July 16, 2014

TO: Santa Clara County Board of Education

FROM: Darcie Green, Chair, Policy Development Subcommittee

VIA: Mary Ann Dewan, Ph.D., Interim County Superintendent of Schools

SUBJECT: First Reading of Recommended Deleted Board Policies 3110 and 3111

Associated Goals
GOAL 4: Improve organizational effectiveness and efficiency

Background
On June 18, 2014 the Policy Development Subcommittee met and approved deletion of the following Board Policies:

BP 3110 Transfer of Funds
The "Tier 3 Categorical Flexibility" is to be deleted since new law (AB 97, 2013) repeals the law providing this flexibility and redirects the funding into the local control funding formula (LCFF). The policy deletion also reflects the repeal, pursuant to AB 97, of the law providing a process for the transfer of excess local funds in the deferred maintenance fund to any other expenditure classifications whenever state funds for deferred maintenance are insufficient to fully match local funds; and adds items reflecting circumstances under which the board may transfer monies between funds or accounts.

BP 3111 Deferred Maintenance Funds
CSBA recommend deletion of this board policy. Language regarding deferred maintenance funds is now included in BP 3100 – Budget.

Fiscal Implications
The proposed deletions have no fiscal implications.
Board Policy
Business and Noninstructional Operations

BP 3110
Transfer of Funds

The Santa Clara County Board of Education recognizes its responsibility to monitor the Santa Clara County Office of Education fiscal practices to ensure accountability regarding the expenditure of public funds and compliance with legal requirements.

(cf. 3100 - Budget)
(cf. 3400 - Management of SCCOE Assets/Accounts)

Tier 3 Categorical Flexibility

From the 2008-09 through 2012-13 fiscal years, the County Board has determined that it is in the best interest of the SCCOE to utilize the categorical program flexibility authorized by Education Code 42605. Funds received for programs identified by law as Tier 3 categoricals may be expended for any educational purpose.

The County Board shall hold a public hearing to take testimony from the public, discuss, and approve or disapprove the proposed use of the funding, and shall make explicit for each of the categorical budget items the purposes for which the funds will be used. (Education Code 42605) During the hearing, the County Board shall consider the SCCOE goals for student learning and determine funding priorities and program focus. The County Board may also discuss statutory constraints, available resources, and whether program modifications might improve educational outcomes.

The Santa Clara County Superintendent of Schools or designee shall regularly report to the County Board regarding how the SCCOE is exercising the flexibility and whether the desired results are being achieved. He/she shall also complete any necessary reports required by the California Department of Education.

(cf. 0420 - School Plans/Site Councils)
(cf. 0440 - District Technology Plan)
(cf. 1312.4 - Williams Uniform Complaint Procedures)
(cf. 3111 - Deferred Maintenance Funds)
(cf. 3530 - Risk Management/Insurance)
(cf. 5123 - Promotion/Acceleration/Retention)
(cf. 5136 - Gangs)
(cf. 5141.32 - Health Screening for School Entry)
(cf. 5144.1 - Suspension and Expulsion/Due Process)
(cf. 5145.6 - Parental Notifications)
(cf. 5146 - Married/Pregnant/Parenting Students)
(cf. 5147 - Dropout Prevention)
(cf. 5148.1 - Childcare Services for Parenting Students)
(cf. 5149 - At-Risk Students)
(cf. 6111 - School Calendar)
(cf. 6142.6 - Visual and Performing Arts Education)
(cf. 6142.91 - Reading/Language Arts Instruction)
(cf. 6146.1 - High School Graduation Requirements)
(cf. 6161.1 - Selection and Evaluation of Instructional Materials)
(cf. 6162.52 - High School Exit Examination)
(cf. 6164.2 - Guidance/Counseling Services)
(cf. 6178 - Career Technical Education)
(cf. 6178.2 - Regional Occupational Center/Program)
(cf. 6179 - Supplemental Instruction)
(cf. 6185 - Community Day School)
(cf. 9323.2 - Actions by the Board)

Legal Reference:
EDUCATION CODE
78 Definition governing board
1600 et seq. County school service fund
1620-1625 Single budget for county school service fund, etc., especially 1621 re: undistributed reserve
5200 Districts governed by boards of education
16095 Transfer of district funds to district state school building fund
17582 Deferred maintenance fund; establishment; purpose
17583 Deferred maintenance fund; transfer
17584 Budgeting certification deferred maintenance fund; apportionment
17585 Applications for deferred maintenance funding
41301 Section A state school fund allocation schedule
42125 Designated and unappropriated fund balances
42600 District budget limitation on expenditure
42601 Transfers between funds to permit payment of obligations at close of year
42603 Transfer of monies held in any fund or account to another fund; repayment
42605 Tier 3 categorical flexibility
42840-42843 Special reserve fund
52616.4 Expenditures from adult education fund

Policy
adopted: October 20, 2010
Revised: May 16, 2012

SANTA CLARA COUNTY OFFICE OF EDUCATION
San Jose, California
DEFERRED MAINTENANCE FUNDS

In order to help meet the Santa Clara County Office of Education facility maintenance needs, the Santa Clara County Board of Education shall discuss proposals and plans for expenditures of deferred maintenance facility funds at a regularly scheduled public hearing.

(cf. 3100 - Budget)
(cf. 3110 - Transfer of Funds)
(cf. 7000 - Concepts and Roles)
(cf. 7210 - Facilities Financing)

In any year that the SCCOE does not set aside one-half of one percent of its current-year revenue limit average daily attendance for deferred maintenance, the County Board shall submit a report, by March 1, to the Legislature, with copies to the Superintendent of Public Instruction, the State Board of Education, the Department of Finance, and the State Allocation Board. (Education Code 17584.1)

The report shall include all of the following: (Education Code 17584.1)

1. A schedule of the complete school facilities deferred maintenance needs of the SCCOE for the current year, including a schedule of costs per school site and total costs

2. A detailed description of the SCCOE spending priorities for the current year, and an explanation of why those priorities, or any other considerations, have prevented the SCCOE from setting aside sufficient local funds so as to permit it to fully fund its deferred maintenance program and, if eligible, to participate in the state deferred maintenance funding program as set forth in Education Code 17584

3. An explanation of how the County Board plans to meet its current-year facilities deferred maintenance needs without setting aside the funds set forth in Education Code 17584

Copies of the report shall be made available at each school site and shall be provided to the public upon request. (Education Code 17584.1)

(cf. 3580 - SCCOE Records)

Legal Reference: (see next page)
DEFERRED MAINTENANCE FUNDS (continued)

Legal Reference:
EDUCATION CODE
17565-17591 Property maintenance and control, especially:
17584 Deferred maintenance
17584.1 Deferred maintenance reports