A

Glossary

of School Finance Terms

AUGUST 2004
## School Finance Acronyms

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Academic Performance Index (API)  A number summarizing the performance of a group of students, a school, or a district on the state’s standardized tests. A school’s number (or API score) is used to rank it among schools of the same type (elementary, middle, high, or small) and among the 100 schools of the same type that are most similar in terms of students served, teacher qualifications, and other factors. (See Standardized Testing and Reporting Program.)

Account Code  A number that classifies sources of revenues or purposes of expenditures in either a school district budget or the reports districts submit to the California Department of Education. The account code classifies expenditures according to the types of items purchased or services obtained, and revenues by the general source and type of revenue.

Adequacy  An approach to school funding that begins with the idea that the amount of funding schools receive should be based on some estimate of the cost of achieving the state’s educational goals. It tries to answer two questions: How much money would be enough to achieve those goals and where would it best be spent?

Adequate Yearly Progress (AYP)  A collection of performance measures that a state, its school districts, and subpopulations of students within its schools are supposed to meet if the state receives Title I, Part A federal funding. In California, the measures include: (1) specified percentages of students scoring “proficient” or “advanced” on California Standards Tests in English language arts and math; (2) participation of at least 95% of students on those tests; (3) specified Academic Performance Index scores or gains; and (4) for high schools, a specified graduation rate or improvement in the rate. (See No Child Left Behind Act and Title I.)

Adult Education  Classes offered by school districts, community colleges, and other public and private organizations for residents 18 years or older who are not enrolled in a high school. State law requires that certain courses, including citizenship and English, be provided at no charge, while others may carry a fee. Adult Education revenues and expenditures must be tracked separately from a school district’s general fund.

Apportionments  Funds that federal or state governments distribute to local education agencies or other governmental units according to certain formulas.

Appropriations  Funds set aside or budgeted by the state or local school district boards for a specific time period and specific purpose. The state Legislature and local school boards must vote every year on appropriations.

Assembly Bill (AB) 1200  Legislation passed in 1991 that defined a system of fiscal accountability for school districts and county offices of education to prevent bankruptcy. The law requires districts to do multiyear financial projections; identify sources of funding for substantial cost increases, such as employee raises; and make public the cost implications of such increases before approving employee contracts. County offices review district budgets, and the state reviews countywide school districts.

Assessed Value  The value of land, homes, and businesses set by the county assessor for property tax purposes. It is either the appraised value of any newly built or purchased property or, for continuously owned property, the value on March 1, 1975 plus annual increases. These increases, tied to the California Consumer Price Index, may not exceed 2% annually. (See Proposition 13.)

Average Daily Attendance (ADA)  The total number of days of student attendance divided by the total number of days in the regular school year. A student attending every day would equal one unit of ADA. ADA is not the same as enrollment. (See Enrollment.) The state uses a school district’s ADA to determine its total general-purpose (revenue limit) funding and some other funding.

Basic Aid  The minimum general-purpose aid guaranteed by the state’s constitution for each school district in California. The amount is $120 per pupil (ADA), with a minimum of $2,400 per district for very small districts. In 2003 lawmakers decided that the funding schools receive from categorical programs could satisfy this guarantee.

Basic Aid School District  The historical name for a district in which local property taxes equal or exceed the district’s revenue limit. These districts may keep the money from local property taxes and still receive constitutionally guaranteed state basic aid funding.

Benefit Assessment District  See Maintenance Assessment District.
**Block Grant** An allotment of money that is the sum of multiple special-purpose funds combined into one. A block grant tends to have fewer restrictions on how the money is spent than the original, disparate funding streams had; and it often combines funds that have similar purposes.

**Bond Measure** See General Obligation (G.O.) Bonds.

**Bonus/Performance Pay** Extra money for school district employees who perform extra duties or are considered exemplary. In some states, performance pay is being offered as an incentive for teachers to improve their students’ performance. In California, both employee pay and benefits are determined by collective bargaining, according to state law.

**Budget Act** A constitutionally established, one-year statute for the state’s budget appropriations. It is the only bill allowed to have more than one appropriation. The state Constitution requires that it be passed by a two-thirds vote of each house and sent to the governor by June 15 each year. The governor may reduce or delete, but not increase, individual items.

**Building Fund** A fund that districts must use only for buildings. The money comes from sources such as bonds and the sale/rental of property.

**California Basic Educational Data System (CBEDS)** Reports that contain statistics about schools, teachers, and students. CBEDS reports are collected from each school in the fall.

**California Work Opportunity and Responsibility to Kids (CalWORKs)** A welfare program that gives cash aid and services to eligible needy California families. CalWORKs is a state program that is operated locally by county welfare departments.

**CalPERS** See Public Employees’ Retirement System (PERS).

**CalSTRS** See State Teachers’ Retirement System (STRS).

**Capital Outlay** Money spent for major physical changes to a school, such as new buildings, renovations, reconstruction, or certain new equipment. These investments in the physical structure of a school are expected to last for a number of years.

**Categorical Aid/Categorical Programs** Allocations from the state or federal government that generally fall into three categories: specific programs, specific students, and specific characteristics of school districts. All districts receive categorical aid in varying amounts in addition to the funding they receive for their general education program. In most cases, districts have limitations on how they may use these funds.

**Certificated/Credentialed Employees** Employees who are required by the state to hold some type of teaching credentials, including most administrators and full-time, part-time, substitute, and temporary teachers.

**Charter School** A public school operated independently under a performance agreement with a school district, a county office of education (COE), or the State Board of Education. Charter schools are funded on a per-pupil basis, freed from most state regulations that apply to school districts and COEs, usually able to hire their own teachers and other staff, and subject to closure if they fail to meet their promises for student outcomes.

**Class Size Reduction (CSR)** Incentive programs that provide funding to schools with class sizes of no more than 20 students per teacher. CSR was initiated in the 1996–97 school year for kindergarten through third grade. A separate program supports smaller classes for core academic subjects in 9th grade.

**Classified Employees** School employees who are not required to hold teaching credentials, such as bus drivers, secretaries, custodians, instructional aides, and some management personnel.

**Collective Bargaining** A process for establishing a contract between a school district and its employee organizations. Senate Bill 160 (1975) defined the manner and scope of negotiations and mandated a state regulatory board. (See Public Employment Relations Board.)

**Con App (Consolidated Application)** The application districts can use to apply for about 20 state and federal categorical programs. Most, if not all, districts use the “con app” to secure funding from at least some of the programs on the application. These programs tend to be on roughly the same timeline and are relatively straightforward to apply for, such as the federal Title I program and the state School Improvement Program (SIP).

**Consolidation** The combining of two or more elementary or high school districts with adjoining borders to form a single district. (See Unification and Unionization.)

**Consumer Price Index (CPI)** A measure of the average change over a short time in the prices paid for a set of consumer goods and services. Salary adjustments and other costs can be linked to the CPI, which is sometimes used as a factor to measure inflation.
Cost-of-living Adjustment (COLA) An increase in funding for schools from the state or federal government to compensate for inflation. In California, the law states that schools should receive a certain COLA based on the Implicit Price Deflator for State and Local Government Purchases of Goods and Services.

County Office of Education (COE) The agency that provides, in general, educational programs for certain students; business, administrative, and curriculum services to school districts; and financial oversight of districts. These services are affected by the size and type of districts within the county, the geographical location and size of the county, and the special needs of students that are not met by the districts. Each of California’s 58 counties has an office of education.

Deferred Maintenance Major repairs of buildings and equipment that have been postponed by school districts. Some matching state funds are available to districts that establish a deferred maintenance program to proceed with these repairs.

Deficit Factor The percentage by which an expected allocation of funds to a school district or county office of education is reduced. The state may apply deficit factors to revenue limits and categorical programs when the appropriation is insufficient based on the funding formulas specified by law.

Developer Fees A charge per square foot on residential and commercial construction within a school district that is based on the premise that new construction will lead to additional students. School districts decide whether to levy the fees and at what rate up to the maximum allowed by law. Proceeds are used for building or renovating schools and for portable classrooms.

Direct Services Services—including business, attendance, health, guidance, library, and supervision of instruction (K–8 only)—performed without cost by county offices of education for small districts, which are defined as fewer than 901 (elementary), 301 (high school), and 1,501 (unified) students based on ADA.

Economic Impact Aid (EIA) State categorical funds for districts with concentrations of children who are transient, from low-income families, or need to learn English.

Education Code The body of law that regulates education in California. Additional regulations affecting education are contained in the California Administrative Code, Titles 5 and 8, the Government Code, and general statutes.

Elementary and Secondary Education Act (ESEA) The principal federal law affecting K–12 education. The No Child Left Behind Act (NCLB) is the most recent reauthorization of ESEA. (See No Child Left Behind Act.) Enacted in 1965 as part of the War on Poverty, ESEA supports the education of the country’s poorest children. Congress must reauthorize it every six years.

Encroachment The expenditure of a local education agency’s general-purpose funds for mandated special-purpose programs in which the cost of providing the programs exceeds the state or federal funding provided.

English Learner (EL) Students whose home language is not English and who qualify for extra help. EL students were formerly known as “limited English proficient” (LEP).

Enrollment A count of the students enrolled in each school and district on a given day in October. The number of pupils enrolled in the school is usually larger than the average daily attendance (ADA) due to factors such as students’ moving, dropping out, or staying home because of illness. (See Average Daily Attendance.)

Equalization Aid Funds allocated, on occasion, by the Legislature to address perceived inequalities and raise the funding level of school districts with lower revenue limits toward the statewide average based on size and type of district.

Expenditures Per Pupil The amount of money spent on education by a school district or the state divided by the number of students educated. For most purposes in California, the number of students is determined by average daily attendance (ADA). (See Revenues Per Pupil.)

Fiscal Crisis and Management Assistance Team (FCMAT) A state-funded agency that provides fiscal advice, management assistance, training, and other related school business services, with a particular emphasis on districts facing fiscal insolvency. FCMAT operates from the office of the Kern County Superintendent of Schools under contract with the California Department of Education and the governor’s office.

Free/Reduced-price Meals (F/RPM) A federal program to provide food—typically lunch and/or breakfast—for students from low-income families. The number of students participating in the National School Lunch Program is often used as a way to measure the poverty level of a school or district population. The number of children in this program can affect schools’ or districts’ eligibility for grants or other funding aimed at helping lower-income families. Almost half of California’s public school children are eligible for free/reduced-price meals.
Gann Limit  A limit on the amount of tax money that state and local governments, including school districts, can legally spend. California voters approved the late Paul Gann’s Proposition 4 in November 1979. The implementing legislation, Senate Bill 1342, minimized the proposition’s impact on K–12 education.

General Fund  The primary, legally-defined fund used by the state and school districts to differentiate general revenues and expenditures from those placed in other funds for specific uses.

General Obligation Bond (G.O. Bond)  A form of borrowing commonly used to fund school facilities. Local G.O. bonds, financed through an increase in local property taxes, can be used for renovating, reconstructing, and building new facilities and for certain new equipment. School districts can seek either two-thirds or 55% voter approval, the latter with additional accountability requirements. A simple majority of state voters can approve a state G.O. bond, which is repaid by state funds and has no impact on property tax rates. Although both state and local bonds are G.O. bonds, people often use the term “G.O. bond” to refer only to local bonds for school facilities.

General-purpose Funding  Money granted to school districts for general purposes, with the largest portion of it based on a per-pupil revenue limit amount. Districts can decide how the money is spent, within the constraints of certain laws and contracts with employees. (See Revenue Limit.)

Gifted and Talented Education (GATE)  A program that provides supplemental, differentiated, challenging curriculum and instruction to California public school students who are deemed by districts to be intellectually gifted or especially talented in leadership or visual and performing arts.

Healthy Start  A state grant program in which schools work with community organizations to provide children and families with access to health and human services, often at schools. The state approved the last round of new grants in 2002.

High Priority Schools Grant Program (HPSGP)  A program to support schools in the lower half of the state rankings (deciles 1 through 5) based on the Academic Performance Index (API). However, the initial emphasis is on Decile 1 schools, which are at the bottom of the state’s ranking system. (See Academic Performance Index.)

Immediate Intervention/Underperforming Schools Program (II/USP)  A component of California’s Public Schools Accountability Act (PSAA) designed to provide assistance and intervention for schools identified as underperforming. Three cohorts of 430 schools were chosen—one each in 1999, 2000, and 2001—for the three-to-four year program. In 2002 lawmakers funded instead a similar program. (See High Priority Schools Grant Program.)

Impact Aid  See PL 81-874.

Implicit Price Deflator  A measure of inflation used to compare expenditures over a period of time. The state uses the Implicit Price Deflator for State and Local Government Purchases of Goods and Services to calculate increases to revenue limits.

Individualized Education Program (IEP)  A plan developed for a specific student that outlines what that student needs to learn in a specified period of time and what special services need to be provided based on the student’s ability or limitations. Special Education students have IEPs that may also exempt them from tests or allow accommodations, such as an exam in Braille.

Individuals with Disabilities Education Act (IDEA)  A reauthorization of the federal Education For All Handicapped Children Act of 1975, which guarantees children with exceptional needs a free and appropriate public education and requires that each child’s education be determined on an individual basis and designed to meet his or her unique needs in the least restrictive environment. It also establishes procedural rights for parents and children. (See Special Education.)

Inflation Factor  See Cost-of-living Adjustment.

Instructional Materials Funding Realignment Program (IMFRP)  A program created by the state in 2002–03 to pay for textbooks and related materials, including in some cases professional development and assessment materials. The IMFRP requires districts to provide standards-based materials for each pupil by the start of the school year that begins within two years of the adoption of materials by the state for K–8 and by the district for 9–12.

J-90  An optional salary information report that most districts and county offices of education submit to the California Department of Education. The main focus is teachers’ salaries, but the J-90 also includes other certificated staff.

J-200, J-380  Financial (J-200) and program cost accounting (J-380) reports that school districts and county offices of education submit to the California Department of Education. When all districts converted to SACS (see Standardized Account Code Structure) in 2003–04, CDE discontinued the J-200 and J-380 software.
Joint Powers Agreement (JPA)  An agreement among local education agencies (LEAs) (and/or sometimes the California Department of Education) to share services or responsibilities. A joint powers board made up of representatives of the LEAs governs the JPA.

Joint School Districts  School districts with boundaries that cross county lines.

Limited English Proficient (LEP)  See English Learner.

Local Education Agency (LEA)  A public board of education or other public authority within a state that maintains administrative control of public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a state. School districts and county offices of education are both LEAs. Sometimes charter schools function as LEAs.

Local Miscellaneous Revenues  School funding from locally generated sources, such as community contributions, interest income, developer fees, and revenues from local parcel tax elections.

Lottery  Gambling games approved by California voters in November 1984. The minimum of 34% of lottery revenues distributed to public schools, colleges, and universities must be used for educational purposes. Half of any increase of lottery income to school districts and community colleges—as compared to funding in the 1998–99 school year—must be used only for instructional materials, such as textbooks. Lottery income comprises less than 2% of K–12 education funding annually.

Maintenance Assessment District  An area in which fees charged to property owners are used to provide a service of benefit to all fee payers, such as the maintenance of public parks and recreation areas. Districts must hold an election before fees are levied. It is sometimes called a Benefit Assessment District.

Mandated Costs  School district expenditures that are required because of federal or state law, court decisions, administrative regulations, or initiative measures. Since the passage of Proposition 4 in 1979 (the Gann Limit), the California Constitution has required the repayment of mandated costs to school districts.

Master Plan for K–16 Education  A long-term, strategic plan for a single, seamless system of education from prekindergarten through postsecondary education that will provide better schools and higher levels of student achievement in every school, college, and university, and will prepare students to enter the workforce. The main objectives of the plan are to focus the education system on student success and guide education policy and budget decisions over the next 20 years. This master plan has been in place since August 2002. For the most part, legislation to implement the plan has not been enacted.

Master Plan for Special Education (MPSE)  California categorical program for the education of all children with disabilities, enacted in 1980 and modified frequently since then. (See Special Education and Individuals with Disabilities Education Act.)

Mello-Roos Community Facility District  A portion of a school district, often a new housing development, that can be taxed if two-thirds of property owners vote to approve it. Under Mello-Roos, property owners pay a special tax that is not based directly on the assessed value of the property.

Migrant Education  Special federal funds for districts with students who are children of migrant workers.

Multitrack, Year-round Education (MTYRE)  Schools with classes that take place throughout the calendar year. Individual students attend school for nine months, but on staggered schedules. Districts typically choose MTYRE to fully utilize school facilities. (A few districts have single-track, year-round education—in which students have shorter vacations spread throughout the year—for educational reasons.)

National School Lunch Program  See Free/Reduced-price Meals.

Necessary Small Schools  Schools that need to have small populations, usually because they are in sparsely populated areas or serve special populations (such as Juvenile Court schools). These schools receive extra funding because they cannot realize economies of scale.

No Child Left Behind Act (NCLB)  The 2002 reauthorization of the Elementary and Secondary Education Act (ESEA). NCLB’s provisions represent a significant change in the federal government’s influence in public schools and districts throughout the United States, particularly in terms of assessment, accountability, and teacher quality. It increases the federal focus on the achievement of disadvantaged pupils, including English learners and students who live in poverty, provides funding for innovative programs, and supports the right of parents to transfer their children to a different school if their school is low-performing or unsafe. (See Titles I–X.)

Office of Public School Construction (OPSC)  The agency that implements and administers the School Facility Program and other programs of the State Allocation Board (SAB). OPSC also verifies
that all school districts applying for state funding to modernize or build new facilities meet specific criteria based on the type of funding requested.

**Opportunity To Learn (OTL)** Standards that measure the extent to which key education resources—such as experienced teachers, adequate materials, rigorous courses, and safe, clean, uncrowded facilities—are provided at a school site.

**Parcel Tax** An assessment on each parcel of property—not based on assessed value—that must be approved by two-thirds of the voters in a school district. When proposing parcel tax elections, districts indicate how the money will be used. Money from parcel taxes is generally used for educational programs, not for school construction or renovation, which is normally financed through a general obligation (G.O.) bond measure.

**Per Capita Personal Income** Total personal income from all sources prior to taxation divided by the number of residents in, for example, a state.

**PL 81-874 (Public Law 81-874)** The federal program that provides funds to districts with children whose families live or work on federal property, such as military bases. (See Title VIII.)

**PL 94-142 (Public Law 94-142)** A federal law that mandates a “free and appropriate” education for all children with disabilities. (Also see Individuals with Disabilities Education Act.)

**Property Tax** A tax on local residential and commercial property that is part of a school district’s income based on a formula set by the Legislature and signed by the governor in 1978. These taxes, which vary by district, are part of the district’s revenue limit income. (See Revenue Limit.)

**Proposition 13** An amendment to the California Constitution passed by voter initiative in June 1978 that limits property taxes to no more than 1% of full assessed value (plus any additional rates approved by local voters, such as general obligation bonds). Annual increases in assessed value are capped at 2% or the percentage growth in the state’s Consumer Price Index (CPI), whichever is less. For individual properties, the assessed value is also raised when new construction or the sale of property occurs (with a few exceptions). Proposition 13 and implementing legislation caused a shift in support for schools from local property taxes to state general funds. Local voters can levy a uniform dollar tax per parcel of land, but they cannot increase property taxes based on value except by issuing general obligation (G.O.) bonds for school construction or renovation.

**Proposition 39** An amendment to the California Constitution passed by voter initiative in November 2000. It added the option of a lower voter-approval threshold (55% vs. two-thirds) for local school district general obligation (G.O.) bonds. If districts choose to seek 55% instead of two-thirds approval, they have added requirements involving financial and performance accountability.

**Proposition 49** An amendment to the California Constitution passed by voter initiative in November 2002. It modified and expanded the existing state after-school programs. Beginning in 2004–05, any funding increases to the After School Education and Safety Program must come from outside of Proposition 98 funds. Without voter approval, lawmakers can only reduce funding to the program if they also reduce Proposition 98 funds by the same percentage.

**Propositions 98 and 111** Voter-approved initiatives that amended the California Constitution in 1988 and 1990 to guarantee a minimum amount of funding from property and state taxes for K–14 (kindergarten through community college) education each year. The propositions included formulas for calculating the guarantee under different economic conditions. Proposition 98 also mandated School Accountability Report Cards (SARCs). (See School Accountability Report Card.)

**Public Employees’ Retirement System (PERS)** A retirement fund required by state law. Classified employees and their employer (such as school districts and county offices of education) contribute.

**Public Employment Relations Board (PERB)** A five-person board appointed by the governor that regulates collective bargaining between public employees (including school district employees) and employee organizations.

**Public Schools Accountability Act (PSAA)** A law that outlines a comprehensive process for measuring schools’ academic performance and ranking schools based on that performance. When schools fall short of expectations, the state may intervene—first with assistance and later with sanctions. Successful schools are expected to be recognized and rewarded. California lawmakers approved the PSAA in April 1999.

**Pupil Weighting** System of distributing funds—through the state to districts, county offices of education, or schools—that provides more or less money based upon the educational or social conditions of students in a school or district.
Regional Occupational Center/Program (ROC/ROP) A center or program established by a school, district, group of districts, or county office of education that provides training for entry-level jobs, job-related counseling, and upgrading of skills for youths ages 16 to 18.

Reserves Funds set aside in a school district budget to provide for future expenditures, to offset future losses, for working capital, or for other purposes.

Revenue Limit The amount of general-purpose money districts receive per pupil (ADA) from a combination of state funds and local property taxes. Categorical aid for specific programs and students is in addition to revenue limit income. The Legislature came up with the revenue limit concept to create a more equal distribution of monies for schools. Originally, revenue limits were calculated for each district based on historical spending patterns and varied considerably.

Revenues Per Pupil The total amount of revenues from all sources allocated to K–12 education, divided by the number of students as determined, most often, by average daily attendance (ADA). The formula for revenues per pupil is based on the amount budgeted by the state rather than on what is actually spent by districts and the state to provide services. (See Expenditures Per Pupil.)

School Accountability Report Card (SARC) An annual report on specified aspects of a school’s operation, which is required as part of Proposition 98. Other state legislation and the federal No Child Left Behind Act (NCLB) also require SARCs. (See Propositions 98 and 111.)

School Board A locally elected group, usually between three and seven members, who set fiscal, personnel, instructional, and student-related policies. A school district governing board also provides direction for the district, hires and fires the district superintendent, and approves the budget and contracts with employee unions.

School Facility Improvement District (SFID) A portion of a school district that is taxed through a general obligation (G.O.) bond based on the value of the property and approved by the voters in that portion of the district being taxed. Originally, SFIDs required two-thirds voter approval. But in July 2001, the Legislature added the option of a 55% approval threshold with the additional accountability provisions of Proposition 39. Typically, SFIDs involve new housing developments that create additional facility needs for the school district.

School Foundation A tax-exempt organization—also referred to as an education foundation—established to raise funds and receive gifts and grants in support of a school district or individual school.

School Improvement Program (SIP) A plan for an improved education program developed by a school site council composed of staff, parents, and students (high schools only). SIP is one of the few categorical programs that provide discretionary money directly to schools. Typical uses are for instructional aides, classroom materials, technology, and staff development.

School Site Council Parents, students (high schools only), teachers, and other staff selected by their peers to prepare a school improvement plan and to assist in seeing that the planned activities are carried out and evaluated. Such a council is required when a school receives funding for a School Improvement Program (SIP) or through Title I.

Scope of Bargaining The range of subjects negotiated between school districts and employee organizations during collective bargaining. In California, scope includes matters relating to wages, hours, and working conditions. The Public Employment Relations Board (PERB) is responsible for interpreting disputes about scope.

Section 504 A section of the federal Rehabilitation Act of 1973 that protects “handicapped” individuals from discrimination based on their handicap by employers, educational institutions, or programs that receive federal funds. Section 504 defines an “individual with a handicap” more broadly than the Individuals with Disabilities Act (IDEA) and in some circumstances provides additional rights not available under IDEA.

Seniority A statutory system for protecting the job security of employees with the longest periods of service in a district. With few exceptions, the seniority list is used to determine which employees will be the first to be laid off or rehired.

Serrano Bands A specific range of per-pupil funding. Under the Serrano v. Priest case (see below), the courts required the California Legislature to reduce differences in general-purpose funding to $100 per student adjusted annually for inflation, called the Serrano band. The Serrano band was about $350 per student in 2004.

Serrano v. Priest A California court case—begun in 1968 and settled in the mid-1970s—that challenged the inequities created by the U.S. tradition of using property taxes as the principal source of revenue for public schools, saying the wide discrepancies in school funding because of differences in district wealth represented a denial of equal opportunity. In
response, legislators passed Senate Bill 90 in 1972, creating the revenue limit system that put a ceiling on the amount of general-purpose money each district could receive. (See Serrano Bands.)

**Shortfall** An insufficient allocation of money, requiring an additional appropriation or resulting in a deficit.

**Single Plan for Student Achievement** A required plan for schools that participate in any state or federal program included in the state’s consolidated application. (See Consolidated Application.) The plan, which is developed by the school site council, must describe how the school will spend the funds received through the consolidated application to improve student achievement. The school district governing board must review and approve the plan. This replaced the disparate plans required for some state and federal programs.

**Small Districts** For revenue limits: an elementary district with fewer than 101 students (based on average daily attendance or ADA); a high school district with fewer than 301 students (ADA); and a unified (K–12) district with fewer than 1,501 students (ADA). For some other purposes, a small elementary district is defined as fewer than 901 (ADA). In California, more than 40% of districts have fewer than 1,000 students.

**Special Education** Programs to identify and meet the educational needs of children with emotional, learning, or physical disabilities. Federal law requires that all children with disabilities be provided a free and appropriate education according to an Individualized Education Program (IEP) from infancy through 21 years of age. (See Individuals with Disabilities Education Act and Individualized Education Program.)

**Special Education Local Plan Area (SELPAs)** Regional group for purposes of administering Special Education services effectively and efficiently. Districts are organized into SELPAs. Some are countywide, a single large district, or part of a district; and some combine several smaller districts.

**Split Roll** A system of taxing business and industrial property at a different rate from residential property.

**Standardized Account Code Structure (SACS)** A comprehensive system of accounting for and reporting school district revenues and expenditures. As of 2003–04, all school districts use SACS, which gives them a variety of ways to track and report financial information, including by specific programs and functions.

**Standardized Testing and Reporting Program (STAR)** Statewide testing system that contains three elements: 1) California Standards Tests (CSTs), which are based on the state’s academic content standards; 2) California Achievement Tests, Sixth Edition Survey (CAT/6), a nationally normed, standardized, multiple-choice, basic-skills test; and 3) Spanish Assessment of Basic Education, Second Edition (SABE/2), an additional norm-referenced test that native Spanish-speaking students take during their first year in California public schools. Student achievement on certain STAR tests largely determines a school’s statewide ranking. (See Academic Performance Index.)

**State Allocation Board (SAB)** A regulatory agency that controls most state-aided capital outlay and deferred maintenance projects, and that distributes funds for them.

**State Education Agency (SEA)** The agency primarily responsible for the supervision of a state’s public elementary and secondary schools, such as the California Department of Education.

**State Teachers’ Retirement System (STRS)** A retirement fund required by state law. Certificated employees and education agencies (such as school districts and county offices of education) contribute to STRS.

**Sunsetting** The termination of statutes and regulations (but not necessarily the funding) for a categorical program. A schedule for the Legislature to consider the sunset of most state programs is part of the laws that created the programs.

**Supplemental Grants** Money given to some school districts by the state, typically to districts that are less challenged than those receiving Economic Impact Aid (EIA). In some districts these grants supplement revenue limits, while in others they go to specific programs.

**Supplemental Services (under NCLB)** Additional learning opportunities, such as tutoring services, that must be provided to students from low-income families who are attending schools that have not met annual performance goals for two years in a row under the No Child Left Behind Act (NCLB). Parents can choose the appropriate services.
for their child from a list of approved providers. The school district pays for the services. (See Adequate Yearly Progress.)

**Tenure** A system of due process and employment guarantee for teachers. After serving a two-year probationary period, teachers are assured continued employment in the school district unless carefully defined procedures for dismissal or layoff are successfully followed.

**Titles I–X** Ten sections in the federal No Child Left Behind Act (NCLB).

Title I provides funds for educationally disadvantaged students, including the children of migrant workers. Funding is based on the number of low-income children in a school and is intended to supplement, not replace, state and district funds. The funds are distributed to school districts, which make allocations to eligible schools according to criteria in the federal law. Schools receiving Title I monies are supposed to involve parents in deciding how those funds are spent and in reviewing progress. Title I used to be called Chapter One. Part A provides basic grants for school improvement, while Part B focuses on helping schools improve their reading programs. Parts C through I provide funding for a variety of purposes, including advanced placement programs and dropout prevention.

Title II provides funding to prepare, train, and recruit high-quality teachers and principals. It also includes grants to integrate technology into the classroom.

Title III provides funding for language instruction for English learner (EL) and immigrant students. This funding is on top of any Title I funding a school might receive. It includes specific assessment and parent notification requirements.

Title IV provides grants for out-of-school programs aimed at keeping students safe and supporting academic achievement. Title IV includes funding for the 21st Century Community Learning Centers and the Safe and Drug Free Schools and Communities programs.

Title V promotes informed parental choice and innovative programs by providing grants to support Innovative Programs (Part A) and Public Charter Schools (Part B). It also includes an incentive program to help charter schools meet their facility needs.

Title VI provides funding to promote flexibility and accountability. Part A provides funds for states to improve the quality, validity, and reliability of their testing systems. It also allows districts to transfer funds among certain titles to most effectively meet student needs. Part B provides extra grant funds and flexibility to school districts that are located in rural areas and serve fewer than 600 students.

Title VII covers Indian, Native Hawaiian, and Alaska Native Education.

Title VIII provides Impact Aid to school districts with children whose families live or work on federal property, such as military bases or Native American reservations.

**Titles IX and X** cover administrative issues.

**Tuition Tax Credit** A reduction in state or federal income tax to offset a specified amount of money for private education tuition.

**Unification** Joining together of all or part of an elementary school district (grades K–8) and high school district (grades 9–12) to form a new unified school district (grades K–12) with a single governing board.

**Unionization** Joining together of two or more elementary or high school districts to form a single elementary (grades K–8) or high school district (grades 9–12).

**Voucher** A promise of payment from the state for all or part of a student’s education expenses at a school of the student’s choice. This term is generally used for the certificates or promises that governments provide public school students so they can attend private schools of their choice.

**Waiver** Permission from the State Board of Education to set aside the requirements of an Education Code provision or administrative regulations upon the request of a school district. The code specifies which laws can be waived.

**Williams v. California** A class action lawsuit, originally filed in 2000, in which plaintiffs contend that California has failed to provide thousands of public school students—particularly low-income students and students of color—with “bare minimum necessities.” In August 2004 a tentative settlement was reached that included: accountability measures, such as empowering county superintendents to intervene in the lowest-performing schools; a commitment to provide highly qualified teachers in every core class by 2006; and about $1.2 billion to make facilities repairs, buy textbooks, create a statewide facilities inventory, and continue the High Priority Schools Grant Program.