



CALIFORNIA STATE BOARD OF EDUCATION

MAY 2004 AGENDA

SUBJECT Proposed Formation of Wiseburn Unified School District from Wiseburn Elementary School District and a Portion of Centinela Valley Union High School District in Los Angeles County	<input checked="" type="checkbox"/> Action
	<input checked="" type="checkbox"/> Information
	<input checked="" type="checkbox"/> Public Hearing

RECOMMENDATION

Adopt the attached proposed resolution (Attachment 2) approving the petition to form a new unified (K-12) school district from Wiseburn Elementary School District (ESD) and a portion of Centinela Valley Union High School District (UHSD) in Los Angeles County, and establishing the election area for the unification proposal as the Centinela Valley UHSD.

SUMMARY OF PREVIOUS STATE BOARD OF EDUCATION DISCUSSION AND ACTION

The State Board of Education (SBE) has not heard this issue previously. The Board received this item as an information memorandum in April 2004.

SUMMARY OF KEY ISSUES

The action to form a Wiseburn Unified School District (USD) was initiated pursuant to *Education Code* Section 35700(a), which requires a petition signed by at least 25 percent of the registered voters residing in the territory proposed for reorganization.

The Los Angeles County Office of Education (LACOE) analyzed the effects of the proposed unification on the nine required conditions for approval listed in *Education Code* Section 35753(a). This analysis, which is included as Attachment 3, determined that eight of the nine conditions are substantially met, and that the remaining condition (equitable distribution of property) is met if the election area for the unification proposal includes the entire Centinela Valley UHSD. The Los Angeles County Committee on School District Organization (LACC) determined that the proposed unification failed to substantially comply with two of nine conditions of *Education Code* Section 35753(a). However, the LACC voted 4-3 to recommend approval of the petition. The LACC then voted to recommend expanding the election area to the entire Centinela Valley UHSD.

The Centinela Valley UHSD is in opposition to the proposal. Wiseburn ESD has taken a position in support of the proposal.

California Department of Education (CDE) staff found that all conditions of *Education Code* Section 35753(a) are substantially met. Staff recommends that the SBE approve the proposal. Staff also finds that conditions warrant expanding the election area to the entire Centinela Valley UHSD. The unification would remove 40% of the assessed

valuation of the high school district and no high school facilities, resulting in no transfer of liability for the high school district's outstanding bonded indebtedness. This situation would significantly reduce the high school district's bonding capacity and significantly increase the tax rate for property owners in the high school district.

Staff's analysis is provided as Attachment 1. A proposed resolution approving the petition and setting the election area as the entire Centinela Valley UHSD is provided for the SBE's consideration as Attachment 2.

FISCAL ANALYSIS (AS APPROPRIATE)

CDE staff estimates that revenue limit funding will increase 10 percent over the blended revenue limit generated by the elementary students of Wiseburn ESD and the secondary students residing in the Wiseburn portion of Centinela Valley UHSD. We estimate this will increase state General Fund revenue limits by about \$1 million. Note these are Proposition 98 expenditures.

ATTACHMENT

[Attachment 1](#): Report of Required Conditions for Reorganization (26 Pages)

[Attachment 2](#): Proposed Approval Resolution (1 Page)

Attachment 3: Report to the Los Angeles County Committee on School District Organization Concerning the Proposed Formation of a Wiseburn Unified School District (24 Pages) (This attachment is not available for web viewing. A printed copy is available for viewing in the State Board of Education Office).

Attachment 4: Racial and Ethnic Report (6 Pages) (This attachment is not available for web viewing. A printed copy is available for viewing in the State Board of Education Office).

Attachment 5: Condition 6 Review of Proposal to form Wiseburn Unified School District from Wiseburn Elementary School District and a Portion of Centinela Valley Union High School District in Los Angeles County (2 Pages) (This attachment is not available for web viewing. A printed copy is available for viewing in the State Board of Education Office).

Attachment 6: Proposal to form Wiseburn Unified School District from Wiseburn Elementary School District and a Portion of Centinela Valley Union High School District in Los Angeles County (3 Pages) (This attachment is not available for web viewing. A printed copy is available for viewing in the State Board of Education Office).

Attachment 7: Criterion #9 Report (2 Pages) (This attachment is not available for web viewing. A printed copy is available for viewing in the State Board of Education Office).

[Attachment 8](#): Alternate Approval Resolution (1 Page)

[Attachment 9](#): Alternate Resolution (1 Page)

**PROPOSED FORMATION OF
WISEBURN UNIFIED SCHOOL DISTRICT FROM
WISEBURN ELEMENTARY SCHOOL DISTRICT AND A PORTION OF
CENTINELA VALLEY UNION HIGH SCHOOL DISTRICT IN
LOS ANGELES COUNTY**

REPORT OF REQUIRED CONDITIONS FOR REORGANIZATION

1.0 RECOMMENDATION

Staff recommends approval of the proposal to form a Wiseburn Unified School District (USD) from territory of the Wiseburn Elementary School District (ESD) and the corresponding portion of Centinela Valley Union High School District (UHSD). This recommendation is based on the analysis of required legal conditions (*Education Code*¹ Section 35753). Staff finds that all of the nine conditions are substantially met by the proposal.

Staff further recommends that the State Board of Education (SBE) establish the entire territory of the Centinela Valley UHSD as the election area for the unification proposal. The proposal would remove approximately 40% of the assessed valuation (and only 15% of the high school enrollment) of the Centinela Valley UHSD. This shift of assessed valuation would significantly reduce future bonding capacity for the high school district while increasing the financial responsibility of property owners in the remaining (non-Wiseburn) area of the district to repay current outstanding bonded indebtedness. It is staff's opinion that the reduction in bonding capacity for the high school district and increased tax burden for property owners in the remaining portion of the high school district represent a significant impact on the remaining Centinela Valley UHSD.

A resolution containing these recommendations is included as Attachment 2.

2.0 BACKGROUND

A petition proposing the formation of a new unified school district from the territory of the current Wiseburn ESD and the corresponding portion of Centinela Valley UHSD, signed by at least 25% of the registered voters within Wiseburn ESD, was submitted to the Los Angeles County Office of Education (LACOE) on November 9, 2001. On December 4, 2001, pursuant to Section 35704, the Los Angeles County Superintendent of Schools found the petition to be sufficient and signed as required by law.

In addition to Wiseburn ESD, there are three other component school districts within Centinela Valley UHSD: Hawthorne, Lawndale, and Lennox. Centinela Valley UHSD has

¹All subsequent statutory references are to the *Education Code* unless otherwise indicated.

three comprehensive high schools, none of which are located within the boundaries of Wiseburn ESD.

LACOE analyzed the effects of the proposed unification on the nine required conditions for approval listed in *Education Code* Section 35753(a). This analysis determined that eight of the nine conditions are substantially met, and that the remaining condition (equitable distribution of property) is met if the election area for the unification proposal includes the entire Centinela Valley UHSD.

At a March 1, 2002, deliberation meeting, the Los Angeles County Committee on School District Organization (LACC) heard the recommendations of the LACOE (Attachment 3). The LACC found that two of the Section 35753(a) conditions were not substantially met. Despite finding two of the nine conditions not substantially met, the LACC recommended approval of the unification proposal on a 4-3 vote. The LACC further recommended that the election area be expanded to the entire Centinela Valley UHSD.

California Department of Education (CDE) staff agrees with the LACOE recommendations that eight of the nine conditions in Section 35753(a) are substantially met. Furthermore, staff agrees with both LACOE and LACC that the election area for the unification proposal should be expanded to the entire Centinela Valley UHSD if the State Board approves the proposal so that all nine conditions will be substantially met.

3.0 REASONS FOR THE UNIFICATION

The chief petitioners cite the following reasons for the proposed Wiseburn USD:

- (a) A desire to establish a unified school district that will be responsive to the unique needs of the Wiseburn student population to have safe, small, academically successful schools.
- (b) A desire to provide a coordinated sequential educational program from preschool through twelfth grade.
- (c) A belief that unification will increase collaboration among elementary staff, secondary staff, and the community in the pursuit of national, state, county and local educational agencies.
- (d) A desire for a unified educational system whereby educational expectations and accountability are driven by a single board of trustees and a single administration representing the Wiseburn community.
- (e) A belief that unification will provide a more effective use of district resources.
- (f) A desire to establish a high school to serve the Wiseburn community.

4.0 POSITIONS OF SCHOOL DISTRICTS

4.1 Centinela Valley Union High School District

Centinela Valley UHSD opposes the proposal, primarily focusing on the failure of the proposal to meet the following three conditions of Section 35753(a).

- Condition 4: The reorganization of the districts will not promote racial or ethnic discrimination or segregation.
- Condition 6: The proposed reorganization will not significantly disrupt the educational programs in the proposed districts and districts affected by the proposed reorganization and will continue to promote sound education performance in those districts.
- Condition 9: The proposed reorganization will not cause a substantial negative effect on the fiscal management or fiscal status of the proposed district or any existing district affected by the proposed reorganization.

4.2 Wiseburn Elementary School District

The Wiseburn ESD supports the proposal, finding that the proposal meets all conditions of Section 35753(a) and that “creation of such a district will provide enhanced continuity and articulation and will enrich the educational lives of children from the Wiseburn community.”

5.0 SECTION 35753 CONDITIONS

The SBE may approve proposals for the reorganization of districts if the SBE has determined the proposal substantially meets the nine conditions in Section 35753. Those conditions are further clarified by Section 18573, Title 5, *California Code of Regulations*.

For its analysis of the current proposal, staff reviewed CDE studies of specific issues related to the proposal and the following information provided by LACOE:

- (a) Petition for the proposed Wiseburn USD, including maps of the area.
- (b) “Feasibility Study of the Proposed Reorganization and Creation of the Wiseburn Unified School District” prepared by LACOE, May 1, 2002.
- (c) Minutes and audiotapes of the LACC public hearings and meetings.
- (d) Various letters and reports in support of and opposition to the proposed unification.
- (e) Miscellaneous related reports.

Staff findings and conclusions regarding the Section 35753 and Title 5 conditions follow:

5.1 The new districts will be adequate in terms of number of pupils enrolled.

Standard of Review

It is the intent of the State Board of Education that direct service districts not be created which will become more dependent upon county offices of education and state support unless unusual circumstances exist. Therefore, each district affected must be adequate in terms of numbers of pupils, in that each such district should have the following projected enrollment on the date the proposal becomes effective or any new district becomes effective for all purposes: Elementary district, 901; high school district, 301; unified district, 1,501. (Section 18573(a)(1)(A), Title 5, California Code of Regulations)

County Committee Evaluation/Vote

The report prepared by LACOE for the LACC (hereinafter referred to as “feasibility study”) indicates that the petition meets this requirement (Attachment 3, page 10).

The LACC voted unanimously (7-0) that this criterion is substantially met.

Staff Findings/Conclusion

As stated previously, a new unified district is adequate in terms of number of pupils if projected enrollment is 1,501 or greater on the date the new district becomes effective for all purposes. Enrollment must be 301 for high school districts. The table below depicts historical and projected enrollment in the two affected districts from the 1998-99 to the 2007-08 school years. If voters at a November 2004 election approve the proposal for Wiseburn USD, the new unified district would be effective for all purposes on July 1, 2005. Projected enrollments for the proposed Wiseburn USD are included in the table, beginning with the 2005-06 school year.

Historical and Projected Enrollments

Year	Wiseburn ESD Area		Proposed Wiseburn USD	Centinela Valley UHSD
	K-8 Students	9-12 Students		
1998-99	1,712	293		6,595
1999-00	1,724	287		6,766
2000-01	1,739	282		6,917
2001-02	1,817	271		7,053
2002-03	1,930	254		7,476
2003-04*	2,018	256		7,760
2004-05*	2,098	277		8,244
2005-06*	2,222	300	2,522	8,415
2006-07*	2,332	330	2,661	8,732
2007-08*	2,467	347	2,814	8,975

* *Projections*

Source for Historical Enrollment: California Basic Educational Data System [CBEDS] and Centinela Valley UHSD

In the last year for which CBEDS data is available (2002-03), Wiseburn ESD had a

total enrollment of 1,930 K-8 students. Centinela Valley UHSD had a 9-12 enrollment of 7,476 students in 2002-03. Of that total secondary enrollment, 254 students lived within the boundaries of Wiseburn ESD.

Enrollment (K-12) in the proposed Wiseburn USD is projected to be 2,522 in 2005-06, while projections for Centinela Valley UHSD show a 9-12 enrollment of 8,415. Currently, about 28% of Wiseburn ESD's enrollment resides outside the boundaries of the district but attend the district through interdistrict transfer. A significant number of commercial and industrial firms are located within the boundaries of Wiseburn ESD and that district historically approves interdistrict transfers to allow parents employed at these firms to enroll their children in the schools close to where they work. Enrollment projections in the above table do not include any potential high school student enrollment through interdistrict transfers. However, high school enrollment could increase significantly if interdistrict attendance at the secondary level approaches the level that exists in the elementary school district.

Staff concludes that this condition is substantially met.

5.2 The districts are each organized on the basis of a substantial community identity.

Standard of Review

The following criteria from Section 18573(a)(2), Title 5, California Code of Regulations, should be considered to determine whether a new district is organized on the basis of substantial community identity: isolation; geography; distance between social centers; distance between school centers; topography; weather; community, school and social ties; and other circumstances peculiar to the area.

County Committee Evaluation/Vote

The feasibility study reports that the Wiseburn ESD is comprised of unincorporated areas of Los Angeles County and portions of the cities of Hawthorne and El Segundo. LACOE further notes that, although the proposed new unified district is not located within a single municipality, residents in the area receive services from many common public service providers, share common social and community centers, and frequent common business establishments. (Attachment 3, page 13)

The feasibility study concludes that the proposal substantially meets this condition.

The LACC voted unanimously (7-0) that this condition is substantially met.

Staff Findings/Conclusion

As is the case in most relatively compact urban/suburban settings, the Title 5 criteria of isolation, geography, and weather are not applicable to the analysis of substantial

community identity. No further discussion of these criteria is warranted, as they cannot be used to define community identity in this particular reorganization proposal.

The new unified district would correspond to the boundaries of an existing elementary school district. Therefore, separate and distinct educational communities already exist. In the past, the elementary school district within the high school district has played an important role in establishing the community identity of the area. The new unified district should continue that role. Similarly, the remaining Centinela Valley UHSD would share common boundaries with its three other component elementary districts.

Staff finds that the districts would be organized on the basis of a substantial community identity since the proposed Wiseburn USD and the remaining Centinela Valley UHSD would correspond to existing school district boundaries.

5.3 The proposal will result in an equitable division of property and facilities of the original district or districts.

Standard of Review

To determine whether an equitable division of property and facilities will occur, the California Department of Education reviews the proposal for compliance with the provisions of Education Code sections 35560 and 35564 and determines which of the criteria authorized in Section 35736 shall be applied. The California Department of Education also ascertains that the affected districts and county office of education are prepared to appoint the committee described in Section 35565 to settle disputes arising from such division of property. (California Code of Regulations, Title 5, Section 18573(a)(3))

County Committee Evaluation/Vote

The feasibility study (Attachment 3, page 12) addressed the following issues in its analysis of division of property and facilities:

(a) Property, Funds, and Obligations

There is no Centinela Valley UHSD real property located within the boundaries of the proposed Wiseburn USD. Thus, the Wiseburn USD would not take ownership of any Centinela Valley UHSD school sites.

The feasibility study does not address the division of all other property, funds, and obligations (except bonded indebtedness) of the Centinela Valley UHSD.

(b) Bonded Indebtedness

Voters in the Centinela Valley UHSD approved \$59 million in general obligation bonds in March 2000. At the time of the LACOE study, the district had issued \$18.8 million to fund ongoing facility projects and planned to issue the remaining bonds in April 2002 (\$23 million) and January 2003 (\$17.2 million). Since there are no Centinela Valley UHSD school facilities or property located within the boundaries of the proposed unified district, the property owners within the Wiseburn USD would drop any liability for the bonded indebtedness of Centinela Valley UHSD.

Voters in Wiseburn ESD approved bonds at March 1997 and June 2000 elections. At the time of the LACOE study, the district had fully issued its \$39.1 million in approved bonds. Liability for this bonded indebtedness would remain with the property owners within the current Wiseburn ESD if the unification proposal is approved.

The LACOE study notes that the proposed unification would remove approximately 40% of the assessed valuation from Centinela Valley UHSD, which would result in a corresponding 40% reduction in the district's bonding capacity. This reduction would leave Centinela Valley UHSD with a bonding capacity of about \$53.4 million. Thus, the district would exceed its bonding capacity if the district issues all \$59 million in voter approved bonds. Based on 2001-02 information, the Los Angeles County Auditor-Controller estimates that this condition would remain for about six years until property values appreciate.

(c) Student Body Funds

The feasibility study notes that a share of student body funds at Centinela Valley UHSD schools would transfer to the proposed Wiseburn USD. This share would correspond to the proportion of high school students transferring to the new unified district.

As noted earlier, the proposed unification would result in the reduction of approximately 40% of the assessed valuation of the Centinela Valley UHSD. Since no secondary school facilities would transfer to the Wiseburn USD, none of the responsibility for the high school district's outstanding bonded indebtedness would transfer to the new unified district. As a result, property owners in the remaining Centinela Valley UHSD would absorb a significant increase in tax rates to support the district's bonded indebtedness (\$18.8 million) that existed in 2001-02. That tax rate would increase to a much greater degree if the district issues all \$59 million of its general obligation bonds.

Because the proposed unification would increase tax rates for the property owners in the remaining Centinela Valley UHSD, LACOE recommends that this condition is substantially met only if the election area for the unification proposal is expanded to

include all of the voters in the Centinela Valley UHSD (thus allowing these voters an opportunity to vote on an issue that would result in increased tax rates for property owners in the area).

The LACC voted 4-3 that this criterion is not substantially met.

Staff Findings/Conclusion

Department staff finds that existing provisions of the *Education Code* may be utilized to achieve equitable distribution of property, funds, and obligations of Centinela Valley UHSD, and concludes that this condition has been substantially met. Staff further recommends the following:

- (a) All assets and liabilities of the Centinela Valley UHSD shall be divided based on the proportionate average daily attendance (ADA) of the high school students residing in the areas of the two districts on June 30 of the school year immediately preceding the date on which the proposed unification becomes effective for all purposes. (Section 35736)
- (b) Student body property, funds, and obligations shall be divided proportionately, except that the share shall not exceed an amount equal to the ratio which the number of pupils leaving the schools bears to the total number of pupils enrolled; and funds from devises, bequests, or gifts made to the organized student body of a school shall remain the property of the organized student body of that school and shall not be divided. (Section 35564)
- (c) As specified in Section 35565, disputes arising from the division of property, funds, or obligations shall be resolved by the affected school districts and the county superintendent of schools through a board of arbitrators. The board shall consist of one person appointed by each district and one by the county superintendent of schools. By mutual accord, the county member may act as sole arbitrator; otherwise, arbitration will be the responsibility of the entire board. Expenses will be divided equally between the districts. The written findings and determination of the majority of the board of arbitrators is final, binding, and may not be appealed.

Staff disagrees with the LACOE recommendation that this condition is met only if the election area for the unification proposal is expanded to include the entire Centinela Valley UHSD. The issue of expanding the election area will be addressed more fully later in this report.

5.4 The reorganization of the districts will not promote racial or ethnic discrimination or segregation.

Standard of Review

In Section 18573(a)(4), Title 5, California Code of Regulations, the State Board of Education set forth five factors to be considered in determining whether reorganization will promote racial or ethnic discrimination or segregation:

- (a) The current number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts, compared with the number and percentage of pupils in each racial and ethnic group in the affected districts and schools in the affected districts if the proposal or petition were approved.
- (b) *The trends and rates of present and possible future growth or change in the total population in the districts affected, in each racial and ethnic group within the total district, and in each school of the affected districts.*
- (c) *The school board policies regarding methods of preventing racial and ethnic segregation in the affected districts and the effect of the proposal or petition on any desegregation plan or program of the affected districts, whether voluntary or court ordered, designed to prevent or alleviate racial or ethnic discrimination or segregation.*
- (d) *The effect of factors such as distance between schools and attendance centers, terrain, geographic features that may involve safety hazards to pupils, capacity of schools, and related conditions or circumstances that may have an effect on the feasibility of integration of the affected schools.*
- (e) *The effect of the proposal on the duty of the governing board of each of the affected districts to take steps, insofar as reasonably feasible, to alleviate segregation of minority pupils in schools regardless of its cause.*

County Committee Evaluation/Vote

The following table presents a summary of the 2001-02 ethnic enrollment data presented in the feasibility study (Attachment 3, page 14):

Ethnic Enrollment in Affected Districts

	Minority Students	White Students
Centinela Valley UHSD	6,617 (95.0%)	347 (5.0%)
Centinela Valley UHSD students within Wiseburn area	208 (77.9%)	59 (22.1%)
Wiseburn ESD	1,309 (72.1%)	507 (27.9%)

Source: Ethnic profile information provided by districts

As depicted in the above table, 95 percent of the students enrolled in Centinela Valley UHSD are minority students and almost 78 percent of the high school students who reside within the area of Wiseburn ESD are minority students. In the Wiseburn ESD, 72.1 percent of the K-8 students are minority.

The following table compares the percent of minority students in both districts before the proposed unification with the percent after the unification.

Percent Minority Students in Affected Districts

	Minority Students	White Students
Before Unification		
Centinela Valley UHSD	6,617 (95.0%)	347 (5.0%)
Wiseburn ESD	1,309 (72.1%)	507 (27.9%)
After Unification		
Centinela Valley UHSD	6,409 (95.7%)	288 (4.3%)
Wiseburn USD	1,517 (72.8%)	566 (27.2%)

For both districts, the proposed unification would cause less than a one percent increase in the minority student population.

LACOE finds that both affected districts currently have a majority of minority students and the proposed reorganization would have little effect on that status. The unification would increase minority student enrollment in each district by less than one percent. Therefore, LACOE recommends that this condition is substantially met.

The LACC voted 6-1 that this condition is substantially met.

Staff Findings/Conclusion

The CDE's Office of Equal Opportunity (OEO) provides support to the CDE review of reorganization proposals. The OEO report on this proposal is Attachment 4 to the Board item.

OEO analyzed the five factors set forth in Section 18573 of Title 5, *California Code of Regulations* in light of information provided in the feasibility study. Findings are further compared to California Basic Educational Data System (CBEDS) information on file with the CDE.

(a) Racial and Ethnic Enrollment: Analysis by District and School

OEO analyzed current school populations (from 2002-03 CBEDS) in the Wiseburn ESD and the Centinela Valley UHSD. OEO found that the minority student population of Wiseburn ESD is 73.0 percent of the total school population. OEO also found that the student population of Centinela Valley UHSD is 95.2 percent minority.

OEO notes that the schools directly affected by the proposal are the high schools since the proposed unification would not cause movement of any K-8 students from one school to another. Currently, three high schools (Hawthorne High, Lawndale High, and Leuzinger High) serve high school students residing in Wiseburn ESD territory. The proposed unification increases the percentage of minority students in these three schools by 0.6 percent.

The vast majority of the Wiseburn ESD area high school students (234 out of 254) attend Hawthorne High School. Removing these 234 students from Hawthorne High increases the percentage of minority students in this school from 94.4 percent to 95.9 percent.

(b) Racial and Ethnic Enrollment: Trends and Rates of Change

OEO charted K-12 racial/ethnic student enrollment growth for five years for the two affected school districts. The percentage of minority students in Wiseburn ESD increased from 61 percent to 73 percent over the five-year period. Minority student enrollment slightly increased from 94.2 percent to 95.2 percent in Centinela Valley UHSD.

(c) School Board Policies: Desegregation Plans and Programs

There are no current court-ordered desegregation plans or programs in any of the affected districts.

(d) Factors Affecting Feasibility of Integration

No information was provided to identify any specific effects of factors such as distance from schools, attendance areas, or geographic features on the feasibility of integration.

(e) Duty of School to Alleviate Segregation

OEO notes that the governing board of each affected school district has a duty to alleviate segregation, regardless of the cause. This duty would be reflected in the policies of any newly created school district.

OEO finds the net effect of this proposal to be that both the Wiseburn USD and

Centinela Valley UHSD would be minority majority districts, and therefore finds that it appears to be in substantial compliance with Section 35753(a)(4).

To provide further support for the OEO report, staff also calculated enrollment projections for minority students in the affected districts. The following table summarizes these projections for each district both before and after the proposed unification.

Current and Projected Percentages of Minority Students

	Centinela Valley UHSD (before)	Centinela Valley UHSD (after)	Wiseburn ESD (before)	Wiseburn USD (after)
2002-03 CBEDS	95.2%	95.8%	73.0%	73.6%
Projections				
2003-04	95.9%	96.4%	74.7%	75.6%
2004-05	96.3%	96.8%	76.6%	77.5%
2005-06	96.7%	97.1%	78.0%	79.1%
2006-07	97.0%	97.4%	79.5%	80.5%
2007-08	97.2%	97.6%	80.9%	81.8%

As can be seen in the above table, the proposed unification is projected to have little effect on the percentage of minority students attending either of the affected districts. By 2007-08, the proposed unification would increase the percentage of minority students in Centinela Valley UHSD by 0.4 percent as a result of the unification and the percentage of minority students in Wiseburn USD would increase to 0.9 percent above the percentage in Wiseburn ESD.

Staff agrees with the LACOE feasibility study, the LACC findings, and the OEO recommendation that this condition is substantially met. The proposed unification will not substantially promote racial or ethnic segregation or discrimination in any affected district.

5.5 The proposed reorganization will not result in any substantial increase in costs to the state.

Standard of Review

Education Code sections 35735 through 35735.2 mandate a method of computing revenue limits without regard to this criterion. Although the estimated revenue limit is considered in this section, only potential costs to the state other than those mandated by sections 35735 through 35735.2 are used to analyze the proposal for compliance with this criterion.

County Committee Evaluation/Vote

The feasibility study includes a calculation of the projected revenue limits for the proposed Wiseburn USD. Based on these calculations, unification of the Wiseburn ESD will increase the revenue limit for that area by 10 percent. (Attachment 3, page 18)

The LACC voted unanimously (7-0) that this condition is substantially met.

Staff Findings/Conclusion

Should the proposed unified district become effective for all purposes, the revenue limit will be calculated by staff in the CDE Principal Apportionment Unit using information submitted by the LACOE based on second prior fiscal year data (2003-04 for a July 1, 2005 effective date), including any adjustments for which the proposed district may be eligible. Staff estimates that revenue limit funding will increase by approximately 10 percent as a result of formation of the new unified district. As stated previously, increases in revenue limit funding due to reorganization are not considered to be increased costs to the state since these funding increases are statutorily capped.

State costs for transportation, categorical programs, regular programs, and special education should not be affected significantly by the proposed reorganization since, typically, funding for these programs would follow the students.

Staff agrees with the conclusion of the feasibility study that the proposal substantially meets this condition.

- 5.6 The proposed reorganization will not significantly disrupt the educational programs in the proposed districts and districts affected by the proposed reorganization and will continue to promote sound education performance in those districts.**

Standard of Review

The proposal or petition shall not significantly adversely affect the educational programs of districts affected by the proposal or petition, and the California Department of Education shall describe the districtwide programs, and the school site programs, in schools not a part of the proposal or petition that will be adversely affected by the proposal or petition. (Section 18573(a)(5), Title 5, California Code of Regulations)

County Committee Evaluation/Vote

The LACOE feasibility study (Attachment 3, page 19) projected that, should the proposed unification occur, Centinela Valley UHSD would lose 288 high school students to the new unified school district by 2003-04. The study also notes that projected annual enrollment would mitigate that student enrollment loss so that the actual loss of students in the first year of the reorganization would be 184 students. The loss of students would result in a revenue limit decrease of approximately \$975,000. However, this would be a one-year revenue loss because the high school district's enrollment is projected to increase above the pre-unification level in the subsequent year. Since the revenue loss is projected to be for only one year and the Centinela Valley UHSD would have sufficient notice to adjust staffing levels, LACOE finds that the proposed unification would not have a significant negative effect on the fiscal status of the high school district.

As noted previously, LACOE calculates that the Wiseburn USD revenue limit would be 10 percent greater than the blended revenue limit of Wiseburn ESD and Centinela Valley UHSD. The resultant revenue limit would be greater than similar sized unified districts.

LACOE concludes that the remaining Centinela Valley UHSD and the Wiseburn USD would have adequate enrollment to generate necessary revenues to continue to support educational programs and therefore recommends that this condition is substantially met.

The LACC voted 4-3 that this condition is substantially met.

Staff Findings/Conclusion

The Evaluation and Analysis Unit in CDE's Policy and Evaluation Division (PED) provides support in reviewing the educational implications of school district reorganization proposals. To assess the educational impacts of the proposed reorganization, PED staff reviewed the feasibility study and materials submitted by the petitioners and districts. A report prepared by PED (Attachment 5) finds any loss of Centinela Valley UHSD students due to the proposed unification would result in only temporary disruptions to the high school district's educational program. Hawthorne High School would experience the greatest loss of students (approximately nine percent of the student population and 12 percent of the schools AP program enrollment). Hawthorne also is identified as Program Improvement (PI) under federal No Child Left Behind (NCLB) mandates and, therefore, it must take certain corrective actions, which includes offering parents the option to transfer their students to a non-PI school.

Based on the data analyzed and the changes facing Hawthorne High School regardless of reorganization, PED concurs with the LACOE recommendation that this condition is substantially met.

The following sections provide a review of data and issues that are either contained in the PED report or are included in this section to complement the PED report.

(a) Performance Indicators

The California Academic Performance Index (API) provides a means to compare the performance of schools and districts in the state. NCLB requires schools to meet certain criteria to make Adequate Yearly Progress (AYP). A summary of these performance indicators is incorporated into the following table for all schools in the two affected districts.

2002-03 Performance Indicators

<i>School</i>	2002-03 API Growth	Met API Growth Target?	Met AYP Criteria?
Centinela Valley UHSD			
Hawthorne High	523	Yes	No
Lawndale High	574	Yes	Yes
Leuzinger High	516	Yes	No
Wiseburn ESD			
Anza Elementary	832	Yes	Yes
Burnett Elementary	777	Yes	Yes
Cabrillo Elementary	798	Yes	Yes
Dana Middle	715	Yes	Yes

(b) English Learner Students

The state Language Census collects the number of English Learner (EL) students (formerly known as Limited-English-Proficient or LEP), and other related data. The following table aggregates the 2002-03 Language Census data for schools in the affected school districts and projects the effect of the proposed unification on EL student population.

English Learner (EL) Students by School District

District	Student Population	EL Student Population	% EL Students
Wiseburn ESD	1,930	197	10.2%
Centinela Valley UHSD	7,476	2,150	28.8%
After Successful Unification*			
Wiseburn USD	2,184	223	10.2%
Centinela Valley UHSD	7,222	2,124	29.4%

* Numbers of transferred EL high school students are based on the percentage of EL students in Wiseburn ESD.

Based on the estimates in the above table, the proposed unification would remove 26 EL students from Centinela Valley UHSD and place them in the Wiseburn USD. This loss of 26 EL students, in conjunction with the loss of 254 total secondary students, would increase the percentage of EL students in Centinela Valley UHSD from 28.8 percent to 29.4 percent.

(c) Annual CalWORKs² Data Collection

The annual CalWORKs (formerly known as AFDC) data collection gathers information including the number of CalWORKs children residing in the school attendance area and the number of students enrolled in free or reduced-price meal programs. The following table presents this 2002-03 information for the schools in affected districts and projects the effect of the proposed unification on these student populations.

CalWORKs Students and Students in Free or Reduced Price Meals Program by District

District	% CalWORKs Students	% Students in Meals Program
Wiseburn ESD	1.8%	38.4%
Centinela Valley UHSD	12.9%	51.0%
After Successful Unification*		
Wiseburn USD	1.8%	38.4%
Centinela Valley UHSD	13.3%	51.5%

* Transferred high school students are based on the percentage of the appropriate student population in Wiseburn ESD.

Based on the estimates in the above table, the proposed unification would remove five CalWORKs students and 98 students in the Meals Program from Centinela Valley UHSD and place them in the Wiseburn USD. These losses of students, in conjunction with the overall loss of 254 secondary students, would increase the percentage of CalWORKs students in Centinela Valley UHSD from 12.9 percent to 13.3 percent and would increase the percent of students in the Meals Program from 51.0 percent to 51.5 percent.

(d) High School Flexibility

Approximately two-thirds of the unified school districts in California have only one high school. Although staff agrees with LACOE that unified districts with a single, small high school can offer an effective and balanced educational program, transition from a district with multiple high schools to a district with a

²California Work Opportunity and Responsibility to Kids – a product of the Welfare to Work Act of 1997.

single high school does offer some disadvantages. As noted by LACOE, the new unified district will be unable to offer the breadth and depth of the Centinela Valley UHSD educational program. Staff reassignments are difficult, if not impossible, in a district that has only one school for a particular grade level. Similarly, students who would benefit from placement in a different environment will have nowhere to transfer within the district.

Staff agrees with the PED report and with the LACOE feasibility study that this condition is substantially met by the unification proposal. Although a district with a single small high school does not appear to be ideal, it is certainly possible that the single high school can offer a comprehensive secondary education program. Both districts will have enough enrollment to generate sufficient revenue to operate the educational programs.

Because the demographics of Wiseburn ESD are somewhat different than the demographics of the high school district, the unification could pull from Centinela Valley UHSD proportionally (1) more students with higher test scores, (2) fewer EL students, (3) fewer CalWORKs students, and (4) fewer students in the Meals Program. Although, these numbers are disproportional to the demographics of the Centinela Valley UHSD, the numbers of students should not be great enough to significantly increase the proportion of students requiring special opportunities and services in the high school district.

As a note, staff questions whether a significant number of students currently attending the Centinela Valley UHSD would leave that district if the proposed unification were successful. Many students (especially juniors and seniors) probably would be reluctant to transfer from schools that they are already attending if the new unified district opens a new high school. These students could attempt to obtain interdistrict transfers to remain in their current schools. Moreover, most newly unified districts typically begin the first year of operation serving only ninth graders (or ninth and tenth graders). Additional grades levels are added in subsequent years. The Education Code allows new unified districts five years to serve all students who are residents of the district. Thus, it is the opinion of staff that concerns about loss of students for Centinela Valley UHSD likely will not be significant issues for the proposed unification.

For the above reasons, staff recommends that Condition 6 is substantially met.

5.7 The proposed reorganization will not result in a significant increase in school housing costs.

County Committee Evaluation/Vote

The feasibility study reports that, although no high school facility exists within the boundaries of the proposed Wiseburn USD, there is a seven acre school site owned by the elementary district that can be converted to high school purposes. The study

further reports that a park and gymnasium located next to the school property could be used for school purposes. At the time of the LACOE study, Wiseburn ESD was leasing this school site to other agencies.

LACOE finds that a Wiseburn USD would have the option to lease portable classrooms through the State Relocation Classroom Program to house high school students on the property owned by the elementary district. The cost to place 14 portable classrooms (not including any necessary site improvement cost prior to this placement) is estimated to be \$186,300. LACOE determines that this expenditure does not represent a significant increase in school housing costs and, as a result, recommends that this condition is substantially met. (Attachment 3, page 21)

The LACC voted 7-0 that this condition is substantially met.

Staff Findings/Conclusion

The CDE's School Facilities Planning Division (SFPD) provides support to the CDE review of reorganization proposals. The SFPD report is Attachment 6 to this Board item. Based on analysis of information available, SFPD makes the following findings:

- The new site would need 15 portable classrooms to accommodate 400 students. The site proposed for the high school by Wiseburn ESD contains 16 original classrooms and nine to 11 portable classrooms, which can house up to 729 students under state standards.
- State guidelines recommend 19.2 acres for a school site housing 400 high school students. At seven acres, the proposed site is 36% of state standards. In order to use the adjacent park and gymnasium to provide adequate physical education for high school students, the new district would need to execute joint-use agreements with the local park district.
- Bonding capacity for the Wiseburn area would increase 100% because of unification. The increased bonding capacity would enable the new district to pursue local funding and the district could be eligible for funding from the State School Facilities Program should it need to construct new permanent buildings on the proposed site, or acquire land and build a new high school.

SFPD generally concurs with the LACOE report that the proposed new unified district has the operational capacity to house the projected high school enrollment, assuming that the site proposed for high school students is feasible and legally acceptable (i.e., conforms with Title 5). SFPD does caution that, should the facility fail to comply with Title 5 requirements, there may be a significant increase in costs to provide appropriate facilities.

SFPD recommends a cost analysis to evaluate the cost of replacing portable classrooms with permanent buildings. As a general rule, SFPD supports the use of portable buildings on a temporary basis until permanent buildings can be provided.

Given the above considerations, staff agrees with the finding of the LACC that this condition is substantially met.

- 5.8 The proposed reorganization is not primarily designed to result in a significant increase in property values causing financial advantage to property owners because territory was transferred from one school district to an adjoining district.**

County Committee Evaluation/Vote

The feasibility study identified no evidence that the proposal is primarily designed to increase property values in the territory proposed for reorganization and recommends that this condition is substantially met. (Attachment 3, page 22).

The LACC voted unanimously (7-0) that this condition is substantially met.

Staff Findings/Conclusion

No evidence was presented to indicate that the proposed formation of the Wiseburn USD would increase property values in the petition area. Nor is there any evidence from which it can be discerned that an increase in property values could be the primary motivation for the proposed unification. Staff concludes this condition has been substantially met.

- 5.9 The proposed reorganization will not cause a substantial negative effect on the fiscal management or fiscal status of the proposed district or any existing district affected by the proposed reorganization.**

County Committee Evaluation/Vote

The LACOE feasibility study projected that, should the proposed unification occur, Centinela Valley UHSD would lose 288 high school students to the new unified school district by 2003-04. The study also notes that projected annual enrollment would decrease that student enrollment loss to 184 students. This loss of students would result in a revenue limit decrease of approximately \$975,000. However, this would be a one-year revenue loss since the high school district's enrollment is projected to increase above the pre-unification level the subsequent year. Because the revenue loss is projected to be for only one year and the Centinela Valley UHSD would have sufficient notice to adjust staffing levels, LACOE finds that the proposed unification would not have a significant negative effect on the fiscal status of the high school district.

As noted previously, LACOE calculates that the Wiseburn USD revenue limit would be 10 percent greater than the blended revenue limit of Wiseburn ESD and Centinela Valley UHSD. The resultant revenue limit would be greater than similar sized unified districts.

LACOE concludes that the remaining Centinela Valley UHSD and the Wiseburn USD would have adequate enrollment to generate necessary revenues to continue to support educational programs and therefore recommends that this condition is substantially met.

The LACC considered the effects of the proposal on bonded indebtedness levels in the districts and potential loss of operating revenues for the high school district due to reduction in student enrollment. LACC determined that these factors constitute a negative fiscal effect on the high school district and voted 4-3 that this condition is not substantially met.

Staff Findings/Conclusion

To assess the financial impact of the proposed unification, the CDE Office of Management Assistance and Categorical Programs (MACP) reviewed information provided by the LACOE, the affected districts, and the chief petitioners. The MACP report (Attachment 7) includes the following findings:

- (a) Wiseburn ESD and Centinela Valley UHSD have existing administrative structures. The unification should not cause an expansion in the combined administrative overhead but, instead, should result in a shift in fixed administrative expenses.
- (b) Both districts would have sufficient student enrollment to generate the funding necessary for the districts to be financial viable.
- (c) In 2001-02, Centinela Valley UHSD revenue limit exceeded the state average for high school districts by \$183 per average daily attendance.
- (d) Reduction in revenue limit funding due to the loss of student enrollment after the unification would not be of sufficient magnitude or duration to have a substantial negative effect on Centinela Valley UHSD.
- (e) Based on 2002-03 information, the new Wiseburn USD would have a revenue limit per ADA of approximately \$5,326.

Based on this review, MACP concludes that the unification proposal complies with this condition.

CDE staff agrees with the findings of the MACP report and concludes this condition has been substantially met.

6.0 County Committee Section 35707 Requirements

Section 35707 requires the county committee on school district organization to make certain findings and recommendations and to expeditiously transmit them along with the reorganization petition to the SBE. These required findings and recommendations are:

6.1 County Committee Recommendation for the Petition

A county committee must recommend to the SBE approval or disapproval of a petition for unification. The LACC voted 4-3 to recommend approval of the proposal to form Wiseburn USD.

6.2 Effect on School District Organization of the County

Section 35707 requires a county committee to report whether the proposal would adversely affect countywide school district organization. The LACC voted 6-1 that the proposal would not adversely affect countywide school district organization.

6.3 County Committee Opinion Regarding Section 35753 Conditions

A county committee must submit to the SBE its opinion regarding whether the proposal complies with the provisions of Section 35753. The LACC found that seven of the nine conditions in Section 35753(a) are substantially met by the following votes:

- Adequate Enrollment (7-0);
- Community Identity (7-0);
- Promotion of Segregation (6-1);
- Increased Costs to State (7-0);
- Educational Program (4-3);
- Increased Housing Costs (7-0); and
- Increased Property Values (7-0).

The LACC found that the remaining two conditions are not substantially met by the following vote:

- Equitable Division of Property (4-3); and
- Financial Effects (7-0).

7.0 STAFF RECOMMENDED AMENDMENTS TO THE PETITION

The SBE has authority to amend or add certain provisions to any petition for unification. This section contains CDE staff recommendations for such amendments.

7.1 Article 3 Amendments

Petitioners may include, and the county committee or SBE may add or amend, any of the appropriate provisions specified in Article 3 of the *Education Code* (commencing with Section 35730). These provisions include:

Membership of Governing Board

A proposal for unification may include a provision for a governing board of seven members. The petition contains no provision addressing the size of the governing

board. Thus, the governing board of Wiseburn USD (if approved) would have five members.

Trustee Areas

The proposal for unification may include a provision for establishing trustee areas for the purpose of electing governing board members of the unified district. No provision regarding trustee areas for governing board elections is included in this petition. Therefore, governing board members of the Wiseburn USD (If approved) will be elected at-large.

Election of Governing Board

A proposal for unification may include a provision specifying that the election for the first governing board be held at the same time as the election on the unification of the school district. The petition does not contain such a provision. The *Education Code* also requires that, if this provision is included, the proposal specify the method whereby the length of the initial terms may be determined so that the governing board will ultimately have staggered terms that expire in years with regular election dates.

Staff believes that there are at least two advantages in holding the governing board election at the same time as the election on the unification proposal. First, only one election is required, which reduces local costs. Second, the earlier election of board members gives the new board at least an additional four months to prepare for the formation of the new district. Thus, CDE staff recommends that a provision specifying the election for the first governing board be held at the same time as the election on the unification of the school district be included as part of the unification proposal. Staff further recommends that the following method be employed to ensure the staggering of the terms of office for governing board members:

The three governing board candidates receiving the highest number of votes will have four-year terms and the two candidates receiving the next highest number of votes will have two-year terms. All terms will be for four years in subsequent governing board elections.

Computation of Base Revenue Limit

A proposal for reorganization of school districts must include a computation of the base revenue limit per ADA for each reorganized district. CDE staff has estimated that the revenue limit per ADA for the proposed Wiseburn USD is \$5,326 based upon 2002-03 data. Should the proposed district become effective for all purposes, the revenue limit will be adjusted using information based on second prior fiscal year data (2003-04 for a July 1, 2005 effective date), including any adjustments for which the proposed district may be eligible.

Division of Property and Obligations

A proposal for the division of property (other than real property) and obligations of any district whose territory is being divided among other districts may be included. As indicated in 5.3 of this attachment, CDE staff finds that existing provisions of the *Education Code* may be utilized to achieve equitable distribution of property, funds, and obligations of Centinela Valley UHSD. Staff further recommends the following:

- (a) All assets and liabilities of the Centinela Valley UHSD shall be divided based on the proportionate ADA of the students residing in the areas of the two affected districts on June 30 of the school year immediately preceding the date on which the proposed unification becomes effective for all purposes. (Section 35736)
- (b) Student body property, funds, and obligations shall be divided proportionately, except that the share shall not exceed an amount equal to the ratio which the number of pupils leaving the schools bears to the total number of pupils enrolled; and funds from devises, bequests, or gifts made to the organized student body of a school shall remain the property of the organized student body of that school and shall not be divided. (Section 35564)
- (c) As specified in Section 35565, disputes arising from the division of property, funds, or obligations shall be resolved by the affected school districts and the county superintendent of schools through a board of arbitrators. The board shall consist of one person appointed by each district and one by the county superintendent of schools. By mutual accord, the county member may act as sole arbitrator; otherwise, arbitration will be the responsibility of the entire board. Expenses will be divided equally between the districts. The written findings and determination of the majority of the board of arbitrators is final, binding, and may not be appealed.

Method of Dividing Bonded Indebtedness

No public school property or buildings belonging to Centinela Valley UHSD are located within the boundaries of the proposed Wiseburn USD. Thus, pursuant to Section 35575, a Wiseburn USD would have no responsibility for any outstanding bonded indebtedness in Centinela Valley UHSD.

7.2 AREA OF ELECTION

A provision specifying the territory in which the election to reorganize the school districts will be held is one of the provisions under Article 3 (see 7.1 above) that the SBE may add or amend. However, the inclusion of this provision is highlighted since Section 35756 indicates that, should the SBE approve the proposal, the SBE must determine the area of election.

The area proposed for reorganization is the Wiseburn ESD. Thus, the “default”

election area is this school district (Section 35732). The SBE may alter this “default” election area if it determines that such alteration complies with the following area of election legal principles.

Area of Election Legal Principles

The Local Agency Formation Commission (LAFCO)³ court decision provides the most current legal interpretations to be followed in deciding the area of school district reorganization elections. This decision upheld a limited area of election on a proposal to create a new city, citing the "rational basis test." The rational basis test may be used to determine whether the area of election should be less than the total area of the district affected by the proposed reorganization unless there is a declared public interest underlying the determination that has a real and appreciable impact upon the equality, fairness, and integrity of the electoral process, or racial issues. If so, a broader area of election is necessary.

In applying the rational basis test, a determination must be made as to whether:

- (a) There is a genuine difference in the relevant interests of the groups, in which case an enhancement of the minority voting strength is permissible.
- (b) The reduced voting area has a fair relationship to a legitimate public purpose. The fair relationship to a legitimate public purpose is found in *Government Code* Section 56001, which expresses the legislative intent "to encourage orderly growth and development," such as promoting orderly school district reorganization statewide that allows for planned, orderly community-based school systems that adequately address transportation, curriculum, faculty, and administration. This concept includes both:
 - 1. Avoiding the risk that residents of the area to be transferred, annexed, or unified might be unable to obtain the benefits of the proposed reorganization if it is unattractive to the residents of the remaining district; and
 - 2. Avoiding islands of unwanted, remote, or poorly served school communities within large districts.

However, even under the rational basis test, a determination to reduce the area of election would, according to LAFCO, be held invalid if the determination constituted an invidious discrimination in violation of the constitutional Equal Protection Clause (e.g., involving a racial impact of some degree).

CDE Staff Recommendation for Area of Election

As indicated in the Section 35753 condition analysis, CDE finds that the proposed

³*Board of Supervisors of Sacramento County, et al., v. Local Agency Formation Commission* (3 Cal. 4th 903, 1992)

reorganization would significantly reduce the assessed valuation of Centinela Valley UHSD and, subsequently, the district's bonding capacity. That reduction could have two effects on the district. First, it could hinder the district's ability to obtain future local funding for facilities and improvements. Second, since the high school district currently has approximately \$59 million in bonds and the unification could reduce the district's bonding capacity below this level, the high school district's level of bonded indebtedness may exceed its bonding capacity as result of the unification. Under these conditions, the high school district could need to obtain a State Board of Education waiver to address any future school construction needs. It is the opinion of CDE that, under LAFCO, this effect on the Centinela Valley UHSD constitutes a significant impact on the district.

Similarly, CDE finds that the proposed reorganization would significantly increase the tax burden on property owners in the remaining high school district who are left with the total bond debt of that district. It is the opinion of CDE that, under LAFCO, this constitutes a significant impact on residents of the remaining Centinela Valley UHSD.

Should the SBE approve the unification proposal, staff recommends that the SBE establish the entire Centinela Valley UHSD as the area of election.

8.0 STATE BOARD OF EDUCATION OPTIONS

Sections 35753 and 35754 outline the SBE's options:

- (a) The SBE shall approve or disapprove the proposal.
- (b) The SBE may approve the proposal if it determines all the conditions in Section 35753(a) have been substantially met.
- (c) The SBE may approve the proposal pursuant to Section 35753(b) if it determines the conditions in Section 35753(a) are not substantially met but it is not possible to apply the conditions literally and an exceptional situation exists.
- (d) If the SBE approves the formation of the proposed districts, it may amend or include in the proposal any of the appropriate provisions of Article 3, commencing with Section 35730. In this case, several items would be incorporated into the proposal and also approved if the SBE approves the overall petition:
 - 1) That the governing board will have five members elected at-large with the first governing board election held at the same time as the election on unification. To ensure staggered terms of office, the three governing board candidates receiving the highest number of votes will have four-year terms and the two candidates receiving the next highest number of votes will have two-year terms.
 - 2) All assets and liabilities of the Centinela Valley UHSD shall be divided based on the proportionate ADA of the students residing in the areas of the new

unified district and the remaining Centinela Valley UHSD on June 30 of the school year immediately preceding the date on which the proposed unification becomes effective for all purposes.

- 3) A share of student body funds at Centinela Valley UHSD schools would transfer to the proposed Wiseburn USD. This share would correspond to the proportion of high school students transferring to the new unified district
 - 4) That any disputes involving the division of property, funds, and obligations will be resolved through binding arbitration pursuant to Section 35565.
- (e) The SBE must determine the area of election (Section 35756). As previously discussed, staff recommends the territory of the entire high school district as the area of election.

9.0 RECOMMENDED ACTION

Staff recommends that the SBE adopt the proposed resolution (Attachment 2) approving the petition to form the Wiseburn USD and expanding the election area to include the entire Centinela Valley UHSD. This resolution includes the proposed amendments to the petition. A similar resolution to approve the unification, but limit the election area to the territory of the current Wiseburn ESD, is provided as Attachment 8. If the SBE should decide to disapprove the petition, an alternative resolution is provided as Attachment 9.

CALIFORNIA STATE BOARD OF EDUCATION
May 2004

PROPOSED APPROVAL RESOLUTION

Petition to Form the Wiseburn Unified School District
from the Wiseburn Elementary School District and the
Corresponding Portion of Centinela Valley Union High School District

RESOLVED, that under the authority of *Education Code* Section 35754, the proposal to form a new unified school district from Wiseburn Elementary School District and the corresponding part of Centinela Valley Union High School District, filed on or about November 9, 2001 with the Los Angeles County Superintendent of Schools pursuant to Education Code Section 35700(a), is hereby approved.

RESOLVED further, that the base revenue limit per unit of average daily attendance is \$5,326 based on 2002-03 data and shall be recalculated using second prior fiscal year data from the time the unification becomes effective for all purposes; and be it

RESOLVED further, that all assets and liabilities of the Centinela Valley Union High School District shall be divided based on the proportionate average daily attendance of the high school students residing in the areas of the two districts on June 30 of the school year immediately preceding the date on which the proposed unification becomes effective for all purposes; and be it

RESOLVED further, that high school student body property, funds, and obligations shall be divided proportionately, except that the share shall not exceed an amount equal to the ratio which the number of high school students leaving the schools bears to the total number of high school students enrolled; and funds from devises, bequests, or gifts made to the organized student body of a school shall remain the property of the organized student body of that school and shall not be divided; and be it

RESOLVED further, that the governing boards shall consist of five members elected at large, with the first governing board elections held at the same time as the election on the unifications and staggered terms of office ensured by the three governing board candidates with the highest number of votes receiving four-year terms and the two candidates with the next highest number of votes receiving two-year terms; and be it

RESOLVED further, that the State Board of Education shall direct the county superintendent of schools to call for the election and sets the area of election to be the territory of the entire Centinela Valley Union High School District; and be it

RESOLVED further, that the Secretary of the State Board of Education shall notify, on behalf of said Board, the Los Angeles County Superintendent of Schools, the chief petitioners, the Wiseburn Elementary School District, and the Centinela Valley Union High School District of the action taken by the State Board of Education.

CALIFORNIA STATE BOARD OF EDUCATION
May 2004

ALTERNATE APPROVAL RESOLUTION

Petition to Form the Wiseburn Unified School District
from the Wiseburn Elementary School District and the
Corresponding Portion of Centinela Valley Union High School District

RESOLVED, that under the authority of *Education Code* Section 35754, the proposal to form a new unified school district from Wiseburn Elementary School District and the corresponding part of Centinela Valley Union High School District, filed on or about November 9, 2001 with the Los Angeles County Superintendent of Schools pursuant to Education Code Section 35700(a), is hereby approved.

RESOLVED further, that the base revenue limit per unit of average daily attendance is \$5,326 based on 2002-03 data and shall be recalculated using second prior fiscal year data from the time the unification becomes effective for all purposes; and be it

RESOLVED further, that all assets and liabilities of the Centinela Valley Union High School District shall be divided based on the proportionate average daily attendance of the high school students residing in the areas of the two districts on June 30 of the school year immediately preceding the date on which the proposed unification becomes effective for all purposes; and be it

RESOLVED further, that high school student body property, funds, and obligations shall be divided proportionately, except that the share shall not exceed an amount equal to the ratio which the number of high school students leaving the schools bears to the total number of high school students enrolled; and funds from devises, bequests, or gifts made to the organized student body of a school shall remain the property of the organized student body of that school and shall not be divided; and be it

RESOLVED further, that the governing boards shall consist of five members elected at large, with the first governing board elections held at the same time as the election on the unifications and staggered terms of office ensured by the three governing board candidates with the highest number of votes receiving four-year terms and the two candidates with the next highest number of votes receiving two-year terms; and be it

RESOLVED further, that the State Board of Education shall direct the county superintendent of schools to call for the election and sets the area of election to be the territory of the Wiseburn Elementary School District; and be it

RESOLVED further, that the Secretary of the State Board of Education shall notify, on behalf of said Board, the Los Angeles County Superintendent of Schools, the chief petitioners, the Wiseburn Elementary School District, and the Centinela Valley Union High School District of the action taken by the State Board of Education.

CALIFORNIA STATE BOARD OF EDUCATION
May 2004

ALTERNATE RESOLUTION

Petition to Form the Wiseburn Unified School District
from the Wiseburn Elementary School District and the
Corresponding Portion of Centinela Valley Union High School District

RESOLVED, that under the authority of *Education Code* Section 35754, the proposal to form a new unified school district from Wiseburn Elementary School District and the corresponding portion of Centinela Valley Union High School District, which was filed on or about November 9, 2001, with the Los Angeles County Superintendent of Schools pursuant to *Education Code* Section 35700(a), is hereby disapproved because the proposal does not substantially comply with the provisions of Section 35753(a) of the *Education Code*; and be it

RESOLVED further, that the Secretary of the State Board of Education notify, on behalf of said Board, the Los Angeles County Superintendent of Schools, the chief petitioners, the Wiseburn Elementary School District, and the Centinela Valley Union High School District of the action taken by the State Board of Education.