



CALIFORNIA STATE BOARD OF EDUCATION

JANUARY 2016 AGENDA

| SUBJECT | |
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| Update on Issues Related to California's Implementation of the Elementary and Secondary Education Act, including reauthorization known as the Every Student Succeeds Act and the implications for state accountability and state plans, and proposed waiver submissions related to Adequate Yearly Progress and Supplemental Educational Services. | <input checked="" type="checkbox"/> Action <input checked="" type="checkbox"/> Information <input type="checkbox"/> Public Hearing |

SUMMARY OF THE ISSUE(S)

This standing item allows the California Department of Education (CDE) to brief the State Board of Education (SBE) on timely topics related to the Elementary and Secondary Education Act (ESEA) and other federal programs.

On December 10, 2015, President Obama signed the Every Student Succeeds Act (ESSA), reauthorizing the ESEA and replacing the No Child Left Behind (NCLB) Act. Most of the provisions do not take effect until the 2017–18 school year.

Since the 2016–17 school year is a transition year, local educational agencies (LEAs) that were identified for Title I Program Improvement (PI) are obligated to continue with their improvement plan activities, such as Supplemental Education Services (SES).

Adequate Yearly Progress (AYP) state accountability systems are in effect until August 1, 2016, and will continue to support schools, including those in PI.

RECOMMENDATION

The CDE recommends the SBE approve a waiver request to the U.S. Department of Education (ED). Specifically, the CDE seeks to waive the provisions of Section 1116(e) of the ESEA to allow LEAs that have Title I schools in PI to provide extended day intervention strategies to low income students who are academically deficient in English language arts (ELA), mathematics, and/or science using SES set aside funds.

In addition, if needed, the CDE seeks to waive the AYP provisions of Section 1116 of the ESEA so that the state does not need to identify new schools for PI.

The CDE also recommends that the SBE give authority to the SBE President to make technical changes to the waiver before it is submitted to the ED, as deemed necessary.

BRIEF HISTORY OF KEY ISSUES

The ESEA of 1965, signed into law by President Lyndon B. Johnson, set forth a blueprint for the federal government's funding of elementary and secondary education with the intent of providing equal access to quality education. In 2001, President Bush reauthorized ESEA making some fundamental policy changes and renaming ESEA to NCLB. On December 10, 2015, President Obama signed ESSA, reauthorizing ESEA and replacing NCLB.

Overall, the new law provides a measure of flexibility but preserves the general structure of the ESEA funding formulas. States gain authority on standards, assessments, and interventions while the authority of the ED Secretary is limited. ESSA provisions preserve "supplement, not supplant" requirements; however, it eliminates the Highly Qualified Teacher (HQT) and AYP requirements. The following narrative presents highlights from the new law:

Title I

The ESSA Title I maintains the 1 percent cap on state administrative funds and requires a 7 percent set aside for interventions and technical assistance. States have the option to set aside 3 percent of Title I funds for the Direct Student Services Program with allowable expenditures including: Career Technical Education (CTE) coursework, credit recovery, Advanced Placement (AP), early college high school, AP/International Baccalaureate (IB) exam fees, and transportation services for LEAs implementing school choice.

State Plans

State Plans will be developed in consultation with stakeholders and must be peer reviewed. The plans are required to be approved by the ED Secretary within 120 days unless the Secretary presents research that demonstrates the plan does not meet federal requirements. The plan must provide assurances that the State has adopted challenging academic content standards and aligned academic achievement standards, for all public schools. There is also language in the bill specifically prohibiting the Secretary from approving, supervising, or exercising any discretion over State standards.

The ESSA also requires State Plans to be reviewed by practitioners. Therefore, the SBE will invite applicants for appointment to serve on the existing Title I Committee of Practitioners. The purpose of this committee is to review any State rules and regulations relating to Title I of the ESSA to ensure that they conform to the purposes of Title I.

Statewide Accountability Systems and Interventions

States must develop and implement a single, statewide accountability system that measures academic achievement for each subgroup, high school graduation rate, progress in achieving English learner (EL) proficiency and at least one additional

indicator of school quality that is valid, reliable, comparable, and statewide. The law further requires States to establish a methodology for identifying schools for comprehensive support and improvement that are: (a) at least the lowest-performing five percent, (b) high schools graduating less than two-thirds of students, and (c) schools in which any subgroup, on its own, would be identified as the lowest-performing five percent (and has not improved in a state-determined number of years). Identification of students must start in the 2017–18 school year and occur at least once every three years.

The provisions on interventions require States to notify LEAs of schools that are identified for support and improvement and the LEA then must develop and implement a comprehensive support and improvement plan subject to State approval.

The ESSA introduces significant changes in federal accountability by allowing States to develop and implement accountability systems that meet minimum federal requirements and augment the state's approach to technical assistance and intervention that will support continuous improvement. California is currently developing a statewide accountability system using a conceptual framework that is similar to the requirements proposed by ESSA (<http://www.cde.ca.gov/be/ag/ag/yr16/documents/jan16item02.doc>). Many of the components of the developing statewide accountability system, such as the Local Control and Accountability Plans (LCAPs) and the Local Control Funding Formula (LCFF) evaluation rubrics, will be the central drivers in the state's development of one coherent and comprehensive system that incorporates the federal accountability requirements. As the required components of ESSA evolve through the regulatory and public comment process, CDE and SBE staff will continue to report out to the SBE on the implications of these federal requirements on developing one coherent accountability system.

State and LEA Report Cards

State and LEA report cards are required and must include information on academic achievement by subgroup, percentage of students assessed and not assessed, the State's accountability system, graduation rates, information on indicators of school quality, professional qualifications of teachers in the State, per pupil expenditure of federal/state/local funds, and National Assessment of Educational Progress (NAEP) results.

California will continue to produce the School Accountability Report Card (SARC), a state accountability tool that predates NCLB and ESEA.

Title II

The new law adjusts the Title II funding formula, transitioning between enactment and year 2020 to a 20 percent population and 80 percent poverty formula. The intent is to ensure that states with higher numbers of students in poverty receive funding that is reflective of their student populations.

The ED Secretary is prohibited from mandating, directing, controlling evaluation systems, or definitions of teacher/principal effectiveness, professional standards, certification, or licensing. These activities are the responsibility of the States.

Title III

The ESSA moves accountability provisions to Title I and replaces the reference of “limited English proficient” to “English learners” throughout all provisions of the ESSA.

The law mandates reporting on the number and percentage of ELs who: (1) meet state-determined long-term goals, (2) attain English proficiency, (3) meet challenging academic standards for four years after exiting, and (4) have not attained proficiency within five years of classification.

Title IV

The 21st Century Community Learning Centers program was preserved as a stand-alone program while many others were consolidated or eliminated. The AP Test Fee program was not preserved in its entirety. States and LEAs can now use their Title IV Student Support and Academic Enrichment grant funds to reimburse low-income students for all or part of the AP/IB exam fees.

Transition

Full enactment of the ESSA will begin in the 2017–18 school year. A State Plan, standards, and new determinations for improvement need to be in place for the 2016–17 school year with accountability and interventions ready for implementation for the 2017–18 school year.

SUMMARY OF PREVIOUS STATE BOARD OF EDUCATION DISCUSSION AND ACTION

Adequate Yearly Progress

The SBE has submitted amendments to California’s Accountability Workbook each year since the initial submission in January 2003. Most amendments have been in response to changes in California’s assessment system or to changes in federal requirements.

The most recent changes to the Accountability Workbook include:

- For the 2015 AYP, the SBE and CDE submitted seven amendments: (1) add grade three to pair and share, (2) replace the Standardized Testing and Reporting (STAR) Program assessments with the Smarter Balanced assessments for grades three through eight, (3) suspend the use of alternate assessments for 2015 AYP determinations, (4) suspend the use of the Annual Measurable Objectives (AMOs) for reporting and making AYP determinations, (5) revise the definition of the socioeconomically disadvantaged (SED) subgroup to include students who automatically qualify for the Free and Reduced-Price Meals

program (foster youth, homeless, and migrant students), (6) replace the grade ten California High School Exit Examination (CAHSEE) with the grade eleven Smarter Balanced assessment for making AYP determinations, and (7) replace the Academic Performance Index (API) as the additional indicator for elementary and middle schools and elementary and unified school districts with the attendance rate.

- For the 2014 AYP, the SBE and CDE submitted two amendments. The first amendment added an extended-year (six-year) cohort graduation rate, and the second amendment removed the API as an additional indicator for high schools.
- For the 2013 AYP, the SBE and CDE submitted a technical amendment in response to the ED requiring a change to the proposed calculation method used for the five-year cohort graduation rate.
- For the 2012 AYP, the SBE and CDE submitted three amendments. The first amendment was in response to a previous Title I Monitoring Visit finding by the ED. As a result, the CDE agreed to produce all LEA accountability report cards and post them on the CDE Web site. The second amendment was a technical change that revised the definition of the SED subgroup in the Accountability Workbook to align with the definition on the student answer document. A third amendment, approval of a five-year cohort graduation rate, was not approved for 2012 AYP determinations.

Supplemental Educational Services

The ED has granted the SBE an ESEA, Section 9401 waiver of the Title 34, *Code of Federal Regulations*, sections 200.47(b)(1)(iv)(A) and (B) for the 2009–10, 2011–12, 2012–14, 2014–16, and 2016–18 school years. This waiver allows the CDE to continue to recommend and allow LEAs identified for PI to apply and serve as SBE-approved providers of SES.

FISCAL ANALYSIS (AS APPROPRIATE)

LCFF: When the LCFF was adopted in the 2013–14 budget year, the budget projections for 2015–16 were approximately \$47 billion. With rising state revenues, the 2015–16 state budget signed by the Governor allocates \$53 billion this year. This provides an increase of \$6 billion to support the continued implementation of LCFF and build upon the investment of over \$6 billion provided over the last two years. As a result of this increase, the 2015–16 Budget Act provides an opportunity to correct historical inequities and implement the formula well ahead of schedule. Specifically, this investment translates to approximately \$3,000 more per student in 2015–16 over the 2011–12 levels and closes more than 51 percent of the remaining LCFF funding target. Additionally, \$40 million will be provided to county offices of education (COEs) to support their new responsibilities required under the evolving accountability structure of LCFF and develop greater capacity and consistency within and between COEs.

ESSA: While it is still early in the process to determine how all of the funding mechanisms will work for California, some of the significant changes include the following:

Title I Formula

- To date, it is projected that overall authorizations for Title I, Part A will increase by 12.3 percent over the next four years. The fiscal year 2015 appropriation is approximately \$15 billion to support school improvement and direct student services activities.
- The 1 percent cap to support state administrative support remains, while the School Improvement Grant has been eliminated and the current law of 4 percent set-aside of Title I, Part A for states to support school improvement activities is increased to 7 percent.
- States may also reserve 3 percent of Title I, Part A to support direct services.
- States can set aside 20 percent of the budget for state and local assessments from Title I, Part B.
- Overtime, more funding will be allocated to states with a higher proportion of the migrant student population from Title I, Part C.

Weighted Student Funding Pilot

- This is a pilot program that will include up to 50 districts nationally to consolidate some of their federal funds with state and local dollars to establish a weighted student funding formula. The federal funds for this pilot include Title I, II, and III, in addition to portions of Title IV (Student Support and Academic Enrichment Grants) and Part B of Title V (Rural Education Initiative).

ATTACHMENT(S)

Attachment 1: Timeline for the Proposed Transition to a New Accountability System
(2 Pages)

Attachment 2: Every Student Succeeds Act Information (1 Page)

Timeline for the Proposed Transition to the New Accountability System

The Local Control and Accountability Plan (LCAP), along with the Annual Update, the evaluation rubrics, and the California Collaborative for Educational Excellence (CCEE) support structure all function as components of the new accountability system. Given the passage in December 2015 of the Every Student Succeeds Act (ESSA) reauthorizing the Elementary and Secondary Education Act (ESEA), the CDE will develop a draft work plan to integrate the required components for the federal accountability system. The timeline below will be revised to reflect the additional time that is necessary to integrate the federal accountability requirements with the draft framework and work plan for the new accountability system as the components of ESSA evolve through the regulatory and public process.

| SBE Meeting | Proposed Transition to ESSA Requirements | Proposed Development of LCFF Evaluation Rubrics |
|---------------------|---|--|
| January 2016 | <p>Solicit applications for the Title I Committee of Practitioners (COP).</p> <p>Anticipate U.S. Department of Education (ED) providing guidance with intent to publish rules and regulations within six months.</p> <p>Public hearing on Every Student Succeeds Act (ESSA) on January 11, 2016, from 9 a.m. to 5 p.m.(EST) and January 19, 2016, from 9 a.m. to 5 p.m. (PT).</p> | <p>Present example of quality standards and expectations for improvement using graduation rate as the example.</p> |
| March 2016 | <p>The State Board of Education Screening Committee recommendations for appointments to the Title I COP.</p> | <p>Present the SBE with final design features of the evaluation rubrics based on User Acceptance Testing (UAT) and feedback.</p> |
| May 2016 | <p>California Department of Education (CDE) solicits input from stakeholders.</p> | <p>Present the SBE with update on use and evaluation of the rubrics prototype.</p> |
| July 2016 | <p>CDE drafts plans to conform to rules and regulations.</p> <p>CDE solicits input from stakeholders.</p> <p>Proposed concepts for integrating federal requirements with state accountability.</p> | <p>Finalize evaluation rubrics based on guidance from the SBE, feedback from local educational agencies (LEAs), county offices of education (COEs) and as appropriate input from stakeholders.</p> |

| SBE Meeting | Proposed Transition to ESSA Requirements | Proposed Development of LCFF Evaluation Rubrics |
|-------------------------------|--|--|
| September 2016 | CDE revises early draft of ESSA State Plan based on stakeholder input. | Final Local Control Funding Formula (LCFF) Evaluation Rubrics for SBE Adoption. |
| November 2016 | Draft ESSA State Plan for SBE Review. | |
| January 2017 | CDE revises ESSA State Plan based on stakeholder feedback and submits to SBE for approval at January meeting. CDE then submits approved ESSA State Plan to ED; ED has up to 120 days to review ESSA State Plan. | |
| June 2017 (or earlier) | Accepted ESSA State Plan is published. | |
| July 2017 | New Accountability System begins August 2017. | |

Every Student Succeeds Act Information

- U.S. Department of Education (ED) will post key communications at <http://www.ed.gov/essa>.
- Dear Colleague Letter on the Transition to the Every Student Succeeds Act (ESSA) located at <http://www2.ed.gov/policy/elsec/leg/essa/transition-dcl.pdf>.
- The December 21 and 22, 2015 ESSA webinar located at <http://www2.ed.gov/policy/elsec/leg/essa/essastwebinar12222015.pdf>.
- Implementation and communications questions about ESSA should be directed to essa.questions@ed.gov.
- ED released a Request for Information seeking advice and recommendations regarding ESSA regulations under Title I of the <https://www.federalregister.gov/public-inspection>.
- Public comments about the ESSA regulations should be submitted electronically to <http://www.regulations.gov>.