

SCOE Biz

Business Services

Bulletin No. 25-06

October 17, 2024

To: District and Charter School Business Services
From: Sarah Lampenfeld, Director, External Fiscal Services
Subject: October 2024 Edition

AB 176 Statutory Changes to Attendance Accounting and Instructional Time

Trailer bill clean-up language (AB 176) includes the following changes to Independent Study, Attendance Recovery, Instructional Continuity, and Form J13A. Please note the fiscal year each change takes effective.

Independent Study (Fiscal Year (FY) 2024–25)

- ✚ Clarifies that LEAs providing traditional independent study must document time value in hours or fraction of an hour for both work products and time spent in computer-based programs (Education Code (EC) Section [51747.5\(b\)\(2\)\(A\)\(ii\)](#)).
 - The documentation of time value in increments of an hour or fraction of an hour must occur before converting the associated time to a day of average daily attendance (ADA) but it is not required to be done on an hour-by-hour basis.

Attendance Recovery (FY 2025–26)

- ✚ Specifies that instructional content for Attendance Recovery must be aligned to grade-level standards (EC Section [46211\(f\)](#)).
- ✚ Removes maximum class size requirement but explicitly states that LEAs maintain a student: teacher ratio of 10:1 for TK/K and 20:1 for all other grades (EC Section [46211\(f\)](#)).
 - LEAs are required to document and demonstrate how the Attendance Recovery program met the applicable ratios.
- ✚ Clarifies that, if an LEA chooses to use Expanded Learning Opportunities Program (ELO-P) funds for Attendance Recovery, ADA generated must still be under the immediate supervision and control of a certificated employee of the LEA (EC Section [46120\(d\)\(3\)\(B\)](#)).

Instructional Continuity (FY 2025–26)

- ✚ Every TK-12 public school in California is mandated to develop and maintain a Comprehensive School Safety Plan (CSSP). This plan addresses campus risks, emergency preparedness, and ensures a secure learning environment.
- ✚ Legislative updates in SB 153 mandated that LEAs include an Instructional Continuity Plan (ICP) within their CSSP. The ICP ensures student engagement and instruction during emergencies, requiring procedures for reengagement within 5 days and in-person or remote instruction within 10 days. The ICP may include support to students

and families to enroll in, or be temporarily reassigned to, another school district, COE, or charter school.

- ✚ AB 176 clarifies that “temporarily reassigned” means temporarily reassigned to another LEA outside of the school district, but within the county or contiguous county in which the student’s parent or guardian resides (EC Section [32282\(a\)\(3\)\(C\)\(i\)](#)).

Form J-13A (FY 2026–27)

- Changes the implementation timeline for the requirement that LEAs certify to having a plan to provide an ICP as part of the Form J-13A submission requirements from July 1, 2025, to July 1, 2026 (EC Section [46393\(e\)](#)).
 - LEAs will continue to include an independent study plan and Certification Form for Independent Study when submitting a Form J-13A request for all events occurring after September 1, 2021 but on or before June 30, 2026.

To claim eligible ADA and avoid findings and associated penalties in the annual audit, LEAs must comply with all conditions of apportionment, including those added and amended by AB 176. LEAs should ensure they comply with FY 2024–25 requirements (e.g., independent study), and begin planning for those requirements (e.g., Instructional Continuity) that impact future years.

Legislative Change: Provision 2, 3 or CEP

LEAs operating schools with Provision 2, 3, or CEP status of an important legislative change affecting data collection of Free and Reduced-Priced Meal (FRPM) eligibility. The change affects schools that have elected to establish a base year for purposes of the Local Control Funding Formula (LCFF) and only collect eligibility data once every four years.

Assembly Bill 176 (Chapter 998, Statutes of 2024) includes amendments to *Education Code (EC)* Section 42238.01 to **allow Provision 2/3 and CEP schools to redetermine student FRPM eligibility for LCFF purposes during non-base years with the Alternative Income Form (AIF). This means that Provision 2/3 and CEP schools may collect AIFs for students whose FRPM eligibility changed after the base year.** Please see the email attached from PASE for more information on this change and the SUN Bucks program.

Federal Cash Management Data Collection (CMDC)

The data collection window for the Federal Cash Management Data Collection (CMDC) System is open. You may report your data at any time during this period. **LEAs must submit cash balance data by October 31st** for the following programs in order to receive funds in the next apportionment for those programs (if you are a Title III Consortium LEA, your cash apportionments flow based on the total combined reporting for all Consortium LEAs):

- ✚ Title I, Part A
- ✚ Title I, Part D
- ✚ Title II, Part A
- ✚ Title III, Immigrant
- ✚ Title III, LEP
- ✚ Title IV

Note: The cash balance is to be reported regardless of the fiscal year from which the funds originated. CMDC information, including instructions, future reporting dates, FAQs, and Login can be found at the CDE Web site <http://www.cde.ca.gov/fg/aa/cm/>.

Federal Quarterly Interest Reporting (due October 31st)

CDE federal program grantees are required to report and remit interest to the CDE at least quarterly. Although grantees are allowed to keep interest amounts up to \$500 per year for administrative purposes, the \$500 is in total for all federal programs, not for each federal program. When reporting and remitting federal interest to the CDE, grantees should specify the time period of interest earning and the federal program resource codes. Interest on federal cash balances should be sent to the CDE at the following address:

California Department of Education
P.O. Box 515006
Sacramento, CA 95851
Attention: Cashier's Office

If no\$ to Remit: Email
cashmanagement@cde.ca.gov

The CDE requests LEAs submit documentation regarding the calculations and the interest rate used. Documentation (once available) for the **current quarter's rate of 3.816%** can be found [here](#). A complete list of federally reimbursable programs that should be EXCLUDED from your interest calculations can be found at <https://www.cde.ca.gov/fg/ac/co/reimbursableprograms.asp>. A good report to use for documenting your calculations is the Fiscal24 Resource Cash Daily Balances. You will need to enter the reporting period (quarter dates), interest rate for the quarter, and specific federal resources you would like to include in the calculation. **Title I, II, III, IV, ELOG (resources 3218 and 3219 only), and ESSER III would need to be included, but you may have other non-reimbursable programs.**

FAQ for taxpayers – Bonds

Each fall, the Sonoma County Tax Collector's Office asks Districts with School Bonds on the tax rolls to provide a contact telephone number that is printed on property tax bills. Taxpayers with questions about school Bonds or parcel taxes need to have easy access to Districts for questions. To better help you answer those questions we have prepared a frequently asked question sheet ([attached](#)). Please share this information with the contact who answers the phone number printed on the tax bills. Additionally, the Tax Collector's Office added bond information to their web page. The bond information can be found [here](#).

Learning Recovery Emergency Block Grant

The CDE released the Interim Expenditure Report for the Learning Recovery Emergency Block Grant (LREBG) on October 7th. **The reporting is due on or before December 15, 2024.** Instructions for the GMART LREBG Expenditure Report can be found [here](#). If you missed the LREBG webinar, you can find the slides [here](#).

Pursuant to *Education Code* Section 32526 (e)(1), **LEAs are required to make interim expenditures of apportioned funds publicly available on their internet website.** The LEA will have the opportunity to export their Interim Expenditure Report from the GMART into an Excel document to assist in meeting this requirement. After submitting the Interim Expenditure

Report, select “Export Expenditure Report” to export the report into an Excel document. There is no requirement to have the expenditure report approved by the board.

New Requirements for the LREBG:

1. Pursuant to EC Section 32526 (d)(1), LEAs shall develop a needs assessment regarding the use and expenditure of LREBG funds for the 2025–26, 2026–27, and 2027–28 school years.
2. Pursuant to EC Section 52064.4, LREBG funds shall be included in the LCAP or the annual update to the plan, for the period of July 1, 2025, to June 30, 2028.

Timeline and Activity Summary

Fiscal Year	Required LREBG Activity
2024–25	LEA develops a needs assessment. Interim Expenditure Report submitted and posted by December 15.
2025–26	LREBG funds included in the LCAP.
2026–27	LREBG funds included in the LCAP.
2027–28	LREBG funds included in the LCAP, including a review and assessment of the effectiveness of the chosen strategies from the 2025–26 LCAP.

Educator Effectiveness Funds Year 2 Revision Period

If an LEA needs to revise their EEF report for Year 2 (2022-23) the CDE has created a special "Revision Period" in which LEAs may make revisions to last year's EEF report (Year 2 - 2022-23). If you want to participate you must sign up in advance by emailing EEF2021@cde.ca.gov. The Revision Period will take place **after** the current EEF Year 3 Reporting. The EEF Year 3 report period has been extended to October 31, 2024, in order to accommodate several LEAs who still need to submit. If your LEA needs to revise Year 2, the **EEF Year 2 Revision Period will now be from November 15, 2024, through December 15, 2024.** At that time, there will be a separate EEF Revision database in which you may enter your corrections.

Annual Accounting for School Developer Fees ~ Fund 25, Object 8681

Developer fees are required to be deposited in a separate capital facilities account/fund so that their collection and use is accounted for separately, away from the rest of the district’s activities. Interest earned must be credited to the same fund and must be used for the same purpose as the fees. Government Code section 66006 requires that within 180 days of the end of the fiscal year, each district that levies developer fees should make the accounting available to the public **(by December 28, 2024).** **The governing board must review the information at its next regularly scheduled meeting held *no earlier than 15 days after* the information becomes available to the public.**

Additionally, Government Code section 66001 requires each district that collects developer fees to **make further findings every five years** about any fund in which those fees remained unexpended at the end of the fiscal year. It is recommended that the five-year accounting be made in conjunction with the annual accounting for each fund or account. Failing to comply with the statute may result in a refund of the fees in question.

For more detailed information, please see School & College Legal Services of California’s Legal Update *Annual Development Fee Accounting: 2024* update once available.





It's important to note a school district should also consider updating its study when circumstances change, such as when student enrollment decreases or classroom capacity increases.

2024-25 LCAP Series

This year's LCAP series will streamline the LCAP process and empower district teams with the tools, strategies, and insights needed to create an effective LCAP that drives student success and community engagement. All training sessions will be in-person and are intended for LCAP teams. [Here](#) is a flyer for the dates and times. Mark your calendars!

Fiscal Reports by School Services of California

School Services does an excellent job of providing explanations to current topics. If you are a member of School Services of California you can also see these reports by logging in to view their web page or subscribe to their email services. [Attached](#) for your convenience are:

-  Changes to Traditional Independent Study Documentation Requirements
-  UCLA Economists – Economy Recovery from Long COVID
-  New Smartphone and Social Media Laws
-  Declining Enrollment and School Closures

Reminders

SAMS.gov renewal

Please remember that renewal with the System for Award Management (SAM) is free. Often LEAs will receive solicitation to register with the system for a fee. Please be aware LEAs can register on their own via SAM.gov for FREE.

Expanded Learning Opportunities Program Expenditure Report

California *Education Code* Section 46120(d)(6)(B) requires each local educational agency that received an allocation pursuant to subparagraph (A), (B), or (C) of paragraph (1) for the 2021–22 fiscal year or the 2022–23 fiscal year shall report final expenditures to the department **on or before October 31, 2024**, which shall initiate collection of any unexpended funds.

A local educational agency that does not submit the final expenditure report shall forfeit all funds allocated for the 2021–22 and 2022–23 fiscal years pursuant to subparagraphs (A), (B), and (C) of paragraph (1).

You can submit your LEAs expenditure report on the Expanded Learning Opportunities Program (ELO-P) Expenditure Report website at <http://www2.cde.ca.gov/elop>. On September 6, your LEA was sent the pin information to access the report. If you need assistance obtaining the PIN, please email ExpandedLearning@cde.ca.gov.

Expanded Learning Opportunities Grant Plan Update

Friendly reminder: California *Education Code (EC)* Section 43522(e)(2)(A)(v) requires LEAs to update their ELO Grant Plan **to include actual expenditures when those expenditures become available**. Please note that LEAs are not required to have their revised ELO Grant Plan board approved or submitted to the county office of education, chartering authority, or State Board of Education as applicable.

Dates to Remember:

10/18/2024	SCLS/CALPADS Reporting Use of Restraints & Seclusion 9:30 a.m. – 12:30 p.m.
10/24/2024	2024-25 Interim Reporting Workshop (In-person or ZOOM)
10/27/2024	Scheduled Maintenance Day 7:00 a.m. - 12:00 p.m.
11/07/2024	LCFF/Principal Apportionment mini-training 9:00 a.m. – 10:30 a.m. (In-person only)
11/11/2024	SCOE Closed for Veterans Day Observation
11/17/2024	Scheduled Maintenance Day 7:00 a.m. - 12:00 p.m.
11/20/2024	Cash Flow mini-training 9:00 a.m. – 10:30 a.m. TLC Rooms
11/20/2024	CALPADS User Group meeting 9:30 a.m. – 11:30 a.m. ZOOM
11/21/2024	November DBUG meeting (Redwood C or ZOOM)

2024-25 District Business User Group (DBUG) meeting dates:

All meetings are on the 4th Thursday at **9:00 a.m.** (New time this year)

Dates: 11/21/2024, 1/23/2025, 2/27/2025, 3/27/2025, 4/24/2025, 5/22/2025, and 6/26/2025

Mini-Training Sessions/Working Sessions

- **Local Control Funding Formula/Principal Apportionment:** November 7, 2024, 9:00 - 10:30 a.m.
- **Cash Flow:** November 20, 2024, 9:00 to 10:30 a.m.
- **All CBO Roundtable:** **Date TBD**, 7:30 to 9:00 a.m.
- **General Ledger Clean-up Open Lab:** January 22, 2025, 9:00 to 11:00 a.m.

Workshops

Interim Workshop: October 24, 2024, **8:30 a.m. to 12:00 p.m. *Updated time***
For the last 30 minutes of the workshop, we will combine with the LCAP training for information on the 2024-25 Mid-Year Report and the 2025-26 LCAP development

Next Fiscal Year Workshop: May 14, 2025, 9:00 a.m. to 12:00 p.m.

Year-End Close Workshop: June 4, 2025, 9:00 a.m. to 12:00 p.m.

LCAP Training

NOTE:

- Want to add something to a DBUG Agenda? Want a topic added to SCOE Biz? Contact DBUG Chair, Christina Menicucci
- Documents presented at [DBUG](#) are found posted at <http://www.scoe.org/pub/htdocs/fiscal-dbug.html>
- [Workshop manuals](#) and [Fiscal Services/IT forms](#) may be found at <http://www.scoe.org/escape> under the heading of Resources on the left side of the page.



Sarah Lampenfeld <slampenfeld@scoe.org>

Important Legislative Change Affecting Schools with Provision 2, 3 or Community Eligibility Provision (CEP) Status

1 message

PASE@cde.ca.gov <PASE@cde.ca.gov>

Wed, Oct 9, 2024 at 2:49 PM

To: Sarah Lampenfeld <slampenfeld@scoe.org>

Hello,

You are receiving this message because you have subscribed to the Principal Apportionment (PASE) Listserv. Please note that you may receive multiple copies of this notice if you are subscribed to other listservs from the California Department of Education (CDE).

The purpose of this notice is to inform local educational agencies (LEAs) operating schools with Provision 2, 3, or CEP status of an important legislative change affecting data collection of Free and Reduced-Priced Meal (FRPM) eligibility. The change affects schools that have elected to establish a base year for purposes of the Local Control Funding Formula (LCFF) and only collect eligibility data once every four years.

Assembly Bill 176 (Chapter 998, Statutes of 2024) includes amendments to *Education Code (EC)* Section 42238.01 to **allow Provision 2/3 and CEP schools to redetermine student FRPM eligibility for LCFF purposes during non-base years with the Alternative Income Form (AIF). This means that Provision 2/3 and CEP schools may collect AIFs for students whose FRPM eligibility changed after the base year.**

The new Summer Electronic Benefit Transfer (SUN Bucks) Program provides benefits to students based on individual eligibility for FRPM (SUN Bucks Announcement: <https://www.cde.ca.gov/ls/nu/smmrebt2024announcement.asp>). As a result, the CDE issued previous guidance in CALPADS Update Flash #269 (<https://www.cde.ca.gov/ds/sp/cl/calpadsupdfash269.asp>) and CALPADS Update Flash #282 (<https://www.cde.ca.gov/ds/sp/cl/calpadsupdfash282.asp>) that LEAs may accept AIFs during the school year from existing families regardless of whether it is the LEA's LCFF base year, so students who became eligible after the base year may receive SUN Bucks benefits. For those that meet income eligibility requirements based on the new AIF, the LEA must submit FRPM records to CALPADS for those students to receive SUN Bucks benefits.

For the SUN Bucks program, a student is eligible for 2024 Sun Bucks benefits who had an FRPM record open in 2023–24, or who:

- Enrolled for the first time at a school participating in a federal meals program from July 1, 2024 – August 31, 2024, and submitted a National School Lunch Program (NSLP) application or AIF by August 31, 2024 (this mostly includes students in grades transitional kindergarten or kindergarten who are enrolling in a California public school for the first time in 2024–25), or
- During the 2023–24 school year either did not submit, or submitted an NSLP application or AIF but whose income changed during the eligibility period and submitted an updated application/form by August 31, 2024.

Students with an FRPM record start date on or after July 1, 2024, will also be eligible for 2025 SUN Bucks benefits and will be included in the 2024–25 Unduplicated Pupil Count for LCFF.

The LCFF Frequently Asked Questions (FAQs) and the Alternative Income Forms webpages have been updated to reflect the amendments to *EC* Section 42238.01:

- LCFF FAQs: <https://www.cde.ca.gov/fg/aa/lc/lcffffaq.asp#PROV2and3>
- Alternative Income Forms: <https://www.cde.ca.gov/fg/aa/pa/altincomeforms.asp>

LEAs with Provision 2/3 status and/or CEP schools using the LCFF base year option should communicate to families that they must submit a new AIF if their FRPM eligibility has changed since the base year, for purposes of SUN Bucks and LCFF funding.

If you have questions about SUN Bucks, please contact the Nutrition Services Division at SummerEBT@cde.ca.gov (Note: this email address is **not for household inquires** about SUN Bucks). Household inquiries about SUN Bucks should be directed to the California Department of Social Services customer service helpline at 1-877-328-9677.

If you have questions about LCFF, please contact the Principal Apportionment Section by email at PASE@cde.ca.gov or by phone at 916-324-4541.

Sincerely,

Principal Apportionment Section
School Fiscal Services Division
California Department of Education

The CDE PASE Listserv provides to local educational agencies and other interested parties important information pertaining to various apportionment-related items. If you no longer wish to receive information via the PASE Listserv, please follow the instructions provided on the CDE web page located at <http://www.cde.ca.gov/fg/aa/pa/#listserv>. The same web page also provides information for anyone wanting to subscribe to the PASE Listserv.

ANSWERS for Frequently Asked BOND Questions

1. Voter approval authorizes the sale of General Obligation bonds. Usually the school districts sell blocks of bonds (issue) instead of the total authorized amount. That is why each issue is numbered, also because each issue has a different maturity date and debt service schedule.
2. No one is excluded or waived from paying GOB taxes, including senior citizens. Debt service is a rate x value and does not take into account the owner. If a senior citizen states they are waived from other taxes; they are referring to Direct Charges / Parcel taxes. These taxes are different from General Obligation bonds. Seniors are exempt for those direct charges only if that clause was part of the creation of the resolution for ballot. Each district must respond to those questions if their direct charges allow for a senior exemption.
3. If a senior citizen states they did not pay school taxes in Marin, they are referring to direct charges. Marin County has confirmed that for GO bonds their county treats it the same as Sonoma County; no one is waived from paying these taxes.
4. CCPI: California Consumer Price Index – determined by the State
5. Questions on how the money is spent should be answered by the School district.
6. The Auditor's Office sets the tax rates, creates the bills, and apportions to the debt service fund to pay the principal and interest on the bond. The school receives the bond money at the time of sale. They are the ones who allocate the funds for school improvements or new construction. The taxpayers pay the principal and interest to the bondholders through BNY as paying agent by paying their debt service property taxes. The rate is determined by the value of the district, the principal and interest owed for 18 months, and how much reserves are in the fund. Debt service amounts on the tax bills are calculated by the value of property times the rate. All taxpayers within that district have the same rate. Any questions related to tax rate calculations or tax bill errors should be forwarded to the Auditor's office at 565-2635.
7. Questions on School vs. County boundaries refer to the Office of Education at 524-2631 Greg Medici, Deputy Superintendent's office. Tax boundaries are sometimes different from school boundaries. Some taxpayers will pay taxes for one school but their children attend another school. You may receive questions on what school should a child attend based on the parcel number. Refer to the Office of Education. The school district determines which school a parcel belongs in. They are the ones to initiate any changes to the state chart.
8. Do not answer any questions about direct charges or other districts; refer to phone numbers on tax bills.
9. Questions regarding Assessment Appeals should be referred to the County Assessor's Office.



FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Changes to Traditional Independent Study Documentation Requirements

[BY PATTI F. HERRERA, EDD](#)

[BY WENDI MCCASKILL](#)

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posted October 1, 2024

Yesterday, September 30, 2024, Governor Gavin Newsom signed Assembly Bill (AB) 176, which includes cleanup language for the education provisions of the 2024-25 Enacted Budget. Included in this cleanup language are refinements to documentation requirements for traditional independent study programs.

The 2024-25 Enacted Budget included several changes to independent study programs immediately operative, which we covered in the July 2024 *Fiscal Report* article, "[2024-25 Enacted Budget Affects Independent Study.](#)" Some of the changes affect traditional independent study only since they are specific to student work product. These changes included the expansion of work product for the purposes of generating traditional independent study average daily attendance (ADA) to include the time value spent by a pupil engaged in asynchronous instruction regardless of whether work product is produced if a computer-based or online program documents their participation. Time value can be generated in multiple ways as displayed in the table below.

Traditional Independent Study Time Value		
Work Product		Synchronous Instruction Participation
Work product time value, which includes: <ul style="list-style-type: none"> Time value spent in asynchronous instruction for which an actual work product is not produced or created, and/or Time value of actual work product produced by the student 	Or	A combination of work product time value and verified time value of participation in synchronous instruction

The requirement that local educational agencies (LEAs) maintain documentation of each hour or fraction thereof of work product and the time the pupil was engaged in online or computer-based asynchronous instruction was also included in the 2024-25 Enacted Budget. The language in AB 176 clarifies that LEAs must maintain documentation of hours or fractions of an hour of time value generated based on time spent in online or computer-based asynchronous instruction and work product produced, as opposed to documentation of each hour. This requirement applies to all independent study work product, including but not limited to work packets. It does not, however, require the documentation of time value for each assignment.

This explicit requirement to document hours or fraction of an hour for all work product adds complexity to traditional independent study work product time value documentation requirements in place prior to 2024-25, which required LEAs to register daily or hourly attendance credit as appropriate to the program. LEAs must now ensure that they are also documenting hours or fractions of an hour of actual work product time value prior to the conversion of those hours to days of attendance for attendance recording and reporting.

Work Product and Teacher Supervision

As noted in the table above, independent study attendance is generated based on the time value of student work product or a combination of the time value of student work product and the time value of verified participation in synchronous instruction. The definition of work product also includes work completed on an online or computer-based instructional activity that does not result in a producible student work product if the computer program documents pupil participation. This is commonly referred to as asynchronous online or computer-based instruction. Of course, asynchronous instruction also includes participation in instructional activities outside the presence of a teacher that is not performed via computer or online, as has been the case since the inception of the program.

LEAs can continue to use the value of time attending or participating in assigned events or activities like plays, lectures, or physical activity that occur outside of the presence of a certificated employee or classroom in their work product time value calculations, along with the time value of producible work product that is the outcome of independent study assignments not performed online or through a computer-based activity. Time value of all work product, whether it is time spent on assigned asynchronous instruction that does not result in a producible work product or time value of tangible work product produced by the student, must now be documented in hours or fraction of an hour.

Importantly, the time value that student work product earns continues to be at the discretion of the certificated teacher employed by the LEA, including the engagement or participation in online or computer-based asynchronous instruction. Statute requires a certificated teacher to personally judge student work product and determine its time value. This requirement remains unchanged and is the case for all work product, whether it includes asynchronous instruction that does not result in a producible work product or a hand drawn picture.

ADA

Independent study is provided under the general supervision of a teacher employed by the LEA and is coordinated and evaluated by a supervising teacher.

When a student participates in independent study, they are assigned work by a certificated teacher of the LEA and a date by which that work is due. Sometimes work assigned results in an actual tangible work product like an essay or drawing. Sometimes work assigned results in a documented amount of time spent performing or participating in activities assigned outside of a classroom or the presence of a teacher, like watching a play, a lecture, walking a mile, or participating in asynchronous online instruction.

To generate attendance, it is required that school district and county office of education (COE) students turn their assigned work in by the due date and generate at least a minimum days' worth of work for each day that attendance is claimed. Once turned in, certificated teachers employed by the LEA must personally judge the work product for time value and a supervising teacher (if the supervising teacher is a different person than the certificated teacher judging work product for time value) must review the time value assigned.

Charter school students are required to return their work by the due date and generate a day of attendance for each day on which they documented engagement in instruction through an engagement record and for which a certificated teacher determined that the student completed a days' worth of work. Charter schools do not have an applicable minimum day to evaluate against, so

certificated teachers must make a determination with regard to the conversion of hours to a days' worth of work product. The daily engagement record is still required and as in the past, attendance cannot be claimed on a day for which there was no documented student engagement.

Now with the signing of AB 176, time value must be documented in hours or fraction of an hour, which can then be converted to days of attendance for COE, school district, or charter school students participating in independent study.

Time value of synchronous instruction is required to be applied to the day on which it is earned. With the exception of charter schools, whose students must be engaged in instruction on each day that is claimed for attendance, school district and COE students generate time value for work product completed during the assignment period. Attendance credit is based on the number of days attendance credit is earned, after the conversion from total hours for that assignment period, with no student generating more than one unit of ADA for the year.

Independent study attendance must be recorded in days or hours, depending on the type of program, for the purpose of reporting ADA. Beginning with the 2024-25 school year, time value of pupil work product must first be documented in hours or fraction of an hour before converting to days. When calculating time value to determine the number of days of attendance a student has earned in traditional independent study, LEAs must sum any hours or fraction of an hour of time value generated from student work product and each hour or fraction of an hour of time value generated for synchronous instruction participation and determine, based on the total hours generated, how many attendance days are earned for each assignment period.

Calculation of Attendance Days— School District or COE	
	Example:
Work product time value ¹ including: <ul style="list-style-type: none"> • Documented time value spent in asynchronous instruction for which a work product was not produced, and • Time value of actual work product produced by the student 	10 hours of computer-documented time value spent in online asynchronous instruction that did not result in a producible work product as determined by the certificated teacher + 20 hours of time value for essays and packet work completed and turned in
+	+
Verified synchronous instruction participation time value ²	10 hours
=	=
Total hours of traditional independent study time value	40 hours

÷	÷
Hours in the minimum day that applies to the students' grade span	4 hours (minimum day for grades 4-12)
=	=
Days of attendance	10 days of attendance

¹As judged by a certificated teacher employed by the COE or school district

²Synchronous instruction participation time value must be augmented by time value of work product to generate attendance for apportionment

Charter School Calculation of Nonclassroom-Based Attendance Days	
	Example:
Work product time value ¹ including: <ul style="list-style-type: none"> • Documented time value spent in asynchronous instruction for which a work product was not produced, and • Time value of actual work product produced by the student 	10 hours of computer-documented time value spent in online asynchronous instruction that did not result in a producible work product as determined by the certificated teacher + 20 hours of time value for essays and packet work completed and turned in
+	+
Verified synchronous instruction participation time value ²	7 hours
=	=
Total hours of traditional independent study time value	37 hours
Student engagement record indicates the days on which the student was engaged in instructional activities that generated time value	9 days

Teacher determination of number of days total hours equate to	9 days
=	=
Days of attendance	9 days of attendance

¹As judged by a certificated teacher employed by the charter school

²Synchronous instruction participation time value must be augmented by time value of work product to generate attendance for apportionment

Traditional Independent Study Recordkeeping

Traditional independent study has multiple recordkeeping requirements, most of which have been in statute or regulations for decades. For point of reference, listed below are the traditional independent study records requirements, with the new requirement listed in bold first:

Traditional Independent Study Recordkeeping Requirements	Authority	Ongoing or New
Documented hours or fraction of an hour of work product time value	Education Code Section (EC §) 51747.5	New
Verification of each hour or fraction of an hour of synchronous instruction time value	EC § 51747.5	Ongoing
A daily or hourly attendance register, as appropriate to the program in which students are enrolled as time values of work product are personally judged by a certificated teacher and reviewed by the supervising teacher (if they are two different people)	California Code of Regulations (CCR), Title V, Section 11703	Ongoing
A separate listing of independent study pupils by grade level, program and school	CCR, Title V, Section 11703	Ongoing
Units of curriculum taken and completed for students in kindergarten and grades 1-8	CCR, Title V, Section 11703	Ongoing
Course credits attempted and awarded for students in grades 9-12	CCR, Title V, Section 11703	Ongoing
Written agreements	CCR, Title V, Section 11703	Ongoing

Student work samples	CCR, Title V, Section 11703	Ongoing
Documented participation and non-participation in live interaction and synchronous instruction	EC § 51747.5	Ongoing
Written or computer-based evidence of student engagement that included but isn't limited to all assignments, assessments, and associated grades for each class	EC § 51747.5 (c)	Ongoing
Daily engagement records (charter schools only)	CCR, Title V, Section 11960	Ongoing

Considering that the requirements for documenting time value of pupil work product have been modified, we encourage you to create a local protocol for documenting hours of work product time value and converting those hours to attendance days for attendance recording and reporting purposes.



FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

UCLA Economists—Economy Recovering from Long COVID



[BY PATTI F. HERRERA, EDD](#)

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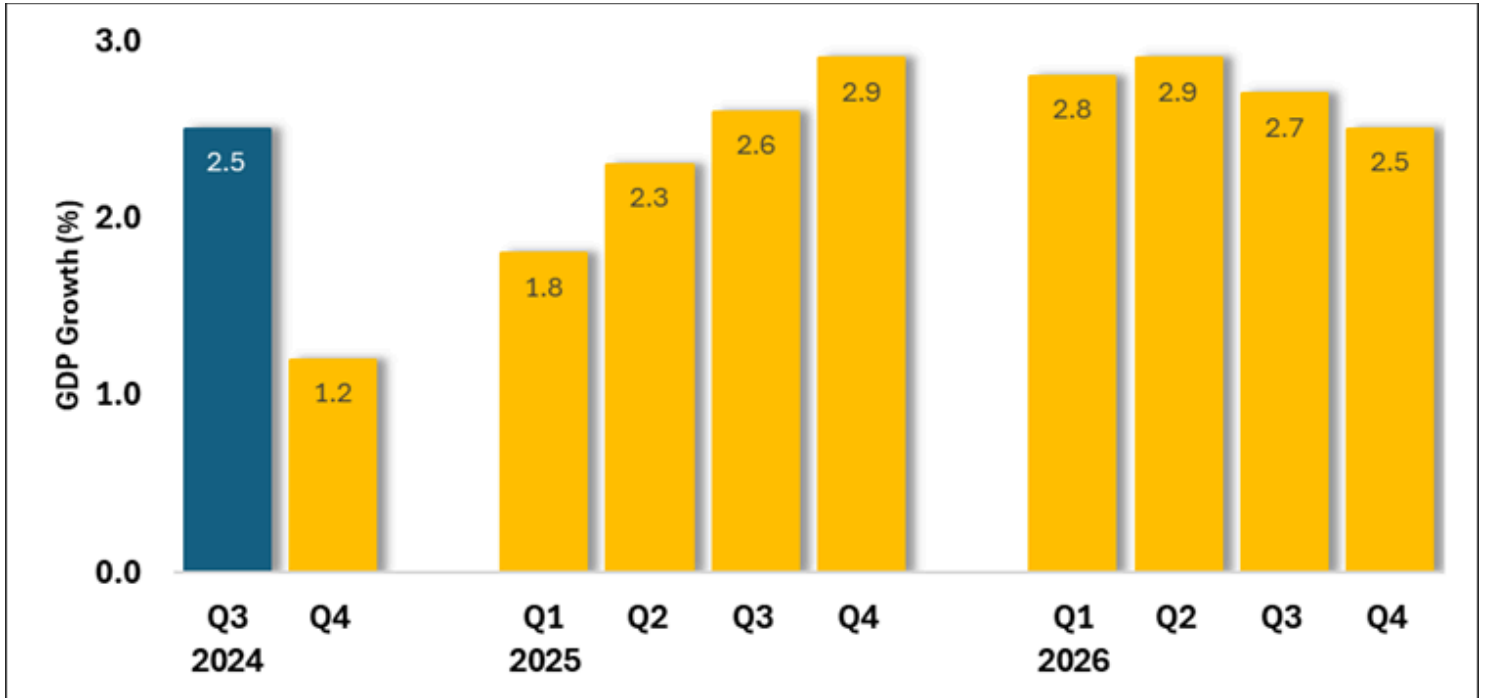
posted October 3, 2024

In a cautiously optimistic forecast of the US economy, the economists at UCLA suggest that the effects of long COVID may finally be behind us, with just a few stubborn symptoms lingering mildly. Strong national production, the leveling out of the labor market, and the Federal Reserve's (Fed) easing of the strictest monetary environment since the early 1990s all suggest that the economy has avoided a hard landing after the tumultuous and unprecedented COVID-19 pandemic years. And the picture is only modestly different for California.

The UCLA Anderson Forecast (Forecast) highlights the economic bright spots of the Fed's successful taming of inflation, productivity, continued consumer spending, and the progress toward balance of supplies in the housing and vehicle markets as its collective cause for an optimistic future.

Just over a year ago, UCLA economists were forecasting a sluggish, "no-growth" economy—with gross domestic product (GDP) at 1% for the first three quarters of 2024—sobered by its predictions on how sustained high interest rates would impact housing, consumption, and business investments. Fast forward nine months, and the picture has markedly improved. In this fall's release of the Forecast, the economists note the "stellar" performance of GDP in the second quarter of this year, while predicting a temporary two-quarter slowdown in the final and first quarters of 2024 and 2025, respectively, before gradually rebounding to peak near 3% by the end of 2025 and stabilizing to an average 2.5% growth in 2026.

Figure 1. Quarterly GDP Growth, Seasonally Adjusted Annualized Rate

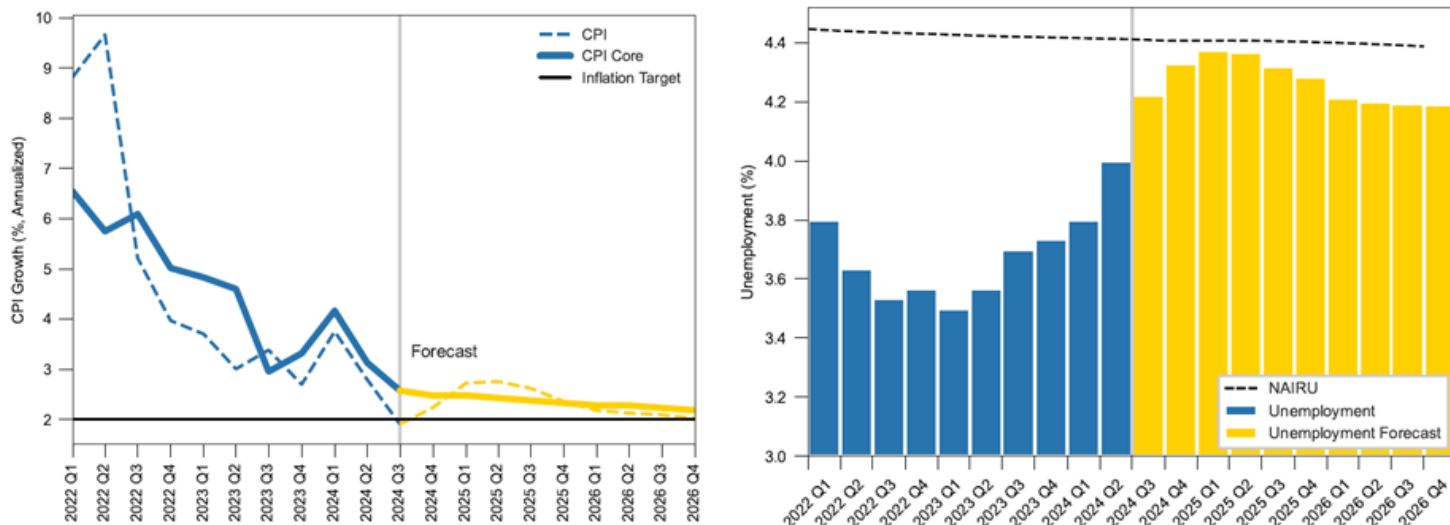


Source: UCLA Anderson Forecast, October 2024

Improvements in the labor market aid this optimism as the Forecast suggests that national unemployment has reached a sustainable level (4.2%) with abated pressure on wages. This, as noted by the Forecast, is half of the Fed’s dual mandate—the second mandate, of course, being to keep prices low (see Figure 2 and Figure 3). While inflation remains above the Fed’s target, Fed Chair Jerome Powell indicated during his press conference announcing a 50 basis point reduction in the Federal Funds rate that the Federal Open Market Committee is confident about the health and stability of the larger economy.

Figure 2. Consumer Price Index (CPI)

Figure 3. US Unemployment Rate



Source: UCLA Anderson Forecast, October 2024.

Moreover, the UCLA economists highlight that housing prices explain why core CPI remains above the Fed’s target 2% rate—due to lagging pressure from high-rent costs following COVID-19 when demand for historically low inventory peaked. Forecasters are more cautious than the Fed with respect to their interest rate predictions. They believe that 2024 will end with two more 25 basis point reductions in the Federal Funds rate followed by the same in early 2025 before the Feds temporarily pause further cuts due to the combination of strong economic growth and inflation remaining above 2%.

The trend in unemployment is where we see some divergence between the national and California economies, as the state’s unemployment rate surpassed the US and remains the second highest in the nation.¹ The state’s labor market is showing mixed results while nonetheless continuing to underperform but for narrow, sectoral reasons, according to the Forecast.

Payroll jobs have increased in sectors like logistics, technology, government, and healthcare, which were not acutely affected by the COVID-19 pandemic. Other sectors like durable goods manufacturing and finance, which have been slow to recover, are showing promising signs of improvement in alignment with the overall economy. That said, the UCLA economists are less optimistic about the information and K-12 education sectors, the latter of which is driven by broader student demographic trends reducing demand for educators and education-related personnel. Finally, the Forecast is careful to note that the labor market varies by region, with slower growth in tech-heavy areas like Silicon Valley and San Francisco, while rural areas and the San Joaquin Valley face challenges from population decline and severe weather. These factors are making California’s recovery complex.

Unusually, the state’s rate of productivity is now lower than the US, due mostly to labor market weaknesses noted above. Nevertheless, on a per capita basis California real GDP lagged national GDP by only 0.2 percentage points in the second quarter of 2024. As the state’s labor market continues to recalibrate, the

UCLA economists predict that California will once again experience stronger-than-the-US economic growth in 2025.

The Forecast refrains from making predictions about how the upcoming presidential and congressional election results will impact the economy but notes that any change in trade relations with China would disproportionately affect California. Finally, UCLA economists' predictions account for the recent headwinds of the Boeing and East Coast longshoreman strikes. The Forecast estimates that these disruptions will be short-lived, and economists see blue skies across the Forecast period for both the US and California.



FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

New Smartphone and Social Media Laws



BY **KYLE HYLAND**

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posted October 14, 2024

One of the hot legislative topics this year was how to limit student use of cell phones and social media on school sites. Governor Gavin Newsom signed two measures into law that will limit the use of smartphones and social media by students while at school. He signed two other bills that place requirements on social media platforms to provide default mechanisms that enable parental control and to establish a process to designate verified reporters. We provide more details of those four bills below.

AB 3216 (Hoover, R-Folsom)—Use of Smartphones

Assembly Bill (AB) 3216 *requires* (current law *allows*) a local educational agency (LEA) to, by July 1, 2026, adopt a policy to limit or prohibit the use of smartphones by students at a school site or while students are under the supervision and control of an employee of that LEA. The bill requires this policy to be updated by the LEA governing board every five years. The bill clarifies that this law does not authorize monitoring, collecting, or otherwise accessing any information related to a student's online activities.

The bill stipulates that the development of the policy must involve significant interest holder participation to ensure that the policies are responsive to the unique needs and desires of students, parents, and educators in each community. In addition, a student shall not be prohibited from using or possessing a smartphone under the following circumstances:

- In the case of an emergency, or in response to a perceived threat of danger
- When a teacher or administrator grants permission
- When a licensed doctor determines that the possession or use of a smartphone is necessary for the student's health or well-being
- When the possession or use of a smartphone is required in a student's Individualized Education Program

The Governor signaled support for this measure after sending a letter to school leaders back in August encouraging LEAs to restrict the student use of cell phones in classrooms (see “[Governor Encourages Cell Phone Restrictions in Class](#)” in the August 2024 *Fiscal Report*).

While the mandate does not kick in until July 1, 2026, we strongly encourage LEAs that do not currently have a policy on smartphones to work with their governing board to begin the development of a policy that works for your community and abides by this new law.

SB 1283 (Stern, D-Los Angeles)—Use of Social Media

Senate Bill (SB) 1283 authorizes an LEA to adopt a policy to limit or prohibit students from using social media while at a school site or under the supervision and control of an employee of the LEA. Like AB 3216, this bill clarifies that this law does not authorize monitoring, collecting, or otherwise accessing any information related to a student’s online activities.

It is important to note that SB 1283 is permissive and is not a requirement.

SB 1283 goes into effect on January 1, 2025.

SB 976 (Skinner, D-Berkeley)—Protecting Our Kids from Social Media Addiction Act

SB 976 prohibits operators of “internet-based services or applications” from providing “addictive feeds” to minors without parental consent and from sending notifications to minors at night and during school hours without parental consent. This bill requires operators to make protective measures available to parents for controlling access to and features of the platform for their children.

It is important to note that SB 976 does not place any requirements on LEAs. We just wanted to provide this information since the bill stipulates that it is unlawful for an “operator of an addictive internet-based service or application” to send notifications to a minor between the hours of 8:00 a.m. and 3:00 p.m. Monday through Friday from September through May. In other words, when kids are in school, social media platforms cannot send them notifications unless they have received verifiable parental consent.

SB 976 may only be enforced through a civil action brought by the California Attorney General. It is expected that SB 976 will be challenged in the courts by technology advocacy groups citing a First Amendment violation.

SB 976 is slated to go into effect on January 1, 2027.

AB 2481 (Lowenthal, D-Long Beach)—Social Media-Related Threats

AB 2481 requires large social media platforms (platforms that have more than 100 million monthly active users or generate more than \$1 billion in gross annual revenue) to establish a process to designate verified reporters and to establish a mechanism by which verified reporters may report social media-related threats that promote, incite, facilitate, or perpetrate harmful outcomes.

The bill states that the social media platform must establish an internal process to receive and substantively respond as to whether such content violates the platform's terms and conditions within 72 hours, or 24 hours if the report is considered a severe risk. The bill requires these platforms to annually post information related to these reports on their websites.

While AB 2481 does not place any mandates on LEAs, it does list school principals and California-licensed mental health professionals as verified reporters under the law. Because of this provision we think it is important for LEAs to know that their principals and school psychologists would have the authority, as a verified reporter, to make a report of a social media-related threat or a violation of a large social media platform's terms of service that poses a risk to the health and safety of a minor.

AB 2481 goes into effect on January 1, 2026.



FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Declining Enrollment and School Closures

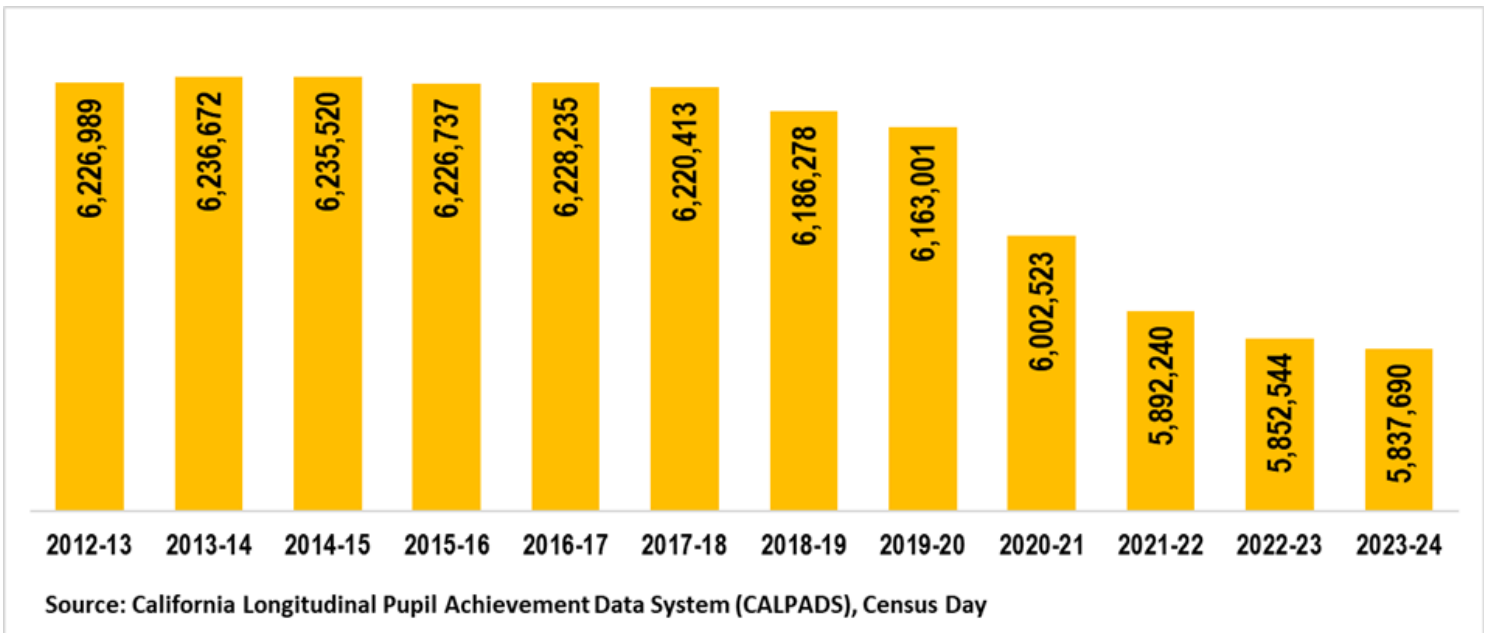
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posted October 14, 2024

Statewide enrollment trends continue to experience decreases in enrollment. Since 2012-13, the state has experienced a loss of almost 400,000 (roughly 6.3%) students. If current trends hold over the next ten years, a further decline of almost 620,000, or 10.7%, in total enrollment is projected. As such, many local educational agencies (LEAs) throughout the state have explored, and will likely continue to explore as student enrollment and associated funding decline, how to rightsize their LEAs to keep pace with the declines in students. The fiscal implications of not doing so could be dire.



The continued loss of students for many LEAs and accompanying future uncertainty requires consideration of long-term enrollment trends, as well as a collaborative strategic planning process to rightsize operations and avoid overstaffing. Declining enrollment impacts LEA operations, including facilities, educational programs,

special student populations, and support services. Further, and maybe most immediate, LEAs that are experiencing declining enrollment and a lower average daily attendance rate are likely receiving less money than they received in prior years, even with annual cost-of-living adjustments from the state.

There are numerous strategies for addressing these challenges, along with resources for making management decisions. Addressing declining enrollment requires a multiphase approach inclusive of examination of enrollment and population trends, implementing a multiyear plan to address change, staffing management, designing school calendars to maximize attendance, and, the least popular, the consolidation and/or closure of schools.

There is no magic number of students needed to operate a school site efficiently, though the smaller the school, the higher the cost per student and the less fiscally efficiently it runs. Though staffing management will allow an LEA to keep pace with declines in enrollment, the cost of maintaining facilities is not proportionately reduced as student enrollment decreases. The cost of maintaining the grounds, for example, is not necessarily reduced when the student population is reduced. The consolidation and/or closure of schools allows savings to be utilized to maintain educational programs for students and other districtwide operations.

LEAs considering school closures and/or consolidations should review the California Department of Education (CDE) [Best Practices Guide for Potential School Closure](#). The CDE updated the guide in August 2024 to further address facilities-related issues in light of the changes to [Education Code Section \(EC §\) 41329](#), which lays out requirements that must be followed by school districts in financial distress that are considering school closures and/or consolidations. While a requirement only for financially distressed districts, the metrics included in EC § 41329, as well as the other considerations discussed in the CDE guide, are a best practice and recommended for all LEAs. The closure and/or consolidation of school sites is a process that should not be undertaken lightly, should be open and transparent, and should ultimately result in a better educational environment for all students.

School Services of California Inc.'s [Declining Enrollment—Operational Strategies](#) webinar, co-presented with the Fiscal Crisis and Management Assistance Team, will take a deep dive into declining enrollment and how LEAs can develop strategies to mitigate the impacts, including a discussion of school closures. Consider joining us.