



TONY THURMOND
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Independent Study Attendance Accounting, ADA Ratios, and Other Audit Issues

**California Consortium for Independent Study
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AGENDA

- **Attendance Accounting**
 - Overview
 - Pupil Eligibility
 - Written Agreements
 - Work Assignments and Records
 - Attendance Credit
 - Attendance Reporting
 - Apportionment Requirements
- **ADA to FTE Ratio**
 - Overview
 - Comparative Ratio
 - Independent Study Ratio
 - Ratio Evaluation and ADA Reporting
- **Audits**
- **Course Based Independent Study**



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Independent Study Attendance Accounting



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Overview

- Minimum five day requirement to participate in IS in order to generate ADA (except for charter schools)
- Attendance credit based on time value of work product submitted
- Time value determined by a certificated employee of the LEA
- Work must be submitted by established due dates in order to generate ADA
- For school districts time value must meet minimum day requirements
- For charter schools time value must equate to a full day of school as determined by a certificated teacher
- For charter schools daily engagement record is needed



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Overview

- IS participation requires a master agreement to generate ADA
- LEAs must meet ADA to FTE ratio requirements.
- ADA that exceeds the ADA to FTE ratio threshold cannot be claimed for funding
- There is a 10 percent cap on continuation education and opportunity education IS ADA
- IS pupils cannot generate more than one day of attendance per pupil, per day



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Overview

- Based on 2017-18 P-2 Reported ADA:

2017-18 P2 Reported ADA		
	School Districts	Charter Schools
IS ADA	29,181.89	184,180.51
Total ADA	5,297,178.97	625,574.19
Percentage of IS ADA	0.55%	29.44%



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Pupil Eligibility

- Pupils must meet residency requirements
- Pupils over 21 cannot generate IS ADA
- Pupils that have not been continuously enrolled since their 18th birthday can only generate IS ADA until they are 19
- Charters must meet charter age eligibility requirements
- Pupils with an IEP must have IS included in IEP in order to participate
- Home and Hospital ADA cannot be generated through IS
- Community day school pupils are not eligible for IS



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Pupil Eligibility

- Students suspended or expelled are excluded from school, thus they are also excluded from IS
- 10 percent cap on continuation and opportunity school pupils
 - Based on P-2 ADA
 - Cap does not apply to pupils who are pregnant or parenting as the primary caregiver
 - Cap is evaluated on a school site basis



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Master Written Agreements

- Authorization to substitute performance or study for presence in classroom
- Agreement duration up to one year
- Dated signatures required before commencement of IS
- Required signatures:
 - Pupil
 - Parent, guardian or caregiver, unless student is 18 or officially emancipated
 - Certificated person responsible for supervising student's IS, i.e., the supervising teacher
 - Any other persons who have direct responsibility for providing assistance to pupil



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Master Written Agreement Requirements

- Manner, time, frequency and place for submitting a pupil's assignments and for reporting progress
- Objectives and methods of study for pupil's work
- Methods used to evaluate pupil's work
- Specific resources including materials and personnel made available to pupil
- Statement of policies regarding maximum length of time allowed between the assignment and the completion of assigned work
- Statement of policies regarding the number of missed assignments allowed prior to an evaluation



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Master Written Agreement Requirements

- Duration of the agreement, including beginning and end dates not to exceed one school year
- Statement of number of course credits or other measures of academic accomplishment to be earned upon completion.
- Statement that IS is optional
- Statement that instruction may be provided only if pupil is offered a classroom alternative
- Signatures recorded prior to the commencement of IS



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Work Assignments and Records

- Student Assignments
 - Representative samples of student's regular work products need to be maintained
 - Can be maintained electronically
 - Sample work products need to correspond to assignments
 - CDE recommends at least one completed work product for each subject every two weeks
 - Teachers are not required to write on the work product
 - Student assignments and work records must be kept for 3 years



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Work Assignments and Records

- Teacher Record
 - Basis of apportionment credit for ADA
 - Basis of academic credit
 - Teacher maintains a record for each student under his/her supervision
 - Includes record of each assignment due date and meeting with student
 - Used in place of classroom attendance
 - Record of time value and academic credit
 - Must be kept for 3 years



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Attendance Credit

- Minimum Day
 - Time value must be equivalent to the minimum day to generate attendance credit.
 - For charters time value must be equivalent to a full day of work as judged by a certificated employee of the charter
 - For charters a daily engagement record is needed
 - Students with an underlying enrollment category that is accounted for in **whole days** rather than a minimum day must complete an amount of work that would be equivalent to a whole day.
 - Attendance is in whole days or hours for continuation education
 - Cannot exceed one day of apportionment credit per day of instruction (combination of classroom and IS)
 - Minimum day by grade span (applies to school districts and COEs):
 - TK and kindergarten = 180 minutes
 - Grades 1-3 = 230 minutes
 - Grades 4-12 = 240 minutes



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Attendance Credit

- Attendance Credit versus Academic Credit
 - Effort devoted to assigned work used for attendance credit
 - Effort is individually determined
 - Quality of achievement used for academic credit
 - Work sometimes needs to be reassigned for academic credit
 - Teacher should include an explanatory note when the same assignment is reported for attendance credit more than once
 - Ideally the supervising teacher is aware before the assignment is due that the student is not performing satisfactorily and can provide support



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Attendance Reporting

- Attendance is reported in increments of days, except for continuation education, which is reported in hours
- IS ratio of ADA to FTEs must be evaluated against comparative ratio of ADA to FTEs for all other educational programs, or for charters a ratio of 25:1
- If the IS ratio exceeds the comparative ratio the difference is considered excess ADA
- Excess ADA does not generate funding
- Excess ADA is reported on a separate line in attendance reporting screen
- Eligible IS ADA for school districts is reported with regular ADA through the Attendance School District entry screen in the PADC



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Attendance Reporting

- Eligible IS ADA for charter schools is nonclassroom-based ADA and is reported through one of four Charter School Attendance entry screens in the PADC:
 - Attendance Charter School,
 - Attendance Charter School-All Charter District
 - Attendance Charter Funded County Programs
 - Attendance COE Charter School
- Eligible IS ADA for COE is reported by pupil type through the Attendance COE entry screen or the Attendance District Funded County Programs entry screen in the PADC



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Apportionment Requirements

- Pupils must be residents of the county or immediately adjacent county to the county in which apportionment claim is reported
- Pupils must be enrolled and identified by grade level, program placement, and school of enrollment
- Equity in resources between participants in IS and pupils who attend regular classes
- Pupil's residency cannot be established based upon parent's place of employment



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Apportionment Requirements

- Time value of work products must be determined by a certificated teacher
- Board adopted written policies which include:
 - Maximum length of time by grade level and type of program between date assignment is made and due date of assignment.
 - Number of allowed missed assignments before an evaluation is conducted.
 - Requirement that current written agreement meeting specific statutory requirements be maintained on file



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Apportionment Requirements

Funding Determinations for Nonclassroom-Based Instruction for Charter Schools

- Nonclassroom-based instruction must meet IS statutory and regulatory requirements to generate attendance for apportionment.
- Charter schools with less than 80% classroom-based ADA require a SBE approved funding determination to be eligible to receive full funding for nonclassroom-based ADA.
- Failure to have a timely SBE approved funding determination will directly result in an impact to funding based on nonclassroom-based ADA.
 - Impacts any program where funding is based on ADA (Local Control Funding Formula, Lottery, AB 602 (Special Education), Mandate Block Grant, etc.).
- CDE recommends that charter schools with a classroom-based ADA ratio at or just above 80% obtain a funding determination to protect funding in case the school falls below the 80% threshold.



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Apportionment Requirements

Funding Determinations for Nonclassroom-Based Instruction for Charter Schools

- CDE Filing Deadlines:

The due dates to file a funding determination request with the CDE are as follows:

- New charter schools in their first year of operation: **Due on or before December 1 of the current fiscal year.**
- Any continuing charter schools: **Due on or before February 1 of the prior fiscal year.**



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QUIZ

- True/False

A master written agreement cannot exceed more than three years.

False

A master written agreement cannot exceed more than one year.



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Ratio of Average Daily Attendance to Full Time Equivalent Certificated Employees



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Overview

- Pursuant to statute the ratio of IS ADA to IS FTE employees serving IS should not exceed the ratio of ADA to FTE employees for all other educational programs offered by that LEA
- Each LEA participating in IS must:
 - Determine a comparative ratio of ADA to FTE certificated employees for all other educational programs
 - Determine its ratio of IS ADA to FTE certificated employees providing direct IS instruction
 - Evaluate whether the IS ADA to FTE ratio meets or exceeds the comparative ADA to FTE ratio



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Overview

- ADA for IS pupils that exceeds the ratio cannot be claimed for the purpose of apportionment
- Although not reported for the purpose of apportionment, excess IS ADA should be reported through PADDC software



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Comparative Ratio

- Negotiated through collective bargaining
 - Must specifically state that the ratio negotiated is the comparative ratio to be used for IS
- Calculated ratio
 - ADA to be reported at P-2, excluding
 - ADA for pupils over 18, except charter schools
 - Special day class ADA
 - Necessary small school ADA



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Comparative Ratio

- Calculated ratio (cont.)
 - FTE
 - Exclude FTE certificated employees who exclusively provide IS instruction
 - Exclude FTE certificated employees who teach full time special day classes
 - Exclude FTE certificated employees who services supplement direct instruction
 - Exclude FTE certificated employees who teach in necessary small schools
- Prior year ratio of largest unified school district
 - Applies to COEs and charter schools
- 25:1
 - Applies to charter schools



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Independent Study Ratio

- Once the comparative ratio is determined, LEA should determine ADA to FTE ratio
- Compute total units of full time IS ADA, excluding
 - ADA generated by pupils over the age of 18, except charter schools
 - IS ADA generated by pupils enrolled in special day class full time
 - IS ADA generated by pupils in necessary small schools



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Independent Study Ratio

- Compute total IS FTE certificated employees
 - Exclude FTE certificated employees who exclusively provide instruction to pupils over 18
 - Exclude FTE certificated employees who teach full time special day classes
 - Exclude FTE certificated employees who services supplement direct instruction
 - Exclude FTE certificated employees who teach in necessary small schools



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Ratio Evaluation and ADA Reporting

- Each LEA must evaluate its comparative ADA to FTE ratio against its IS ADA to IS FTE ratio to determine whether the LEA has excess ADA
- If the comparative ratio of ADA to FTE is the same or greater than the ratio of IS ADA to IS FTE the LEA does not have excess ADA and can include all of their ADA in the ADA reported for the purpose of apportionment.



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Ratio Evaluation and ADA Reporting

- If the comparative ratio of ADA to FTE is less than the ratio of IS ADA to IS FTE the LEA has excess ADA
- Excess ADA must be excluded from ADA reported for the purpose of apportionment
- Excess ADA must be reported separately through attendance reporting data entry screens



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Audits



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Independent Study Audit Findings

- Number of IS findings 2014-15 through 2016-17:

Fiscal Year	Districts and COEs	Charter Schools	Appealed to EAAP*
2014-15	32	9	2
2015-16	21	9	5
2016-17	18	3	2

*EAAP

- Relatively low number of findings considering over 2200 audit reports are received



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Independent Study Audit Findings

- 2014-15 IS deficiencies:
(total 86 ADA questioned)
 - 26 noncompliant agreements (missing signatures, contract elements)
 - 9 attendance errors or lack of attendance documentation
 - 1 did not meet ratio
 - 2 lacked education activity documentation
 - 3 missing work samples



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Independent Study Audit Findings

- 2015-16 IS deficiencies (total 432 ADA questioned)
 - 20 noncompliant agreements (missing signatures, contract elements)
 - 5 attendance errors or lack of attendance documentation
 - 3 did not meet ratio
 - 3 lacked education activity documentation
 - 2 missing work samples



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Independent Study Audit Findings

- 2016-17 IS deficiencies (total 51 ADA in question)
 - 12 noncompliant agreements (missing signatures, contract elements)
 - 6 attendance errors or lack of attendance documentation
 - 1 did not meet ratio
 - 2 missing work samples
 - 1 residency requirements not met



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Independent Study Audit Appeals

Informal or formal appeals of state audit findings may be submitted to the EAAP

- Voluntary, informal summary review per *EC* Section 41344.1(d)
 - Submit letter to EAAP requesting a summary review within 30 days of receiving certification from the SCO
 - Intended to provide a method to request an appeal without incurring substantial cost
 - Decision made by EAAP Executive Officer
 - Basis for granting appeal – clearly constitutes substantial compliance



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Independent Study Audit Appeals

- Voluntary, informal summary review per *EC* Section 41344.1(d) (cont.)
 - Substantial compliance means:
 - Near complete satisfaction of all material requirements of a funding program that provide an educational benefit substantially consistent with the program's purpose.
 - A minor or inadvertent noncompliance may be grounds for a finding of substantial compliance provided that the LEA acted in good faith to comply with the conditions established in law or regulations.



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Independent Study Audit Appeals

- Formal appeals per *EC* Section 41344(d)
 - Submit letter to EAAP requesting formal appeal within 60 days of receiving the audit report certification or within 30 days of receiving a determination on an informal summary review.
 - Usually involves legal counsel, but an LEA can represent itself
 - Appeal subject to administrative adjudication process
 - Hearing scheduled before an Administrative Law Judge
 - Administrative Law Judge provides EAAP with proposed decision;
 - EAAP makes final decision



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Independent Study Audit Appeals

- Formal appeals per *EC* Section 41344(d) (cont.)
 - Parties to appeal are typically the LEA, the SCO, the Department of Finance, and occasionally the Department of Education
 - Parties can reach a settlement but EAAP must accept the settlement
 - Basis for granting appeal – substantial compliance with all legal requirements, finding based on errors of fact or interpretation of law



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Course Based Independent Study



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Highlights of Course Based Independent Study

Refer to *EC* sections 51749.5 and 51749.6 for complete set of requirements

- A new alternative method for operating and reporting IS beginning with the 2015-16 school year
- In general, replaces making time valued assignments with enrolling in an authorized “course”
- Attendance earned if all requirements are met and the pupil is making satisfactory progress
- Reported separately from traditional IS ADA
- Requires separate IS ratio calculation
- Governing board/body must adopt IS policies that comply with CBIS laws



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Highlights of Course Based Independent Study

- Governing board/body must annually certify CBIS courses to be the same rigor and quality as equivalent classroom-based courses and shall be aligned to all relevant content standards. Certification to include
 - Duration of course
 - Number of equivalent daily instructional minutes
 - Number of equivalent total instructional minutes
 - Number of course credits for each course
- Voluntary signed learning agreement completed before commencing instruction
- CBIS courses are taught by certificated teachers with appropriate subject matter credential, who meet the highly qualified teacher requirements, and who are employed by the LEA



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Highlights of Course Based Independent Study

- Pupils must meet applicable residency, enrollment, and age requirements
- Certificated employee and pupil must communicate in person, by telephone or other live visual or audio connection no less than twice per calendar month to assess satisfactory progress.
- Pupils enrolled in CBIS courses must be offered the minimum annual total equivalent instructional minutes (can be combined with other modes of instruction)
- Pupils enrolled in CBIS courses, along with other courses, must meet applicable annual instructional minutes
- Pupils cannot be prohibited from participating in these courses solely on the basis that the pupil does not have the materials, equipment, or internet access
- Satisfactory educational progress must be made to stay enrolled in CBIS



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Highlights of Course Based Independent Study

- Satisfactory educational progress includes:
 - Applicable statewide accountability measures
 - Completion of assignments, examinations or other indicators that evidence the pupil is working on assignments, learning required concepts, and making progress toward successful completion of course
 - Determined by certificated employee providing instruction.
- If satisfactory progress is not being made
 - Notification to pupil and parents
 - Conduct an evaluation to determine if alternative placement should be made
 - Maintain a written record of the unsatisfactory progress evaluation which is considered a mandatory interim record and must be maintained for 3 years
- Maintain written or computer-based evidence of satisfactory progress for each pupil and each course. Evidence shall include:
 - A grade book or summary document that lists all assignments, examinations and associated grades.



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Highlights of Course Based Independent Study

- No more than 1 ADA can be earned per pupil
- First 10 percent of total LEA ADA is at full rate
- All CBIS ADA in excess of the first 10 percent is reduced by the statewide average absence for elementary (K-8) or high school (9-12) as calculated by the CDE for the prior fiscal year.
- The statewide average absence rate for 2018-19 is 4.61% for elementary (grades K-8) and 6.34% for high (grades 9-12).
- The average absence rate for 2018-19 is posted to CDE's web site at:
<https://www.cde.ca.gov/fg/aa/pa/pa1819rates.asp>



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References

- IS ADA – *EC* sections 46300 through 46300.7
- Charter school IS- *EC* sections 47612.5 and *CCR*, Title 5 sections 11960, 11963 through 11963.7
- IS program requirements and restrictions on apportionment—*EC* sections 51745 through 51749.3
- CBIS program and requirements – *EC* sections 51749.5 and 51749.6
- General IS provisions, standards, and charter specific provisions; *CCR*, Title 5 sections 11700 through 11705



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Additional Resources

- Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting can be found at: <http://eaap.ca.gov/audit-guide/current-audit-guide-booklet/>
- For more information on funding determination, please visit CDE's Nonclassroom-Based Determination of Funding webpage: <https://www.cde.ca.gov/sp/cs/as/nclrbifunddet.asp>
- For information on funding for new charter schools, please visit CDE's Charter School Funding webpage: <https://www.cde.ca.gov/fg/aa/pa/csfunding.asp>



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Acronyms

- **ADA** = Average Daily Attendance
- **CBIS** = Course Based Independent Study
- **CCR** = *California Code of Regulations*
- **CDE** = California Department of Education
- **COE** = County Office of Education
- **EAAP** = Education Audit Appeals Panel
- **EC** = *Education Code*
- **FTE** = Full Time Equivalent
- **IEP** = Individualized Education Program
- **IS** = Independent Study
- **LEA** = Local Education Agency
- **PADC** = Principal Apportionment Data Collection
- **SBE** = State Board of Education
- **SCO** = State Controller's Office



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Thank you for participating!

Questions?

Attendance accounting and instructional time questions:

attendanceaccounting@cde.ca.gov

Funding determination questions:

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Phone: 916-322-6029

Nonclassroom-based funding impacts for charter schools:

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Audit questions:

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