsive to our communities as we continue through this economic crisis. The findings and recommendations in this report will be considered as we move forward.

Sincerely,



Holly A. Hermansen
Nevada County Superintendent of Schools