

California Department of Education

Executive Office

SBE-005 (REV. 1/2018)

General Waiver

# California State Board of Education January 2019 AgendaItem #W-10

## Subject

Request by **Feather Falls Union Elementary School District** to waive portions of California *Education Code* Section 35780(a), which will allow that district to lapse.

## Waiver Number

11-10-2018

## Type of Action

Action, Consent

## Summary of the Issue(s)

The Feather Falls Union Elementary School District (UESD), which operates under the jurisdiction of the Butte County Superintendent of Schools (County Superintendent), has been deficit spending for years due to declining enrollment. The district is unable to continue expenditure reductions without jeopardizing the education and safety of students—both the County Superintendent and the Feather Falls UESD believe the only fiscal alternative for the district is dissolution and annexation to an adjacent district. Current enrollment is 10, which is above the *Education Code (EC)* Section 35780 level that triggers lapsation. The waiver, if approved by the California State Board of Education (SBE), would remove this enrollment condition—thus, requiring the Feather Falls UESD to lapse for the 2019–20 school-year regardless of district enrollment.

## Authority for Waiver

*EC* Section 33050

## Recommendation

* Approval: Yes
* Approval with conditions: No
* Denial: No

## Summary of Key Issues

*EC* Section 35780 requires each county committee on school district organization (county committee) to “lapse” an elementary school district if that district’s average daily attendance (ADA) in first through eighth grade falls below six. Under this requirement, the county committee must dissolve the district and annex it to one or more adjacent districts.

The Feather Falls UESD has been under financial stress for a number of years. Due to declining enrollment, the district has been deficit spending for years and reserves are exhausted. As a result, the district is expected to have a negative certification for this year since it will be unable to meet its financial obligations. Both the Feather Falls UESD and the County Superintendent agree that district expenditures cannot be reduced below current levels without jeopardizing student learning and safety—and further agree that the only fiscal remedy available is to annex the Feather Falls UESD into an adjacent district.

Current district enrollment is 10, which is above the *EC* Section 35780 level that triggers a lapsation. SBE approval of the waiver request will remove this enrollment condition for lapsation—thus, requiring the Butte County Committee to lapse the Feather Falls UESD regardless of district enrollment.

The CDE recommends that the SBE approve the request by the Feather Falls UESD to waive portions of *EC* Section 35780(a) regarding district lapsation. There has been no local opposition to the waiver request reported and the CDE has determined that none of the grounds specified in *EC* Section 33051(a) that authorize denial of a waiver, exist.

**Demographic Information:** The Feather Falls UESD has a student population of 10 and is located in a rural area of Butte County.

**Because this is a general waiver, if the State Board of Education decides to deny the waiver, it must cite one of the seven reasons in *EC* 33051(a), available at** <http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=EDC&sectionNum=33051>.

## Summary of Previous State Board of Education Discussion and Action

The SBE has approved similar waivers—most recently for lapsation of the Citrus South Tule Elementary School District (SD) in Trinity County at the January 2015 SBE meeting and for the Union Joint SD (Marin County) at the May 2017 SBE meeting.

## Fiscal Analysis (as appropriate)

Approval of the waiver request will not have negative fiscal effects on any local or state agency.

## Attachment(s)

* **Attachment 1:** Summary Table (1 page)
* **Attachment 2:** Feather Falls Union Elementary School District General Waiver Request 11-10-2018 (2 pages). (Original waiver request is signed and on file in the Waiver Office.)

# Attachment 1: Summary Table

California *Education Code* Section 35780(a)

| **Waiver Number** | **District** | **Period of Request** | **Bargaining Unit Representatives Consulted** | **Public Hearing and Board Date** | **Advisory Committee Position** |
| --- | --- | --- | --- | --- | --- |
| 11-10-2018 | Feather Falls Union Elementary School District | **Requested:**July 1, 2018, to June 30, 2019**Recommended:**July 1, 2018, to June 30, 2019 | The district has no bargaining units. | September 11, 2018 | District Reorganization Advisory Committee (consisting of board members, parents, staff, and community members).August 29, 2018**No objections** |

Created by California Department of Education
October 2018

# Attachment 2: Feather Falls Union Elementary School District General Waiver Request 11-10-2018

**California Department of Education**

**WAIVER SUBMISSION - General**

CD Code: 0461440

Waiver Number: 11-10-2018

Active Year: 2018

Date In: 10/17/2018 10:57:44 AM

Local Education Agency: Feather Falls Union Elementary School District

Address: 2651 Lumpkin Rd.

Oroville, CA 95966

Start: 7/1/2018

End: 6/30/2019

Waiver Renewal: No

Waiver Topic: School District Reorganization

Ed Code Title: Lapsation of a Small District

Ed Code Section: 35780

Ed Code Authority: 33050

*Education Code* or *CCR* to Waive: The district governing board is requesting a waiver of all of subdivision (a) of *EC* Section 35780, except for the following portion: “A school district that has been organized for more than three years shall be lapsed as provided in this article.”

Outcome Rationale: Declining enrollment has led to extreme deficit spending. Despite significant reductions to staffing and other expenditures, FFUESD has been unable to reduce expenditures enough to eliminate their deficit spending. They have reached a point where they can no longer continue to reduce expenditures without jeopardizing the education and safety of students.

Student Population: 10

City Type: Rural

Public Hearing Date: 9/11/2018

Public Hearing Advertised: Ran in local newpaper of record and posted at three public places within district boundaries.

Local Board Approval Date: 9/11/2018

Community Council Reviewed By: Advisory committee consisting of board members, parents, staff, and community members.

Community Council Reviewed Date: 8/29/2018

Community Council Objection: No

Community Council Objection Explanation:

Audit Penalty Yes or No: No

Categorical Program Monitoring: No

Submitted by: Mr. Ted Fredenburg

Position: Superintendent

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