

Proposal for a Northgate Unified School District

and

**Responses to the Nine Criteria for
Public School District Reorganization**

as specified in the

**California Department of Education
District Organization Handbook**

September, 2016

Produced by

Northgate CAPS

Community Advocacy for our Public Schools

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Most people see school districts as stable or even permanent governmental entities. School district boundaries, however, do change. Territory is transferred from one school district to another, districts are divided or combined with their neighbors, and some districts are terminated.

-- California Department of Education, District Organization Handbook

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Executive Summary

Northgate Community Advocacy for our Public Schools, Inc. is a 501(c)(4) nonprofit corporation that was created to benefit the students who live in the Northgate community of Walnut Creek and are educated in the Northgate-area public schools, as well as the many educators there who are dedicated to helping our students succeed. For more information about Northgate CAPS see the [Authorship](#) section.

This document follows the successful campaign for a petition to create a new community-based Northgate Unified School District (NUSD) from the five schools in the Northgate area of Walnut Creek, CA (Northgate High School, Foothill Middle School, Bancroft Elementary, Valle Verde Elementary, and Walnut Acres Elementary) that are currently within the Mt. Diablo Unified School District (MDUSD). The petition, described in [Appendix 1](#), was signed by over 6,700 registered voters, well in excess of the 4,946 required signatures (25% of registered voters in the NUSD area as of Sept. 1, 2016).

The two main components of this document are our [Proposal for NUSD](#) and our analysis of that proposal in light of the State of California's Nine Criteria for Evaluating District Reorganization. Wherever possible, we have provided relevant data – most of it from public sources – to support our observations and conclusions about the management of MDUSD and its schools. We hope readers will understand that various official government entities may have more accurate or up-to-date data, and that some of the data used in this report may soon be out-of-date.

Better Governance and Accountability

This report represents an important milestone in a long history of efforts to obtain greater transparency and accountability in the governance of our schools. With only approximately 13.5% of the district electorate, Northgate residents have been unable, over many years, to achieve improved district-wide decision-making around critical issues such as attendance patterns, fiscal responsibility, and growth management. This report compares MDUSD on multiple dimensions to other school districts in Contra Costa County and California to show that we can, and must, do a better job. That job, in our view, requires different board leadership than we have seen in this district.

We have concluded that MDUSD, with 32,000 students, 3,000 employees, and 56 campuses is simply too large to function effectively. The product of a district consolidation of a handful of schools in a mostly rural region 70 years ago, MDUSD is unprepared, we believe, to adequately serve the 21st Century needs of the 10 different communities that it covers. To buttress those conclusions, we have included extensive educational [research](#) that now questions the late 20th Century trend toward district consolidations like the one that created MDUSD. That research shows how large districts, instead of bringing more operating efficiency and more options for students, can actually *reduce* institutional efficacy and *hinder* student achievement. Many of the signs of large-district dysfunction noted in this research have been readily apparent to us as we have worked with MDUSD over the years. In fact, aspects of that continuing dysfunction have been evident even during this campaign for NUSD.

While creating a smaller district will not be sufficient, by itself, to improve the management of our schools, we believe it is a necessary first step for improving transparency, decision-making, and

accountability. Public education – funding it, cultivating its success, and evaluating outcomes – is more complex than ever before. Unfortunately, that rising complexity has been met, in many cases, with declining oversight by the public. With less coverage of education by local news media and fewer households with school-age children and first-hand experience in our schools, we risk diminishing the public’s overall engagement in the critical work of public education. A smaller district – with less bureaucracy, a locally based board, easier communication with administrators, and more responsiveness to our community’s concerns – seems critical to us, to maintain public engagement, and to support our students’ achievement and the teachers who are doing so much to help them succeed.

Realizing the Potential of Our Students and Schools

Although Northgate-area schools rate highly in state-wide rankings, comparisons of our schools with [similar schools](#) statewide show a steady trend of declining comparable rankings from 1999 through 2013. Although standardized testing data was interrupted after 2013, a more [recent comparison](#) of Northgate High School with similar schools reflects poorly on NHS, which occupies the lowest or second-lowest ranking across most of the metrics. This underperformance is not confined to Northgate schools. Data from [The Education Trust-West](#) and recent data for MDUSD’s [disadvantaged students and students in special education](#) reflect similar, below-average performance compared with other districts facing similar challenges.

We believe that the large size of MDUSD undermines the district’s focus on *multiple* student populations – in addition to those in the Northgate area – and reduces those students’ opportunities to reach their potential.

Minimizing Disruption and Preserving What Works

Our proposal for NUSD seeks to retain the same community of students and educators who are working so well together now within the constraints of MDUSD. The ethnic [makeup](#) of the Northgate-area schools should not change from where it is now after the creation of NUSD, because the schools and student populations do not differ. The white/minority proportions in MDUSD would shift by about 4%, with MDUSD minority enrollment district-wide approaching 63%, which is well below the 75% threshold that state policies try to avoid. (Due to long-term demographic changes throughout California, the minority student population state-wide is approaching 72% and rises a bit every year in both MDUSD and in the Northgate-area schools.)

NUSD uses virtually the same historic attendance boundaries that MDUSD established for our schools, while also fixing long-time split-attendance patterns that divided graduating student communities after elementary and middle school. Families in the attendance patterns of the five Northgate-area schools will be able to attend NUSD schools K-12, without undergoing MDUSD’s sometimes unpredictable transfer application process and the stress of lotteries, just to ensure that their students will continue on to the same schools as their long-time classmates.

Our proposal also provides for the continuing accommodation of similar, significant numbers of [transfer students](#) from other parts of MDUSD. Our transfer students have made valuable contributions to student life in our schools, they have brought diverse perspectives, and they connect us to our

neighbors in surrounding communities. We do not want to disrupt any family's plans for their child's education. If MDUSD decides not to allow future transfers into NUSD, which would be unfortunate in our view, then we expect that there would be demand for those transfer spots from students elsewhere. By maintaining our historic attendance boundaries and continuing to accept the same numbers of transfer students, there is no reason to expect any reduction of the student-body diversity that we now enjoy in our schools.

[Appendix 5](#) of this report also discusses how Northgate-area students receiving special education services would transition to services provided in conjunction with the Contra Costa Office of Education, which is the County's largest provider of special education services and the provider to many nearby districts that appear to do as good of a job, if not better, as MDUSD in serving the needs of students in special education.

There are two charter schools located within the proposed NUSD territory, the Contra Costa School of the Performing Arts (SPA), a county-chartered school that would not be impacted by the district reorganization, and Eagle Peak Montessori School (EPMS), chartered by MDUSD. We believe that both schools provide valuable educational options for area families, and both schools are important assets in our community. Indeed, we are inspired by all parents who have sought alternatives to MDUSD. We do not believe there is any reason for EPMS to be disrupted by the creation of NUSD. This report discusses transition options for the school in [Appendix 6](#).

Finally, and importantly, because we value the educators in our local schools who have worked so hard to help our students succeed, we want them to stay in NUSD. Therefore, we are proposing that the terms of their existing labor agreements with MDUSD be applied in NUSD through the terms of those agreements (after which, extensions or new agreements would be negotiated between the bargaining units and the administration of NUSD, just as would occur in any public school district). The proposed Employee Notice, required by the County Office of Education, appears [here](#).

Financial details of our proposed transition plan are in [Appendix 3](#), while operational aspects are addressed in [Appendix 4](#).

Financial Viability of the New District

School finances are challenging for almost every district in California and are proving, once again in 2017, to be particularly challenging for MDUSD. The district currently experiences annual on-going [operating deficits](#) of \$24-30 million, and projects spending down general fund reserves to just \$11.6 million by 2019. Inquiries regarding the planning that MDUSD is doing for the second half of 2019, when the reserves are projected to run out, have not yielded any tangible responses from the district, although their new 3-year projections, due in May, 2017, will undoubtedly have to address the matter.

NUSD will be funded using the same LCFF funding formula as virtually every other school district in the state. As a brand new district, with no legacy central administrative [operations](#) – as far as we know, an unprecedented situation in California – we believe NUSD will have opportunities to operate with lower overhead and a smaller bureaucracy than almost any other existing district of similar size. Instead of being just 13.5% of a huge school district electorate, and subject to the disturbing financial trends that

we see in MDUSD, Northgate-area residents will be able to oversee the finances of their own schools more responsibly. They can decide how aggressively they wish to spend down reserves and determine what level of funding they wish to provide to their local schools. Historically, the Northgate community has been generous in supporting our schools through donations of funds and in-kind donations of time and expertise. Indeed, during the most recent period when MDUSD experienced financial distress, and was the *only district* in California to decide to cancel high school sports, the Northgate community became a generous supporter of the United Mt. Diablo Athletic Foundation that raised funds to continue sports at the other MDUSD high schools that could no longer support them.

Although critics of our proposal have suggested that NUSD cannot succeed without a large population of students who qualify for LCFF Supplemental Funding, or significant new parcel taxes, our [review](#) of other California school districts does not bear that out. In fact, among the districts with those supposed “advantages”, there are districts in good financial shape and others that are projecting sharply deteriorating fund balances. Similarly, there are districts without those “advantages” that are doing relatively well and maintaining healthy fund balances. Not surprisingly, the deciding factor seems to be the district’s financial management. We believe that a smaller district, where leadership is less bureaucratic and closer to classroom needs, as well as more responsive to community concerns about fiscal management, will be better able to provide the resources that our students and educators need to succeed.

Finally, this proposal will not significantly change the [bonding capacity](#) of either the remaining portion of MDUSD or the new NUSD. Post reorganization, both districts are expected to still have unused bonding capacity in excess of 80% of currently outstanding debt. Notably, that calculation ignores the thousands of new homes and several million square feet of new commercial development that will be *added* to MDUSD’s bonding capacity by the build-out of the Concord Naval Weapons Station.

Giving a Voice to the Electorate

Although this proposal focuses on the desirability and viability of a new Northgate Unified School District, there is an equally large issue at stake: a vibrant, cohesive, engaged community has grappled for almost 40 years with a large school district that has struggled to adequately serve the needs of all of the ten communities it serves. With just 13.5% of the electorate, Northgate-area voters have not been successful in getting the MDUSD school boards to the point where more than one or two of the members, in any single term, seem to understand our community. Instead, we have lived with board majorities that often fail to engage constructively with the public on our questions and concerns, and fail to insist on greater transparency and accountability for the *entire* district.

This proposal represents the *third* grass-roots effort of Northgate-area citizens to achieve more responsive, community-based management for our schools. We believe that a smaller scale will benefit *both* NUSD and MDUSD, and that this reorganization may help MDUSD follow a new path toward improved transparency, higher accountability, and greater responsiveness overall to the remaining communities that it will serve.

The Proposal for NUSD

Authorship of This Report

This report was prepared by Northgate CAPS, in collaboration with many Northgate-area residents, local educators, legal professionals, and professional administrators who are familiar with education policies and school district administration in California. Although this report was generated through pro bono collaborations, rather than by paid consultants, it incorporates extensive analysis of data and other information reflected in the Nine Criteria for School District Reorganization stipulated in the Education Code. This report was reviewed by many members of the Northgate community, and has been endorsed by the Board of Northgate CAPS, Inc.

The leadership of Northgate CAPS includes:

- founders and key fundraisers for Northgate Pride, the organization that helped finance and organize renovations of the Northgate HS Gym, Little Theater, and Athletic Fields, as well as the new Aquatic Center;
- a key community relations organizer who worked with the Northgate HS neighborhood and the City of Walnut Creek to obtain approvals for athletic field renovations (including bleachers, lighting, and scoreboards) and the construction of the Aquatic Center;
- founder and former president of the PEAK Educational Foundation, which raises funds for the six schools located in the Northgate area;
- past president of the Northgate PFC and Valle Verde PTA;
- past vice president of the Walnut Acres PFC;
- co-founder and secretary of the United Mt. Diablo Athletic Foundation, a philanthropic organization that implemented a funding plan and raised money to continue high school sports *throughout* MDUSD, when MDUSD became the only district in California to eliminate high schools sports due to financial pressures;
- a current member of the MDUSD 2010 Measure C Bond Oversight Committee; and former member of the 2002 Measure C Bond Oversight Committee;
- a former member of the MDUSD Citizens United for Excellent Schools (CUES) committee; and
- other local volunteers who, together, have worked almost 60 years, cumulatively, as school site volunteers, serving on site committees, volunteering in classrooms, and raising additional funds for school programs.

Background for This Proposal

MDUSD currently enrolls approximately 32,000 students from a territory that covers approximately 150 square miles, spanning 10 different communities, including all or portions of Concord, Clayton, Pleasant Hill, Walnut Creek, Pittsburg, Lafayette, Martinez, Bay Point, Clyde, and Pacheco. The current district dates to a consolidation completed in 1948, when the area outside Concord was largely rural. Since that time, the district has grown from a handful of mostly very small schools into an institution operating 56 multi-grade school sites. The district is one of the 25 or so largest districts of the more than 1,000 school districts in the state. It also has large populations of students who are struggling to meet state proficiency standards and a number of schools with long records of low performance.

Many of those supporting the creation of NUSD have extensive experience volunteering in classrooms, at schools sites, or on district committees. We have seen how difficult it is to exert fundamental changes in that manner. True change would have to begin with the board leadership, but in our last tally, the Northgate area held just 19,784 registered voters – only 13.4% of the district’s 148,019 registered voters.

We believe that MDUSD is far too large to focus on the diverse needs of all of its students and that its decision-making often short-changes students who deserve more focus. Although the Northgate area holds some of the district’s highest performing schools and students, its schools and students do not compare well with comparable public schools serving similar communities across California. Our community has made previous efforts over the past 40 years to achieve community-based management of our schools, and the petition campaign leading to this proposal clearly demonstrates that our community retains a strong and widespread desire to schools that are not managed by MDUSD.

As we have worked on the Nine Criteria Responses over the past two years, we have been warned by critics that the proposal may be rejected if it materially changes the demography, finances, operations, or instructional programs of MDUSD – or even if it offers benefits to only *some* district students without helping – or even impacting – *all* students in the district. It is difficult to imagine any significant reorganization of a large district that could meet such a severe test. In fact, many school district reforms are intended to focus on helping specific student populations so that, over time, *all* students can have the right opportunities to achieve. We believe that this proposal can prompt residents in MDUSD as a whole to re-consider the district’s overall size and organization and contemplate new ways to improve school management to help students throughout the rest of the district.

We have found no evidence that there has been any really significant change in the structure or governance of MDUSD since 1948. As the quote above the Table of Contents from the *Handbook* reminds us, the absence of reorganization does not mean that *it cannot be considered*. In fact, we believe that reorganization is necessary in this institution, which was created almost 70 years ago by people who could not have anticipated all of the changes that would come to our area.

Since MDUSD was organized in 1948, the population of Contra Costa County has grown almost four-fold, from 298,984 to 1,123,429. The County’s population of school-age children has grown three-fold, from 60,372 (age 5-17) to 197,920 (K-12 enrolled). And of course, the county has changed demographically, from being about 85% non-Hispanic Caucasian in 1950 to 45% non-Hispanic Caucasian in 2015. Concord, the city that the original district primarily served, has grown over 12-fold in population, from 10,000 to 125,000 (American FactFinder).

The characteristics of the population have also changed over that time. In 1950, only 28% had a high school degree. Now, the figure for high school graduates is 89%. In 1950, less than 9% of the population had a college degree. Now 40% of residents hold a four-year degree.

The institutional landscape of our region, and our entire nation, has changed as well. The companies that provide us with food, housing, consumer goods, and critical services have changed dramatically

since 1948. The Dow Jones Industrial Average (DJIA) Index reflects these changes by showing only the largest bellwether companies that are leaders in their fields. To stay in the DJIA index, a company must serve ever-growing numbers of customers effectively and efficiently. Note that *only four* of the corporate titans from 1948 (highlighted), when MDUSD was established, remain on the list in 2017. *The other 87% are gone* – having been shrunk, sold, merged, or closed in bankruptcy, because they could not remain as vibrant or as relevant as the ones on today’s list. In fact, a number of the companies on today’s list did not even *exist* just a few decades ago.

1948	2017
Allied Can	3M
Allied Chemical	American Express
American Smelting & Refining	Apple
ATT	Boeing
American Tobacco	Caterpillar
Bethlehem Steel	Chevron (fmr Standard Oil CA)
Chrysler	Cisco
Corn Products Refining	Coca-Cola
Du Pont	Disney
Eastman Kodak	Du Pont
General Electric	Exxon Mobil (fmr Standard Oil NJ)
General Foods	General Electric
General Motors	Goldman Sachs
Goodyear Tire	Home Depot
International Harvester	IBM
International Nickel	Intel
International Paper	Johnson & Johnson
Johns-Manville	JPMorgan Chase
Loew’s	McDonald’s
National Distillers	Merck
National Steel	Microsoft
Procter & Gamble	Nike
Sears Roebuck	Pfizer
Standard Oil (CA)	Procter & Gamble
Standard Oil (NJ)	Travelers Companies Inc
Texas Corporation	United Technologies (fmr United Aircraft)
Union Carbide	UnitedHealth
United Aircraft	Verizon
U.S. Steel	Visa
Westinghouse	Wal-Mart

Source: History of the Dow - Timeline of Companies - Quasimodos.com
www.quasimodos.com/info/dowhistory.html

Everywhere in our world, we see organizations changing and evolving, growing and downsizing, to adapt to their missions and better serve stakeholders. One of the most important missions of all in our society is to educate the next generation of young people, so that they can contribute to our world through fulfilling careers that serve others. An organization like MDUSD, with an extremely demanding mission, approximately \$330 million in revenue, and 3,000 employees, should also adapt to the changing needs of the people it serves. Unfortunately, the district has *not* adapted as it should, as evidenced by how unfavorably it compares, on multiple dimensions, with many other local districts, as we discuss later in this document. We believe that, after reading this report, you will share our conclusion that MDUSD has shown that it is too large and ill-suited to serve all of its 21st Century learners, and that we cannot rely on it, in its present form, to serve all of the communities that rely on it for the critical work of educating the next generation of young people.

Vision for a New School District

We are seeking a community-based school district of approximately 4,600 students that is focused on the needs of students, educators, and parents and that is responsive to how those needs are changing in the 21st Century. How students learn, what they need to learn, and how adults work together to foster that learning – these factors are changing rapidly as we all try to keep pace with our evolving economy and society. Our community seeks a school district that fosters *trust* among students, educators, parents, and the wider community, so that all of those stakeholders may have *confidence* in our schools.

In an age when the media pay less and less attention to public schools, when fewer households have school-age children and exhibit concern for local schools, and when regulating authorities are stretched in their oversight, we can find ourselves with too few people paying enough attention to what is happening at district central offices. The immense scale of a large school district, the often-arcane funding and financial aspects of public education, and the unfamiliar governance practices all combine to reduce, and even discourage, public participation. In such a context, operating school districts at a smaller scale offers tremendous potential for greater accountability and responsiveness. Even with 4,600 students, NUSD would be larger than two-thirds of the school districts in California (Dayton).

When school board members and administrators are people we see in our neighborhood, when key decisions can be made with all of the stakeholders in one room, when the school board meeting agendas shrink from 50 items to 10, and when the district's list of "to do's" addresses the needs of just five schools, instead of 11 times that many schools, community members are far more likely to stay abreast of district needs and challenges. That kind of familiarity and accountability provides a critical basis for the *trust* and *confidence* that inspire a community to be more engaged with a local school district and its schools, supporting them not only financially, but also with the volunteer talents that have long been important in our Northgate-area schools, and so helpful even in the preparation of this proposal.

Policy on Non-Discrimination

We would expect NUSD to address the needs of *all* students and be open to input from *all* members of the community. To support those goals, we would expect the district's board to adopt non-discrimination and transparency policies similar to the following:

Northgate Unified School District programs, activities, and practices shall be free from discrimination based on actual or perceived race, color, ancestry, national origin, ethnic group identification, age, religion, marital or parental status, physical or mental disability, sexual orientation, gender, gender identity, or gender expression; or on the basis of a person's association with a person or group with one or more of these actual or perceived characteristics.

Policy on Transparency

We also expect NUSD to commit to genuinely transparent practices aimed, not just at meeting our state's legal requirements, but aimed at actually cultivating and welcoming citizen participation in key decision-making processes. We would encourage a policy similar to the following:

Northgate Unified School District should strive to conduct its decision-making and operations with the maximum transparency permitted by law, with the goal of encouraging and welcoming participation by parents, educators, residents, and other stakeholders in planning, analysis, and decision-making. To support that goal, NUSD will provide easily accessible, timely, and up-to-date information on: agenda items and supporting materials for public meetings, district finances, policies and policy changes, legal matters, planning and forecasting, important communication from regulatory authorities, and evaluations of district results, procedures, and important initiatives.

Rationale for the Reorganization

Below are brief summaries of the primary reasons for our proposed school district reorganization:

Abundant Research Documents the Adverse Impacts of Large School Districts

MDUSD is one of the largest school districts in the State, with 56 school sites and almost 32,000 K-12 students. The district covers 150 square miles and serves 10 different communities, including the cities of Concord and Clayton; most of Pleasant Hill; portions of Walnut Creek, Pittsburg, Lafayette, and Martinez; and unincorporated areas, including Pacheco, Clyde, and Bay Point. In addition, when the Concord Weapons Naval Station is developed in the coming years, another 25,000 to 30,000 residents will be added to the MDUSD boundary, eventually generating 6,000 or more new students. Although the school district is already too large, it is slated to become even larger with thousands of new students, making it even more difficult to serve the needs of all of its students.

The size of MDUSD adversely impacts all of its stakeholders – students, teachers, parents and the community at large – throughout the district, not just in the Northgate area. This should not surprise us. A growing body of research has demonstrated that large districts do *not* achieve the greater economies of scale that originally justified the wave of school district consolidations in the 1950s, 60s, and 70s. In fact, the research shows that such consolidations often lead to *lower* student achievement. Notably, in

our research for this proposal, we did not find a *single* study that claimed *benefits* in student achievement due to larger district size. More typical were the conclusions below:

- When standardized test scores are examined in light of the socioeconomic situation of the students, on average, large districts' test scores fall in the *lower* end of their expected ranges, while on average smaller districts' test scores fall in the *upper* end of their ranges (Cox 2002).
- In general, researchers seem to fall into two camps on the question of district size and student achievement: those who see *no advantage for big districts* and those who find "that achievement drops as enrollment levels rise." This relationship is even more evident in more socioeconomically disadvantaged populations, where "there was a strong, consistent negative correlation between district size and student achievement in [low-income] populations" (Webb 1989).
- In 2015, researchers for the legislature in Nevada (home of Clark County SD, one of the nation's largest) found that when "examining the impact of school and district size, the literature is more robust and overwhelmingly suggests that 'bigger is not better'. In fact, several studies find that large districts lead to *diseconomies* of scale and are detrimental to student performance" (Martinez 2015).
- The sources of the "diseconomies" in large districts are predictable. Researchers have found that "large school districts engage in 'mission creep,' building support activities which rapidly lose any connection to the original goal of educating children." Too often, "large districts are 'off task', with time and energy increasingly shifted away from the core service activities of education." In fact, the research actually suggests "*penalties of scale*", where "paradoxically, the larger a school district gets, the more resources it devotes to secondary or even non-essential activities" (Antonucci 1999).
- Even more disturbing than the diseconomies of scale, the negative impact of large districts on student achievement is felt particularly by students in poverty. "Research demonstrates some general patterns" including "low income student performance declines as district size gets larger" (Simon 2012). In fact, the long-recognized and lamented relationship between income and student achievement is actually *exaggerated* in large districts. "The negative relationship between school poverty and achievement is stronger in larger districts" (Abbott 2002).

Certain researchers have even identified the optimal size of a school district:

"Over the years a great deal of research has been done on the ideal size for a school district, and a summary of several major studies showed that while there is no clear consensus, the data suggest that the optimal school-district size is around 2,000 students to 4,000 students" (Boser 2013).

This optimal figure that Boser cites in his 2013 paper is not far off from the size of the proposed NUSD, and in most cases, would yield a district with a single K-12 feeder pattern. None of the research we found suggests that optimal district size is at all close to the size of MDUSD, with 32,000 students.

Some of the most compelling evidence on the benefits of smaller districts comes from a wide-ranging study published in 2012 at Ohio State University, where the researchers' own studies, as well as their

reviews of previously conducted studies on district size and student performance, concluded that district size has a widely-documented *negative* effect on student achievement (Kennedy 2012):

- The main conclusion illustrates that large districts do not appear to be a more affordable or an academically beneficial option compared to smaller districts.
- Cultural factors such as promising teacher practices, higher parental involvement, and closer relationships are considered notable reasons for the success of *small* districts.
- Their compilation of research analysis (see table below) indicates that small districts outperform larger districts in academic performance and provide higher student achievement amongst low-income students. Every study that used standardized or state achievement test scores as their dependent variable concluded that smaller districts outperformed or provided better academic success than larger districts.
- Low-income students receive the *most* negative effects of large school district size.

The Ohio researchers added that the *benefits of smaller scale extend to a district’s educators and the instructional environment as well*. “Teachers may have a more positive attitude in a smaller school environment, which enables procedures that are more flexible, and lastly, students may feel more comfortable interacting with teachers in smaller districts that are more likely to cultivate a community atmosphere. The community atmosphere and close relations can foster higher student achievement, regardless of the spending level.” (Duncombe & Yinger 2010).

Below is a summary of ten research studies conducted across the U.S. from 1988 to 2010 that all support the benefits of smaller districts over larger districts, especially for students from disadvantaged backgrounds.

Study	Dependent Variables	Independent Variables	Findings
Bowen 2007	High school completion rate, postsecondary enrollees	Median household Income, district enrollment	Small districts outperform larger districts in terms of graduation rates and post-secondary enrollment
Duncombe & Yinger 2010	State achievement test scores	Percent of students receiving free or reduced price lunch, school system size, school size	Small districts and schools outperform larger districts in schools on state achievement tests
Driscoll 2003	Standardized test scores	Percent of students receiving free or reduced price lunch, median household income, parental education, population density, percent of children enrolled in private schools, district	Increasing district size has a negative effect on student performance. Middle school performance in particular is negatively affected.

		size, school size, average class size	
Howley 1996	State achievement test scores	Enrollment per grade level, free or reduced price lunch rates, percentage of adults with less than grade 12 education	In West Virginia, low income student perform better in small school districts, whereas affluent students perform well in large school districts.
Friedkin 1988	State achievement test scores	School system size, occupational status of parents	As the socioeconomic status of a school district increases, the relationship between size and performance goes from negative to positive.
Abbott 2002	4th and 7th grade state achievement test scores	Percent free or reduced price lunch, school size, school district size	Large district size strengthens the negative relationship between low socioeconomic status and student achievement.
Eigenbrood 2004	3rd and 6th grade math and reading scores, 4th and 7th grade reading and mathematics scores	Percent free or reduced price lunch, school size, district size	Small schools in small districts are most beneficial for less affluent students, while large schools in large districts are most detrimental to achievement.
Howley 1999	District performance on state achievement tests,	School size, district size, percent free or reduced price lunch	Reducing school and district size reduces the negative influence of poverty on performance.
Leithwood 2009	Literature review of 57 post-1990 studies on school size effects. Variables vary between studies.		The majority of evidence favors small school and district size. Low socioeconomic students primary benefactors from small schools and districts.
Jerry 2003	Reading and mathematics scores	School system size, percent free or reduced price lunch,	Smaller school systems in Nebraska reduce the harmful effects of poverty on student achievement.

Research Supports the Northgate CAPS Conclusion

The obvious option, in the view of an increasing number of researchers, is to consider ***district reorganizations that result in smaller districts***. “Our principal ‘clear and simple’ recommendation therefore is to suggest...reorganizing districts that are now far too large. Policy makers should start

imagining ways to re-create districts that are everywhere sufficiently small to respond well to students, families, and (especially) communities” (Bickel 2000).

Troubling Trends in MDUSD Performance

According to the academic performance metrics reported by the California Department of Education (CDE), MDUSD typically performs below the Contra Costa County average and similar to the State average. Certain performance metrics (e.g., the academic performance of English Learners and the Socio-economically Disadvantaged and the percentage of high school graduates meeting UC/CSU entrance requirements and passing the Advanced Placement Tests) are particularly concerning. This below-par performance has been reflected in teacher dissatisfaction as well. Clayton Valley Charter High School, originally an MDUSD high school, was converted in 2011 to a charter by a teacher petition to the Contra Costa County Office of Education, largely because of unsatisfactory academic performance and dissatisfaction with MDUSD among the school’s educators.

Focusing on Northgate-area schools, we have seen a clear trend of declining API rankings over the 14 years that this information was reported, and the total decline over that period was remarkable. We recognize that state testing is only one measure of school performance, but because it measures how many students have achieved grade-level proficiency on the state’s educational standards, it provides an important indicator of how prepared students are for future learning. When students are not proficient with prior-year standards, more teaching resources have to be used for remedial instruction, rather than teaching grade-level curriculum content to the students who are prepared to move ahead.

Although all Northgate schools have been ranked “9” or “10” compared with schools across California, we do not regard that comparison as particularly meaningful, given the low levels of student achievement often found across the state. Given the demographics of the Northgate area, it should not be surprising for the schools in our community to compare favorably to statewide school averages; the majority of California schools serve high proportions of students in poverty and English language learners, who often live in homes with lower parental education attainment and other socioeconomic challenges.

The more pertinent rankings, and the ones that would be more commonly used in education research, are those that address how Northgate-area schools compare with schools serving communities that are *similar to Northgate*. Fortunately, the state also conducted a “comparable school” comparison, ranking our schools against schools serving communities with similar levels of income, English language proficiency, and parental educational attainment. The chart below shows how Northgate-area schools compared on *that basis*.

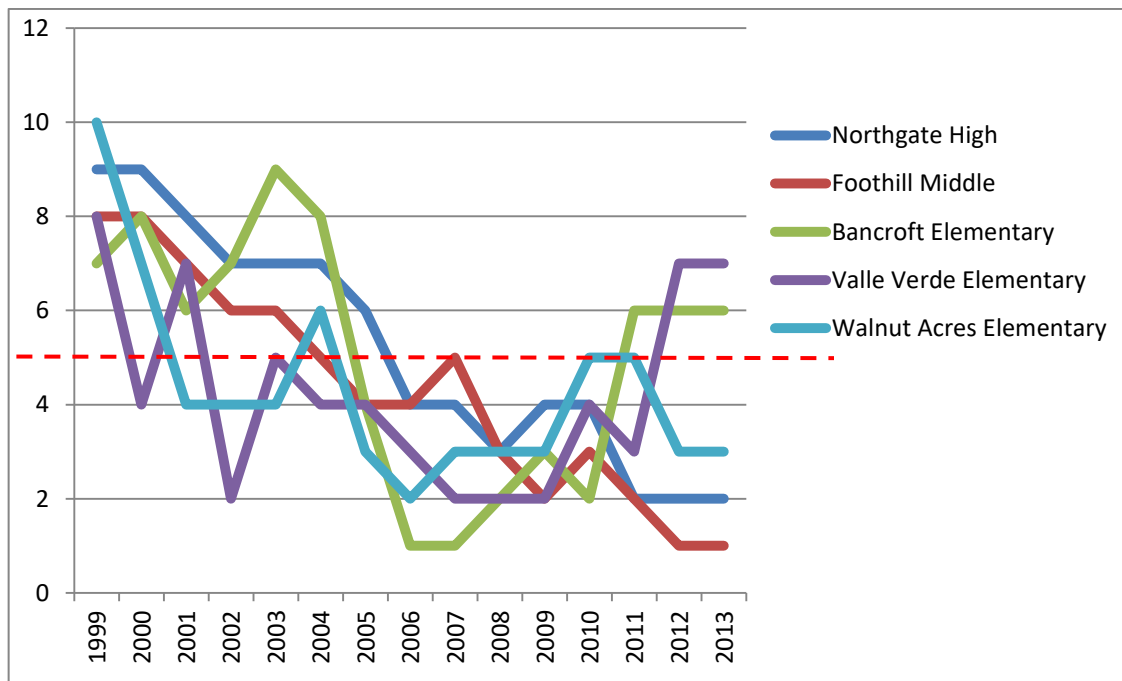
Beginning in 1999, Northgate High School declined from a similar schools ranking of 9 in 1999 to a 2 in 2012, while Foothill Middle School declined from a similar-schools ranking of 8 in 1999 to the lowest decile ranking of 1 in 2012. The general trend for *all* five Northgate schools was *downward* over the 14-year period, clustering well below the state median by the end of 2013, after which comparable testing data is not available. This trend was not dependent on changing demographics or declining incomes, as the Northgate area maintained benchmarks among those indicators. What evidently happened during

that period was that comparable California schools *improved*, and Northgate-area schools *failed to keep up*. Since the neighborhood did not markedly change, and the state curriculum standards and testing protocols did not appreciably change – *while other similar schools continued to improve* – we attribute this sustained decline to management factors that were under district control. The administration of MDUSD had this data available, but throughout the period, the trend was evidently not addressed effectively.

Declining Rankings Over a 14-year Period Compared to Similar Schools in CA

From 1999-2014, Northgate schools that ranked “9” or “10” in statewide comparisons gradually fell into mid and lower ranges when ranked with schools serving populations that are demographically similar to those in the Northgate area. Most recently, three of the five Northgate schools ranked in the lowest third.

School	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Northgate High	9	9	8	7	7	7	6	4	4	3	4	4	2	2	2
Foothill Middle	8	8	7	6	6	5	4	4	5	3	2	3	2	1	1
Bancroft Elementary	7	8	6	7	9	8	4	1	1	2	3	2	6	6	6
Valle Verde Elementary	8	4	7	2	5	4	4	3	2	2	2	4	3	7	7
Walnut Acres Elementary	10	7	4	4	4	6	3	2	3	3	3	5	5	3	3



Source: Similar Schools Report on California Department of Education DataQuest


The district’s under-performance is not just an issue for Northgate residents. Indeed, as the following pages show, and as the previously cited research on district size suggests, the most disadvantaged students suffer most from MDUSD’s inability to focus on, and substantially improve, student achievement.

Education Trust-West Report Card on MDUSD

Education Trust-West considers its mission to be *Advocates for educational justice and the high academic achievement of all California students, particularly those of color and living in poverty.* Their

picture of MDUSD is of a district that is severely challenged in serving multiple student populations beyond those in the Northgate area. The source for its Report Card on MDUSD was accessed here: http://reportcards.edtrustwest.org/district-data?county=Contra+Costa&district=Mt.+Diablo+Unified&report_year=2013

California
District Report Cards


The Education Trust—West

ABOUT THIS DATA REGIONAL RESOURCES PROMISING PRACTICES OUR RECOMMENDATIONS STAY INFORMED

CONTRA COSTA
MT. DIABLO UNIFIED
2013
GO

OVERALL REPORT CARD
PERFORMANCE
IMPROVEMENT
GAPS
COLLEGE READINESS

Mt. Diablo Unified School District

OVERALL GRADE: D

CHANGE FROM PREVIOUS YEAR ↓

About this District

CONTRA COSTA COUNTY

ENROLLMENT: 32,001

LOW-INCOME: 45%

AFRICAN-AMERICAN: 4%

LATINO: 39%

WHITE: 37%

ENGLISH LEARNER: 23%


FOSTER YOUTH (#): 188





Other District Results

12th Grade FAFSA Rate: 58%

English Learner

Reclassification Rate: 9%



District Metric		District Grade*	District Rank*
	Performance Levels among Students of Color	C	133 of 149
	Performance Levels among Low-income Students	C	141 of 149
	Improvement among Students of Color	C	62 of 146
	Improvement among Low-income Students	C	46 of 146
	Size of Achievement Gap Between African-American and White Students	F	114 of 129
	Size of Achievement Gap Between Latino and White Students	F	136 of 144
	College Eligibility among Students of Color	F	131 of 142
	High School Graduation among Students of Color	C	130 of 145



CONTRA COSTA MT. DIABLO UNIFIED 2013

OVERALL REPORT CARD **PERFORMANCE** IMPROVEMENT GAPS COLLEGE READINESS

District Performance

Mt. Diablo Unified School District

About this District
CONTRA COSTA COUNTY
 ENROLLMENT: 32,001
 LOW-INCOME: 45%
 AFRICAN-AMERICAN: 4%
 LATINO: 39%
 WHITE: 37%
 ENGLISH LEARNER: 23%
 FOSTER YOUTH (#): 188

Other District Results
 12th Grade FAFSA Rate: 58%
 English Learner
 Reclassification Rate: 9%

GRADING SCALE

A	= 800 + (statewide target)
B	= 750-799
C	= 700-749
D	= 650-699
F	= Below 650

Performance Levels among Students of Color

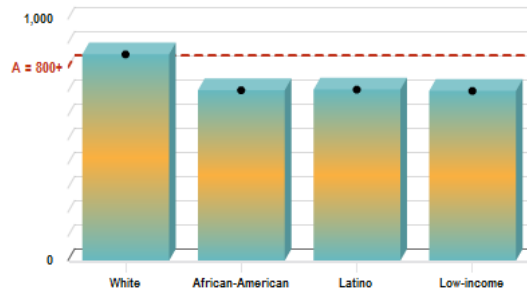
Weighted Average African-American and Latino API: 708

District Grade	District Rank
C	133 of 149
C	141 of 149

Performance Levels among Low-income Students

Low-income Students API: 703

2013 API Scores





CONTRA COSTA

MT. DIABLO UNIFIED

2013

GO

OVERALL REPORT CARD

PERFORMANCE

IMPROVEMENT

GAPS

COLLEGE READINESS

District Improvement

Mt. Diablo Unified School District

About this District
CONTRA COSTA COUNTY
 ENROLLMENT: 32,001
 LOW-INCOME: 45%
 AFRICAN-AMERICAN: 4%
 LATINO: 39%
 WHITE: 37%
 ENGLISH LEARNER: 23%
 FOSTER YOUTH (#): 188

Other District Results
 12th Grade FAFSA Rate: 58%
 English Learner
 Reclassification Rate: 9%

GRADING SCALE

- A = 100+
- B = 75-99
- C = 50-74
- D = 25-49
- F = Below 25

Improvement among Students of Color

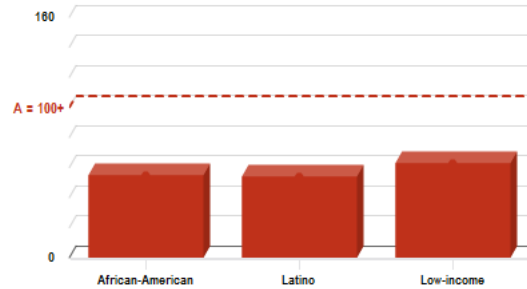
Five-year Weighted API Growth among African-American and Latino Students: 54

District Grade	District Rank*
C	62 of 146
C	46 of 146

Improvement among Low-income Students

Five-year API Growth among Low-income Students: 63

Sum of Five-Year API Growth (2009-13)





CONTRA COSTA MT. DIABLO UNIFIED 2013 GO

OVERALL REPORT CARD PERFORMANCE IMPROVEMENT **GAPS** COLLEGE READINESS

District Achievement Gaps

Mt. Diablo Unified School District

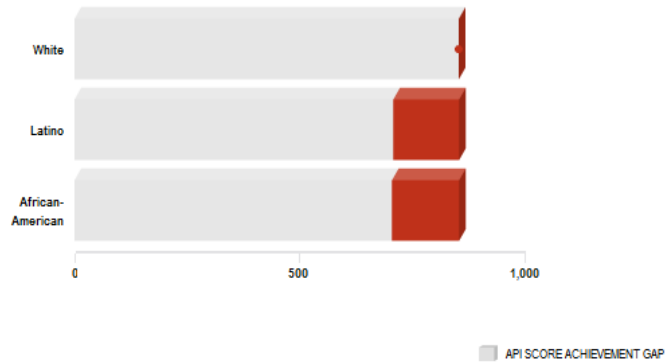
About this District
CONTRA COSTA COUNTY
 ENROLLMENT: 32,001
 LOW-INCOME: 45%
 AFRICAN-AMERICAN: 4%
 LATINO: 39%
 WHITE: 37%
 ENGLISH LEARNER: 23%
 FOSTER YOUTH (#): 188

Other District Results
12th Grade FAFSA Rate: 58%
English Learner
Reclassification Rate: 9%

GRADING SCALE
A = Less than 30
B = 31-60
C = 61-90
D = 91-120
F = More than 120

	District Grade	District Rank*
Size of Achievement Gap Between African-American and White Students <small>Gap between African-American and White API: 149</small>	F	114 of 129
Size of Achievement Gap Between Latino and White Students <small>Gap between Latino and White API: 146</small>	F	136 of 144

2013 API Scores





CONTRA COSTA MT. DIABLO UNIFIED 2013 GO

- OVERALL REPORT CARD
- PERFORMANCE
- IMPROVEMENT
- GAPS
- COLLEGE READINESS

District College Readiness

Mt. Diablo Unified School District

About this District
CONTRA COSTA COUNTY
 ENROLLMENT: 32,001
 LOW-INCOME: 45%
 AFRICAN-AMERICAN: 4%
 LATINO: 39%
 WHITE: 37%
 ENGLISH LEARNER: 23%
 FOSTER YOUTH (#): 188

Other District Results
 12th Grade FAFSA Rate: 58%
 English Learner
 Reclassification Rate: 9%

GRADING SCALE

- Cohort A-G Rate**
 A = 45%+
 B = 35% - 44%
 C = 25% - 34%
 D = 15% - 24%
 F = Less than 15%
- H.S. Graduation Rate**
 A = 90%+
 B = 80-89%
 C = 70-79%
 D = 60-69%
 F = Less than 60%

College Eligibility among Students of Color:

Average African-American and Latino Cohort A-G Rate: 12%

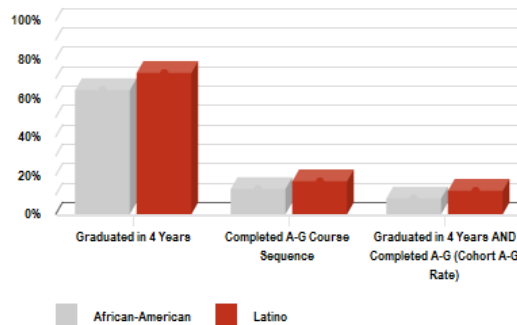
District Grade	District Rank*
F	131 of 143

High School Graduation among Students of Color:

Average African-American and Latino Cohort Graduation Rate: 71%

District Grade	District Rank*
C	130 of 143

Graduation and A-G Rates (2012)



MDUSD supporters say that “things have improved” since 2013, and state funding has certainly grown substantially until this year. Although we have seen staff changes in certain administrative areas, we have not seen the kinds of significant structural or organizational changes that are likely to improve outcomes or accountability. The new superintendent appears to be doing many of the right things, but superintendents can leave after any contract term. Nationally, the average tenure of a large school district superintendent is only approximately 3.2 years (Council of Great City Schools 2014).

Sustainable improvements in leadership and governance must come from the school board. Unfortunately, we have not seen significant improvements in the practices or oversight exercised by the MDUSD school board, which must hire the next superintendent, approve all of a superintendent's major administrative hires, and evaluate the analyses and recommendations that they provide. So far, we have seen few significant changes in key district staff, who must help formulate and execute all key policies and initiatives. With so few fundamental changes, we are left to wonder what kinds of sustainable organizational improvements will be available to the next superintendent.

Fixing Split Feeder Patterns

A feeder pattern is the sequence of schools that students attend as they progress through their education. Split feeder patterns divide students at crucial transition years (after 5th and after 8th grades), sending them to different schools, often resulting in disrupted friendships and difficult learning transitions for students and educators. Our understanding is that various public education authorities have prodded MDUSD for years to fix various split feeder patterns, which are discouraged by education policy, with no visible response from the district.

Several neighborhoods within the NUSD attendance boundaries currently have split feeder patterns, sending students in a single school's graduating class on to different district-assigned schools. When families attempt to switch to an unassigned school to preserve their student's bonds with fellow students, they must often undertake burdensome paperwork and submit to a prioritization process involving lotteries that often seem to exhibit arbitrary procedures and, of course, involve uncertain outcomes. The creation of NUSD would fix these splits and provide a continuous feeder pattern for all of the new district's student cohorts, resulting in:

- More certainty for parents and reduced student anxiety over future enrollment, especially when transitioning to new schools from 5th to 6th grade and 8th to 9th grade.
- Reduced need for counseling, as students have clear enrollment paths and course selection options.
- Greater ability to forecast student population trends and school site enrollment, because it will no longer be necessary to guess family preferences or lottery outcomes in an annual transfer process.
- Better tracking of student performance factors, since students will share similar instruction from previous years.
- Easier prediction of educational needs, as students coming from the same school(s) will be more likely to share similar academic preparation.
- Increased familiarity of each school for students and families, as siblings and neighbors share experiences with younger students.
- More effective and coherent community participation, as parent and community networks remain intact.

Opportunity for Better Student Transitions

When a curriculum is vertically aligned, what students learn in one lesson, course, or grade level prepares them to transition to the next lesson, course, or grade level. This sequence can "create support

structures that make high achievement a reality for more students because they institutionalize a continuum of knowledge and skills that build from grade to grade” (Schlosser 2015). Consistency over time improves graduation rates and college readiness for all students, while “streamlining and simplifying the work of teachers” (Taylor 2003) and increasing programmatic consistency.

To achieve effective vertical alignment, teachers handling more advanced stages of the curriculum must understand, and rely upon, work that students have previously completed. Similarly, teachers at earlier stages must have a good grasp of what students will be expected to know, and do, when they reach more challenging levels in their instruction. Such coordination becomes more difficult in middle and high school, when students come from a variety of elementary and middle schools, where they have learned from different groups of teachers who have made different adaptations for their specific cohorts of students. Teachers in earlier grades in elementary and middle schools are also more challenged to prepare their students, when their students may end up at a variety of different middle or high schools, as occurs now in MDUSD.

Better District Planning and Management

Planning for changes in curriculum requirements and student populations is a key function in any school district. Such planning can prevent overcrowding of individual school sites, not just in classrooms, but also in shared facilities like lunchrooms, hallways, athletic facilities, and restrooms. Good planning is particularly needed to accommodate new curriculum options such as for STEM instruction, Maker Programs, or in expressive arts.

Within the last year we have witnessed the school board make a hasty decision to redraw the attendance boundaries for Northgate HS, approximately *doubling* the attendance area, without any new data-gathering or analysis, and with almost no public discussion. After the predictable community uproar, the district rescinded the decision at the following meeting. But a comparable plan was introduced and passed in the fall, which allowed an unpredictable number of students from the same area to elect to receive identical priority to attend Northgate HS as the residents of the traditional attendance area. Under this second plan, the number of yearly transfers is likely to vary based on the popularity of the charter high school that serves the expansion area, a factor over which MDUSD has no control. One likely consequence of this unusual arrangement is that residents of a portion of the Bancroft Elementary split-feeder attendance area, who have long chosen Northgate HS under the MDUSD intra-district transfer process and lottery, will now have a reduced priority for Northgate HS. The NUSD plan eliminates the new expanded boundaries for Northgate HS and guarantees that all Bancroft students may stay within the Northgate feeder pattern.

For the past ten years, community members have asked MDUSD to develop a strategic plan that outlines how the district will address known future challenges, such as aging facilities, changing student populations, new curriculum offerings (e.g NextGen Science), innovations in professional training and development, assessing community priorities, and so on. The district did create a basic document that was labeled a Strategic Plan, dated 2012-15, but it has not been functional. Decision-makers do not publicly refer to it, and we have seen no references to any updates. Evaluations of key programs – if they are done at all – do not appear to be measured against the Plan. This failure to follow through on

such an important planning initiative prevents MDUSD from enjoying the benefits that a well-run school district, or almost any successful organization, can derive from a vibrant strategic planning process.

Planning for facilities means researching and projecting enrollment trends. In Northgate HS, overcrowding remains an on-going problem, in the hallways, in restrooms, and in classroom spaces (“classroom” meaning each student with a desk, in a separate room, not just a seat in a theater where there are no desks for required in-class writing assignments). Yet MDUSD continues to communicate two or three different capacity figures for Northgate HS, therefore making it impossible to arrive at an “overcrowded” designation. Board meeting discussions have considered the possibility of significantly *increasing* enrollment at NHS, with no discussion of required physical plant improvements or the funding that such improvements would require.

As noted in the proposed Transfer Policies, we believe that better planning of student transfers, with the right follow-up and planning for facilities, could enable NUSD to both increase the diversity of its student population *and* provide an attractive destination for perhaps hundreds more Contra Costa County students from all backgrounds who are seeking better instruction. Those decisions would be up to the voters and the NUSD administration, but under the current circumstances within MDUSD, there is virtually no prospect for such coordination, collaboration, and planning.

Concerns About Growth Management in MDUSD

In 2012, the City of Concord approved the Concord Reuse Project Area Plan providing for the redevelopment of the almost 8,000-acre former Concord Naval Weapons Station (CNWS). The plan called for 11-12,00 housing units, in which up to 6,000 students were anticipated. MDUSD will be the school district for this major new urban development, and yet we have heard of little or no discussion with developer applicants or with the City of Concord regarding how these new students – an almost 20% increase in the district’s enrollment – will be accommodated. In the meantime, MDUSD – and its stakeholders – do not seem to be integrated into the planning that is occurring with the City of Concord and prospective developers.

Contrast MDUSD’s approach with that of the San Ramon Valley Unified School District (SRVUSD), our equally large neighbor to the south, where, in the early stages of the major 11,000-home Dougherty Valley development project, the district began discussions with developers Shapell Industries (now Toll Brothers) and Windemere BLC to construct a new high school, the Dougherty Valley HS, which opened in 2007. To ensure that the district’s priorities were addressed, discussions with the developers had begun *20 years* earlier, resulting in a construction agreement in 1988 and groundbreaking in 2005. Total cost was approximately \$150 million. Gale Ranch Middle School, constructed by Shapell Homes and resulting from similar collaboration with SRVUSD, opened in 2008. The new Bella Vista Elementary School opened last fall on land donated by the developers, with playing fields developed in conjunction with the City of San Ramon. Throughout the entire 30-year expansion process, SRVUSD has provided a consistent model of professional planning and collaboration in service to its current and future students.

We do not understand where MDUSD hopes to obtain the funds for schools to serve the CNWS – an even larger project -- if it is not working with the developer in the earliest stages of the project. The developer plans that have been submitted have referenced funds for school facilities, but not in the

amounts that would be needed to accommodate the anticipated new students, and no mention is made in those plans of collaboration with MDUSD. These types of partnerships take years to assemble and more years to complete. Where is the public planning that MDUSD should be doing to accommodate 6,000 new students?

Increased Fiscal Responsibility

We believe that a smaller district can benefit from closer financial oversight by a more involved community. After several years of big funding increases from the State, MDUSD is now experiencing a sharp negative swing in its financial picture.

Last summer, we were told that the total of the annual projected deficits for 2016-2019 would be almost \$45 million. Already, MDUSD was projecting annual deficits with no end in sight.

Original 2016-17 Budget Projections Adopted June, 2016

(millions)	2015-16 Early est.	2016-17	2017-18	2018-19	2016-19 totals
Beginning Reserve	\$71.5	\$90.4	\$79.9	\$68.1	
Surplus/(Deficit)	\$18.9	(\$10.5)	(\$11.8)	(\$22.3)	(\$44.6) total deficit
Ending Reserve	\$90.4	\$79.9	\$68.1	\$45.8	
Total Expenditures	\$319.7	\$333.4	\$336.4	\$352.0	5.6% total incr
Reserve as a % of Annual Expenses	28.3%	24.0%	20.2%	13.0%	

Then in December, after the impacts of the district's new labor contracts were factored in, MDUSD said the total deficits had grown 84%, to over \$82 million. This First Interim Report projection showed higher initial expenses due to the salary increases, but no more growth in expenses.

Revised Projections from December, 2016

(millions)	2015-16 Est. Actuals	2016-17	2017-18	2018-19	2016-19 totals
Beginning Reserve	\$71.5	\$98.0	\$68.5	\$44.2	
Surplus/(Deficit)	\$26.5	(\$29.5)	(\$24.3)	(\$28.4)	(\$82.2) total deficit
Ending Reserve	\$98.0	\$68.5	\$44.2	\$15.8	
Total Expenditures	\$317.9	\$358.3	\$352.0	\$358.5	0.0% total incr
Reserve as a % of Expenses	30.7%	19.0%	12.6%	4.4%	

Now, with the release of the Second Interim Report in March, the projected deficit for 2016-19 has grown again, to \$86.5 million, with expenses staying basically flat over the period. Again, this trend is driven by annual, recurring operating deficits, for which there appears to be no plan for corrective action.

Latest March, 2017 Projections

(millions)	2015-16 Est. Actuals	2016-17	2017-18	2018-19	2016-19 totals
Beginning Reserve	\$71.5	\$98.0	\$66.8	\$36.8	
Surplus/(Deficit)	\$26.5	(\$31.3)	(\$29.9)	(\$25.3)	(\$86.5) total deficit
Ending Reserve	\$98.0	\$66.8	\$36.8	\$11.6	
Total Expenditures	\$317.9	\$355.3	\$356.0	\$354.7	0.2% total decr
Reserve as a % of Expenses	30.7%	18.8%	10.3%	3.3%	

If estimates can deteriorate so much in just nine months, how much confidence can residents have in their 3-year projections? A general fund balance from restricted and unrestricted sources of \$11.6 million at June 30, 2019, would represent just 3.3% (less than two weeks’ worth) of estimated 2018-19 expenses. This compares to last summer’s general fund balance of \$95.8 million, or 30.0% (four months) of actual 2015-16 (audited) expenses.

Unlike in recent years, additional revenue windfalls from the state are unlikely, given that Governor Brown is already projecting a \$1.6 billion deficit in the state budget by this summer. Unfortunately, we know what financial distress in MDUSD looks like, because we saw it in the last recession – deeper cuts than occurred in any of the neighboring districts, including elimination of sports, music and drama programs, layoffs of valued site-level teachers and staff, and more contentious relationships with educators and parents.

MDUSD Financial Management Compares Poorly With Other Districts

In the comparison of financial projections from nearby districts that appears below, note that MDUSD’s projected June 30, 2019 general fund balance of 3.3% as a percent of expenses is much lower than the other two large unified school districts in Contra Costa County – San Ramon Valley Unified School District (SRVUSD) and West Contra Costa Unified School District (WCCUSD). In fact, the similarly sized operating budget of SRVUSD for 2016-17 shows a \$8.3 million *surplus*. Some people may credit SRVUSD’s parcel tax for that bright fiscal picture, but this year SRVUSD projects only \$6.5 million in parcel tax revenues – just 2% of its budget. SRVUSD would have a surplus even without its parcel tax. The district, incidentally, also receives a lower proportion of extra LCFF Supplemental Funding than MDUSD receives. Instead, it is likely that most of SRVUSD’s surplus is simply due to better management.

Clearly, small district size is not always necessary for better financial oversight, but given the long-standing financial concerns with MDUSD, and the risk that the district may revert to old bad habits, a smaller NUSD district could allow for closer community oversight and leave our students less vulnerable to MDUSD’s fiscal mismanagement.

School District	June 30, 2016 (Actual)		June 30, 2019 (Projected)	
	Fund Balance-\$M	% of Expenses	Fund Balance-\$M	% of Expenses
Antioch	22.8	12.9%	13.9	7.2%
John Swett	1.1	6.2%	0.2	0.9%
Martinez (1)	8.2	20.3%	2.0	4.3%
Mt. Diablo	95.8	30.0%	11.6	3.3%
Pittsburg	20.5	18.4%	12.8	9.2%
San Ramon	55.8	18.2%	53.7	16.0%
West Contra Costa	72.6	23.4%	53.3	15.0%

Above includes restricted and unrestricted sources

1. 2016-17 First Interim Report results.

One criticism of the proposed NUSD maintains that because the new district will not benefit from the LCFF Supplemental Funds that MDUSD commands, it will have to rely on significant parcel tax levies. Naturally, it will be up to the voters in NUSD to decide whether to adopt a parcel tax, which requires a two-thirds super-majority vote to pass. But if we look at Ending Fund Balances as an indicator of a school district’s financial health, we note that in the list above, San Ramon Valley Unified School District, which is a similar in size to MDUSD, but with a low population of students qualifying for LCFF Supplemental funding and a parcel tax that provides only 2% of the district’s revenue, nevertheless is projecting fund balances that are a multiple of those projected for MDUSD.

The table below shows ending fund balances for a cross-section of California school districts in terms of enrollment size, percentage of unduplicated students qualifying for LCFF Supplemental Funding, and the presence or absence of parcel tax funding. There is no obvious relationship among those factors. Some districts with large parcel tax levies (e.g. Piedmont) are nevertheless facing ending fund balances that fall perilously close to the minimum permitted by the State, while other districts without parcel tax levies or large populations of disadvantaged students (e.g. El Segundo) are maintaining much healthier fund balances. The unavoidable conclusion seems to be that accountable stewardship of available funds can be as important of a factor in a district’s financial viability as the availability of extra funds from the state or from local residents. In other words, NUSD, like so many other districts in California, will be able to remain financially viable, so long as the leadership is careful in managing its fiscal affairs.

Comparison of Projected Ending Fund Balances (EFB) of CA Districts, Varying by Size, Percentage of Unduplicated (Disadvantaged) Students and Availability of Parcel Tax Revenue

Unified Districts	Enrollment	% Unduplct	Parcel Tax	EFB as a % of Expenditures		
				2016-17	2017-18	2018-19
Templeton	2,447	19.6%	\$0	12.0%	9.0%	5.2%
Piedmont	2,708	2.70%	\$2,553	7.4%	5.3%	3.2%
San Marino	3,136	15.4%	\$865	3.6%	4.1%	4.7%
El Segundo	3,471	16.2%	\$0	23.7%	18.9%	13.9%
Lammersville	4,062	22.8%	\$0	12.3%	12.9%	14.3%
La Canada	4,093	7.3%	\$450	11.5%	8.9%	7.4%
Oak Park	4,638	8.9%	\$197	5.4%	4.8%	5.1%
South Pasadena	4,733	20.0%	\$386	10.1%	10.3%	9.8%
Manhattan Beach	6,774	4.1%	\$0	13.5%	8.4%	8.2%
Redondo Beach	9,529	22.4%	\$0	13.5%	11.7%	10.8%
NUSD	4,600	12.8%				

Improved Communication and Community Involvement

A smaller school district allows for easier and expedited communication between teachers and administrators, district personnel and the school board, and between parents and administrators. Shorter lines of communication and more face-to-face contact are two key advantages that a small school district can bring to these interactions. There is an understandable tendency for people to expect active and involved problem solving in the organizations that they support with their tax dollars and private resources, so there can be impatience in how requests are made and handled. Addressing concerns rapidly and reasonably can be an important way for school administrators to build trust within their community. Clearly, with so many more decisions being made at a central office controlling 56 schools, it takes more time and more steps for questions to move up the chain of authority, and more time, with more opportunities for misinterpretation, for responses to filter back down, than it would in a small district like NUSD.

Community trust can manifest itself in the form of more volunteer and financial support for schools. People are more inclined to give their time and money to organizations they understand and trust. Many Northgate CAPS supporters are long-time volunteers in Northgate-area schools, and we have provided leadership to important organizations like the site-based PFC/PTA organizations and their associated foundations that provide extra funding for our teachers and students. We helped found organizations like PEAK Education Foundation, which provides funds for various academic programs in our Northgate-area schools, and the United Mt. Diablo Athletic Foundation (UMDAF), which enabled high school athletics to continue after their funding was eliminated by MDUSD during the last recession. (Mt. Diablo was the only district in California to make such cuts.) We have also provided leadership to the Northgate Community Pride Foundation, whose fundraising was critical in renovating the NHS Gym and Little Theater, as well as providing major enhancements to the football field and the construction of a new Aquatics Center – facilitating a total of \$6 million in improvements.

As experienced volunteers in supporting our schools, we have gained considerable insights about what our residents want, what they are willing to support, and the concerns they have about our district. The key concern voiced by community members is that MDUSD interferes unproductively with local site educators in using local financial and volunteer support for the best possible outcomes for students. The second concern is that MDUSD withholds funds that our schools deserve, because of the expectation – voiced more than once – that “Northgate will take care of itself”. Indeed, there have been MDUSD board members who believed that locally raised funds should be spread throughout the entire district. While that expectation may stem from legitimate concerns over equity, it ignores the probability that Northgate residents’ generosity might well diminish if donated funds and time are no longer linked to any benefit for local students.

This proposal represents the third attempt of the Northgate community to separate from the large MDUSD in the past 30 years. Over 6,700 community members, more than 34% of registered voters, have signed a petition asking the County to allow us to form the new school district. On April 18, 2017, the Walnut Creek City Council unanimously approved a resolution asking the County Committee, subject to its review of the new district’s conformance with the Nine Criteria, to allow voters solely within the proposed transfer territory to vote on formation of NUSD. Scores of civic leaders and community members have publicly endorsed this proposal, including most past and present elected officials of the City of Walnut Creek, local civic and business leaders, long-time school volunteers and supporters, and hundreds of other citizens. After so much support, over so many years, we are asking for an election that will allow members of this community to decide for themselves how they want to manage the education of their children, one of the most important responsibilities that any community can undertake.

Proposed Reorganization

We propose that the five Northgate area public schools (Bancroft Elementary, Valle Verde Elementary, Walnut Acres Elementary, Foothill Middle, and Northgate High) that currently are part of the Mt. Diablo Unified School District (MDUSD) be reorganized to form a separate unified school district. This new school district would be named the Northgate Unified School District (NUSD). To ensure a complete grade K-12 matriculation within the new school district, the NUSD boundary would comprise the current attendance areas of each of the five Northgate area schools named above and fix the split feeder patterns that Northgate residents have had to negotiate for so many years. The new MDUSD would comprise the remaining existing MDUSD schools.

The new NUSD would serve approximately 4,200-4,600 students, compared with 32,000 currently in MDUSD, and employ approximately 320 people, compared with approximately 3,000 in MDUSD. Even at this smaller size, NUSD would be larger than approximately two-thirds of all school districts in California and larger than several high-performing districts here in Contra Costa County.

Results of Our Nine Criteria Analysis

As explained in the following sections of the report, we believe that all of the nine criteria stipulated by the State for school district reorganization proposals are substantially met. Below are key comments and findings on the more complex criteria.

- **Criterion 3: Equitable Property and Facility Division** – The Education Code suggests many ways to divide property and facilities equitably. This report recommends that assets at each school site be owned by the district where each school is located, bond indebtedness be divided by relative assessed valuations, and all other property, funds and obligations be divided by ADA (Average Daily Attendance) enrollment of the two districts. In addition, a Board of Arbitrators may be engaged to resolve any potential disputes over the disposition of property, funds, and obligations. Since the District Office, Maintenance and Operations Office, and Transportation Yard are located in MDUSD sites, the relocation and ownership of assets associated with these central services will need to be negotiated by the two districts.
- **Criterion 4: Not Promote Racial or Ethnic Discrimination or Segregation** – This proposal is designed to minimize any changes in the student populations of the five Northgate-area schools. We have used long-established, MDUSD-created school attendance boundaries to determine the boundaries of NUSD, to preserve access to the same schools by the same neighborhoods. Moreover, we have stipulated that we wish to retain current transfer student populations, and over time, perhaps even increase them to enhance diversity, as resources, facilities, and the local student population allow. Clearly, if school attendance boundaries and transfer student enrollments do not change, there is no reason to expect any significant demographic changes at each school. And we would note that it is at the *site level* – in classrooms, cafeterias, and libraries and on playing fields and in extra-curricular school activities – that students experience and benefit from diversity.

We do not believe demographic comparisons between the new NUSD and the remaining portion of MDUSD provide any useful guidance, because those differences already exist *now*, between the Northgate-area feeder pattern and the rest of the district. It is difficult to see how individual students would be impacted by changes in district-level demographic percentages that are driven solely by boundary changes, and not by any changes in school-site populations.

Based on 2015-2016 school enrollment data reported by the CDE, the current proportion of minority* students in the new NUSD and MDUSD districts would be 33.8% and 62.6%, respectively, which does not represent a significant change for MDUSD. (As noted above, there was no expectation that minority enrollment percentages would change in NUSD schools.) Those percentages of minority students compares to 61.5% minority for Contra Costa County and 72.2% for the State. Taking into account current demographic trends, we estimate that in five years the proportion of minority students would increase to 35.2% for the new NUSD school district, 66.9% for the new MDUSD school district, 65.0% for Contra Costa County, and 73.6% for the State. Thus, it is expected that the portion of minority students in the two school districts would remain well below the 75% threshold that is the focus in California. Moreover, we

estimate that within five years, based on recent demographic trends, that enrollment of “White Students” in NUSD will decline to about half of the student population.

* The “minority student” category includes students who are identified as Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, or African American. The state definition of “minority student” excludes “Two or more races/not Hispanic” and “Not reported”.

- **Criterion 6: No Disruption to Educational Programs or Performance** - The academic performance in the two school districts is not expected to be adversely affected by the reorganization. Assuming the budget viability shown in this report, there is no reason to believe that core offerings and programs offered by the two districts will change for the worse. The primary challenge of the reorganization will be how to manage and transition the centralized services and programs (e.g., special education for students with disabilities, English Learner support services, and alternative education). With over 27,000 students after the reorganization, these centralized services should remain in place for the new MDUSD. Transitioning these services for students in the new NUSD will require careful planning and budgeting, but is completely feasible. Many California districts that are smaller than NUSD, with more challenging student populations, successfully provide these services.
- **Criterion 9: No Substantial Negative Impact on District Fiscal Management or Status** - The two school districts should be financially viable as long as the management teams and boards of each school district adopt procedures to enhance efficiency while negotiating reasonable salary schedules and benefits with their employees that allow for long-term fiscal solvency.

Conclusion

The information and data included in this report supports the proposed district reorganization. Even with the separation of NUSD, MDUSD enrollment is likely to increase to an all-time high from the addition of students from the CNWS development. There is no reason to believe that students in the current MDUSD would be harmed by this reorganization. Based on the wide support for the petition, we believe that the Northgate community, given three separate attempts to obtain more community-based management of their schools, would be particularly supportive of the new district and willing to make it successful, just as they have historically supported our local schools and come together over the past three years to support this particular campaign .

As explained in the following pages, all of the nine criteria stipulated in the Education Code would be substantially met in this reorganization. MDUSD has not operated our schools in a superior, or even above-average, manner, and we believe that justifies putting the responsibility for managing our schools into the hands of the community that has the most direct interest in seeing those schools succeed. In fact, this district reorganization would support Governor Jerry Brown’s promotion of “subsidiarity” in government – the organizing principle that matters should be handled by the smallest, least-centralized authority that can do the job.

Since MDUSD was formed in 1948, the communities it was created to serve and the expectations for the district have changed tremendously. We believe that fundamental organizational changes are needed to improve student learning across the district. Accordingly, we strongly recommended that the Contra Costa County Committee on School District Organization and the State Board of Education approve this school district reorganization proposal so that it can be decided upon by the voters in the Northgate area, who have worked over so many years for a more responsive community-based school district.

Criterion 1: Adequate Enrollment

Relevant State Regulations

Education Code Section 35753(a)(1) - The new districts will be adequate in terms of number of pupils enrolled.

California Code of Regulations, Title 5, Section 18573(a)(1) - It is the intent of the State Board that direct service districts not be created that 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:

(A) Each such district should have the following projected enrollment on the date that the proposal becomes effective or any new district becomes effective for all purposes:

Elementary District 901

High School District 301

Unified District 1,501

(B) The analysis shall state whether the projected enrollment of each affected district will increase or decline and the extent thereof.

Description

This criterion requires consideration of the current enrollment levels, historic trends, and projections. The State expects that reorganization will not result in districts it deems too small to be efficient. The standard set for a unified school district enrollment is that they must have at least 1,501 students.

Proposed Northgate Unified School District

As discussed in more detail in Criterion 7, the enrollment of students living within the attendance boundaries of the proposed new district is estimated to be approximately 4,200-4,600 by the time the NUSD begins operation, and therefore would be sufficient to meet the standard. For the purpose of this analysis, it is presumed that the proposed Northgate Unified School District's attendance area will include the current attendance area of all 5 schools - Northgate High, Foothill Middle, Walnut Acres Elementary, Valle Verde Elementary, and Bancroft Elementary. At an enrollment of 4,200-4,600 students, it is estimated that Northgate USD would be larger than two-thirds of the school districts in California.

Proposed Mt. Diablo Unified School District

When the proposed reorganization occurs, the enrollment of the Mt. Diablo Unified School District (MDUSD) would meet the minimum 1,501 student standard with its approximate enrollment of 27,400 students. At this enrollment level, we estimate that MDUSD would be larger than 95% of the school districts in California.

Conclusion

Under state law, when school districts reorganize, the resulting districts should meet minimum enrollment standards. Assuming no drastic or unexpected change in the population of students attending public schools in the proposed Northgate USD and the resulting MDUSD attendance areas, both districts will meet the enrollment standards. Since the NUSD area is largely built out with residential units that are attractive to families with school-age children, the district is unlikely to see either large increases or decreases in enrollment. The main factor impacting enrollment in MDUSD is likely to be the build-out of the Concord Naval Weapons Station, with almost 11,000 projected residential units and approximately 6,000 school-age children. Therefore, the proposed reorganization would meet this criterion.

Primary Information Sources

- California Department of Education DataQuest Website for actual 2015-16 enrollments by county, school district, and site.

Criterion 2: Community Identity

Relevant State Regulations

Education Code Section 35753(a)(2) - The districts are each organized on the basis of a substantial community identity.

California Code of Regulations, Title 5, Section 18573(a)(2) - To determine whether the new district is organized on the basis of substantial community identity, the State Board of Education will consider the following criteria:

- A. Isolation
- B. Geography
- C. Distance between social centers
- D. Distance between school centers
- E. Topography
- F. Weather
- G. Community, school, and social ties, and other circumstances distinctive about the area.

Description

The Education Code requires that districts be organized “on the basis of a substantial community identity.” The California Code of Regulations addresses specific aspects, each of which is analyzed briefly below. These specific aspects include isolation and geography; topography and weather; distance between social and school centers; community, school and social ties; and other circumstances distinctive about the area. In addition, the *School District Organization Handbook* cites factors such as traffic and shopping patterns; recreation, sports and park usage patterns; city council activity; and architecture as important in identifying community identity.

Relevant Factor Indicating Community Identity



A strong sense of community binds the residents of the Northgate area together. The proposed NUSD area includes the eastern half of the City of Walnut Creek as well as adjacent areas within the City of Concord and Contra Costa County, and it is common to refer to the Northgate area in local advertising. The area comprises approximately 13.5% of the current residential population served by MDUSD and is located along the southern border of the district. A detailed map of the proposed NUSD appears in [Appendix 1](#).

People living in the proposed NUSD territory use common services, including shopping centers, restaurants, health clubs, parks, and recreational facilities, and attend local churches. Community youth sports programs also provide a common bond for the residents of the Northgate area, as team members are often drawn from local schools, and parents active in supporting our schools also often serve as coaches and team organizers, with most team play occurring on local playing fields. We believe that the proposed formation of NUSD would support Northgate-area residents' well-established sense of identity as a distinct, cohesive community.

The MDUSD school district offices are located in North Concord and are, on average, 7 miles from the proposed NUSD area. This typically means up to a 20-30-minute drive in the early evening to attend the school board meetings. The relative remoteness of the current MDUSD office from the Northgate area discourages many residents (and perhaps Northgate-area educators) from attending district meetings and from feeling connected to the district. Having a closer school district office for NUSD would undoubtedly increase the community's connection to the district administration.

Isolation and Geography

The proposed district boundaries for NUSD conform to the current existing school attendance boundaries. All areas are contiguous and part of a built-up suburban area.

Topography and Weather

There would be no significant impact with respect to topography as a result of the proposed reorganization. The proposed district boundaries for NUSD conform to the current existing school attendance boundaries, with few exceptions. Weather patterns do not differ in the area and are not a factor.

Distance between School and Social Centers

Heather Farms located at Ygnacio Valley Road and San Carlos Drive provides the community a comprehensive sports facility with an aquatic complex, soccer fields, baseball diamonds, and an adjacent equestrian center. The Gardens at Heather Farms provide volunteer opportunities for local families as well as educational programs on plants, gardening and landscaping. The park also contains a complex of community meeting rooms, a pre-school, and facilities used for summer youth programs serving Northgate and surrounding communities. Arbolado Park and Castle Rock Park also provide frequently-used athletic fields for community teams.

The Walnut Creek Shadelands Civic Arts facility, located at Ygnacio Valley Road and Wiget Lane, provides the community with enrichment opportunities, including art, music, and dance. The Ygnacio Valley Branch of the Contra Costa Library system provides local access to the County's extensive reading and reference collections, as well as a popular after-school gathering place for students to do school work and seek homework help. The Library also includes a multi-purpose room that is heavily used for local community meetings.

Local shopping is focused in five community-oriented retail centers (Encina Grande, Ygnacio Plaza, Citrus Center/Nob Hill Foods, Countrywood Shopping Center, and the new Orchards Center) that serve the Northgate community with coffee shops, restaurants, local merchants, and common areas where residents meet their neighbors and socialize. These local merchants have often provided financial support and in-kind donations to support the Northgate schools. Regional shopping destinations are located in downtown Walnut Creek and in the large shopping centers of Concord and Pleasant Hill.

Finally, the gymnasium at Foothill Middle School was constructed under a co-funding agreement between the current school district and the City of Walnut Creek, which allows local residents to use the facility during certain hours when it is not needed by the school. We would anticipate that this co-use arrangement would continue under management by NUSD.

The relative distances between the schools and the above-referenced social centers facilitate both spontaneous and planned get-togethers among members of the community. We do not anticipate that the creation of NUSD will change either the Northgate-area residents' or the non-residents' opportunities or uses of these facilities.

Conclusion

The vast majority of students will remain within their current attendance areas, where a sense of community identity has long been established. Due to a long-standing problem of split feeder patterns within MDUSD, a relatively small group of students on the borders of the new district will be realigned at either the high school level or the elementary school level in order to provide them with an optimal single-district matriculation through all K-12 grades. (Most of the students already try to remain in Northgate schools via MDUSD's transfer and lottery processes.) This realignment will further reinforce the sense of community and belonging for those families previously exposed to split feeder patterns, as they will be able to maintain steady friendships and community ties beginning in Kindergarten and following them all the way through the completion of high school.

MDUSD currently is one of the two largest school districts, in terms of enrollment, in Contra Costa County, and it is not identified with any particular community. It serves 10 different communities, including: the cities of Concord and Clayton; as well as most of Pleasant Hill and portions of Walnut Creek, Pittsburg, Lafayette, and Martinez; and various unincorporated areas, including Pacheco, Clyde and Bay Point. Forming a school district for the five Northgate schools in Walnut Creek will not have any adverse impact on community identities within the rest of MDUSD.

We believe that this criterion is met.

Criterion 3: Equitable Property and Facility Division

Relevant State Regulations

Education Code Section 35753(a)(3) – The proposal will result in an equitable division of property and facilities of the original district or districts.

California Code of Regulations, Title 5, Section 18573(a)(3) - To determine whether an equitable division of property and facilities will occur, the Department of Education will determine which of the criteria authorized in Education Code Section 35736 shall be applied. It shall also ascertain that the affected districts and the County Office of Education are prepared to appoint the committee described in Education Code Section 35565 to settle disputes arising from such division of property.

Education Code Section 35560 - When a school district is reorganized and when the allocation of funds, property, and obligations is not fixed by terms, conditions, or recommendations as provided by law, the funds, property, and obligations of a former district, except for bonded indebtedness, shall be allocated as follows: (a) The real property and personal property and fixtures normally situated thereat shall be the property of the district in which the real property is located. (b) All other property, funds, and obligations, except bonded indebtedness, shall be divided pro rata among the districts in which the territory of the former district is included. The basis for the division and allocation shall be the assessed valuation of the part of the former district which is included within each of the districts.

Education Code Section 35736 - Plans and recommendations may include a proposal for dividing the property, other than real property, and obligations of any school district proposed to be divided between two or more school districts, or proposed to be partially included in one or more school districts. As used in this section, “property” includes funds, cash on hand, and moneys due but uncollected on the date reorganization becomes effective for all purposes, and state apportionments based on average daily attendance earned in the year immediately preceding the date reorganization becomes effective for all purposes. In providing for this division, the plans and recommendations may consider the assessed valuation of each portion of the district, the revenue limit per pupil in each district, the number of children of school age residing in each portion of the district, the value and location of the school property, and such other matters as may be deemed pertinent and equitable. Any such proposal shall be an integral part of the proposal and not a separate proposition.

Education Code Section 35561 - Any funds derived from the sale of the school bonds issued by the former district shall be used for the acquisition, construction, or improvement of school property only in the territory which comprised the former district or to discharge bonded indebtedness of the former district, except that if the bonded indebtedness is assumed by the new district, the funds may be used in any area of the new district for the purposes for which the bonds were originally voted.

Education Code Section 35565 - If a dispute arises between the governing boards of the districts concerning the division of funds, property, or obligations, a board of arbitrators shall be appointed which shall resolve the dispute. The board shall consist of one person selected by each district from

which territory is withdrawn pursuant to a reorganization action under this chapter, one person selected by each district of which territory has become a part pursuant to that reorganization action, and either one or two persons, such that the board of arbitrators contains an odd number of persons, appointed by the county superintendent of schools of the county in which the districts are located. The districts involved may mutually agree that a person appointed as arbitrator by the county superintendent of schools may act as sole arbitrator of the matters to be submitted to arbitration. The necessary expenses and compensation of the arbitrators shall be divided equally between the districts, and the payment of the portion of the expenses is a legal charge against the funds of the school districts. The arbitrator or arbitrators shall make a written finding on the matter submitted to arbitration. The written finding and determination of a majority of the board of arbitrators is final and binding upon the school districts submitting the question to the board of arbitration.

Property and Funds

As stated above, if two new school districts are formed from the existing school district, the real property, personal property and fixtures at each school site would be owned by the district where each school is located. All other property, funds and obligations (except bond indebtedness) must be divided pro rata between the two districts.

Education Code Section 35736 allows a variety of ways (e.g., assessed valuation, average daily attendance, and value/location of the property) to divide the remaining property and funds equitably. If the petition is approved, a Board of Arbitrators should be appointed in accordance with Education Code Section 35565 to resolve any potential disputes over the disposition of property, funds, and obligations. Since the passage of Proposition 13, the most common method for dividing property is the average daily attendance (ADA). As summarized in the following table and based on 2015-16 enrollment data from the CDE DataQuest website, approximately 13.5% of the assets and liabilities (excluding bond indebtedness) of the current Mt. Diablo Unified School District (MDUSD) would transfer to the new Northgate Unified School District (NUSD). That would mean 86.5% of the assets and liabilities would remain with the new MDUSD.

Figure 3.1: Method for Distributing Property and Funds Based on ADA Enrollment

School/Entity	Total Enrollment (1)	ADA Rate (2)	ADA Enrollment	Relative %
NUSD				
Bancroft Elementary	559			
Valle Verde Elementary	466			
Walnut Acres Elementary	617			
Foothill Middle	1,043			
Northgate High	1,599			
Total NUSD Enrollment	4,284	97.5%	4,177	13.5%
Remaining MDUSD (3)	27,473	97.5%	26,786	86.5%
Total	31,757	97.5%	30,963	100.0%

1. Total 2015-16 enrollment reported in California Department of Education DataQuest website.
2. 2015-16 estimated ADA rate reported in MDUSD 2016-17 Adopted Budget.

3. Excludes the enrollment of the Eagle Peak Montessori Charter School.

Bond indebtedness of the two school districts would be based on relative assessed property valuations. As summarized in the following table from current property information obtained from the Contra Costa County Assessor's Office, NUSD holds approximately 18.1% of the assessed valuation in the current MDUSD district. Using assessed valuation for the apportionment, 18.1% of the current district's bond indebtedness would transfer to NUSD and 81.9% would remain with the new MDUSD.

Figure 3.2: Method for Distributing Property and Funds Based on Assessed Valuation

Entity	Total Assessed Valuation (1)	Relative %
NUSD (2)	\$6,559,148,137	18.10%
Remaining MDUSD	<u>\$29,676,903,081</u>	<u>81.90%</u>
Total (3)	\$36,236,051,218	100.00%

1. Total 2016-17 tax base for the secured roll net of local exempt amounts obtained from the Contra Costa County Assessor's Office.
2. Total 2016-17 tax base for the properties within the proposed NUSD boundary.
3. Total 2016-17 tax base for the properties within the current MDUSD boundary.

Figure 3-3 – Projected Allocation of Assets and Liabilities

The table below provides an overview of how the assets and liabilities as of June 30, 2016, would be split between the two school districts, based on the proposed distribution methods.

	Basis of Division (1)	Total	NUSD	MDUSD
ASSETS (2)				
General Fund Unrestricted and Restricted	ADA	95,812,705	12,934,715	82,877,990
Adult Education Fund	ADA	1,723,781	232,710	1,491,071
Cafeteria Special Revenue Fund	ADA	4,036,916	544,984	3,491,932
Deferred Maintenance Fund	ADA	8,389	1,133	7,256
Building Fund	ADA	44,475,289	6,004,164	38,471,125
Capital Facilities Fund	ADA	7,046,352	951,258	6,095,094
County School Facilities Fund	ADA	2,186,712	295,206	1,891,506
Capital Project Fund for Blended Component Units	ADA	787,170	106,268	680,902
Bond Interest and Redemption Fund	Assessed Valuation	<u>31,903,286</u>	<u>5,774,495</u>	<u>26,128,791</u>
Total Assets		187,980,600	26,844,932	161,135,668
LIABILITIES (3)				
General Obligation Bonds	Assessed Valuation	499,972,231	90,494,974	409,477,257
Capital Leases	ADA	2,220,206	299,728	1,920,478
Construction Loan	ADA	4,326,049	584,017	3,742,032
Net Pension Liability	ADA	255,536,539	34,497,433	221,039,106
Compensated Absences	ADA	2,938,779	396,735	2,542,044
Post-Employment Benefits	ADA	<u>44,387,681</u>	<u>5,992,337</u>	<u>38,395,344</u>
Total Liabilities		809,381,485	132,265,223	677,116,262

1. Asset/liability division percentages:
 - a. ADA Enrollment: NUSD - 13.5%; MDUSD - 86.5%
 - b. Assessed Valuation - NUSD - 18.1%; MDUSD - 81.9%
2. Fund balances reported in MDUSD 2015-16 Audited Financials.
 - a. Excludes Fiduciary Funds Foundation Private-Purpose Trust Fund, Student Body Funds, and Debt Service Fund for Special Assessment Debt/CFD Bonds) and Charter Schools Special Revenue Fund. This latter fund likely will be assumed entirely by one of the two entities.
3. Long-term debt reported in 2015-16 Audited Financials. Excludes Special Assessment Debt/CFD Bonds.

Property Tax Revenue

Section 99 of the Revenue and Taxation Code determines how property tax revenue resulting from school district reorganization will be distributed. The county assessor is required to notify the county auditor of the assessed valuation of the two territories. The county auditor then estimates the amount of property tax revenue generated in the territories and notifies the governing boards of the two territories of this amount. The governing boards of the districts must negotiate the property tax exchange within sixty days of being notified by the county auditor or the County Board of Education determines the exchange. In almost all cases, the tax revenue generated is transferred to the district receiving the territory. However, Section 99 of the Revenue and Taxation Code stipulates that the division of property tax revenues is subject to negotiation.

Bonded Indebtedness

As reported in the MDUSD 2015-2016 Audited Financial Statements, the outstanding bond debt (including \$19.1 million of accreted interest and \$31.5 million of unamortized insurance premiums) totaled \$500 million for MDUSD as of June 30, 2016. This debt comprises the following elements:

- A total of \$176 million of Refunding Bonds were issued in 2011-2013. These bonds were issued partly to replace the 2002 General Obligation Bond with lower-cost bonds.
- A total of \$309 million has been issued from the \$348 million General Obligation Bond approved by voters in 2010. In September, 2016, the MDUSD Board authorized the sale of the final \$38.5 million of this bond.

Figure 3-4 – Bonded Debt

The table below shows dates, amounts, type of issuance, and outstanding principal amounts for currently outstanding and/or refinanced MDUSD bonds.

Bond	Issue Date	Maturity Date	Original Issue - \$	Bonds Outstanding 6/30/16 - \$ (1)
General Obligation Bonds				
2002 Election - Measure C				
2010 Election - Measure C				
Series A	9/30/2010	8/1/2035	50,456,475	50,456,475
Series B	9/30/2010	8/1/2027	59,540,000	54,175,000
Series C	4/12/2011	8/1/2025	3,865,000	3,860,000
Series D	4/12/2011	8/1/2031	7,133,582	6,891,310
Series E	6/20/2012	6/1/2037	149,995,000	136,860,000
Series F	7/15/2015	8/1/2025	38,500,000	38,500,000
Accreted Interest				19,115,573
Refunding Issues (2)				
Series 2011	6/21/2011	8/1/2026	37,790,000	28,115,000
Series B	12/29/2011	7/1/2023	43,700,000	38,320,000
Series B-2	4/5/2012	7/1/2029	40,540,000	39,955,000
Series C	4/10/2013	6/1/2031	54,015,000	52,200,000
Unamortized Issuance Premium				31,523,873
Total Bonded Debt				499,972,231

1. As reported in the MDUSD 2015-16 Audited Financial Statements. Excludes Special Assessment/CFD Bonds.
2. Refunded bonds to replace more expensive bonds approved by voters in the Measure C 2002 election.

The outstanding bond debt should be considered in relation to the net bonding capacity of the school districts formed by the proposed reorganization. Per Education Code Section 15270, the outstanding bond debt of unified school districts may not exceed 2.5% of its most current taxable property assessment. Figure 3-5 below reflects the current assessed values for the two school districts obtained from the Contra Costa County Assessor's Office. It appears that both school districts would have adequate bonding capacity for future needs, especially for MDUSD with the increase in assessed valuation resulting from the expected residential and commercial development of the Concord Naval Weapons Station (CNWS) over the coming years. Plans under consideration include over 3 million square feet of commercial space and almost 11,000 homes (more homes than in the proposed NUSD territory) (Lennar). For tax purposes, the new CNWS development would all be assigned new construction values, rather than being taxed at legacy Prop 13 values, which are usually well below market.

Figure 3-5: Bonding Capacity

Both districts, post reorganization, are expected to have *additional unused* bonding capacity that is greater than 80% of current outstanding bond debt.

	Current Capacity	New Capacity	
	MDUSD	NUSD	MDUSD
Assessed Value (1)	36,236,051,218	6,559,148,137	29,676,903,081
Relative Assessed Values		18.10%	81.90%
Bonding Capacity (2)	905,901,280	163,978,703	741,922,577
Current Outstanding Bonds (3)	499,972,231	90,500,808	409,471,423
Net Bonding Capacity (4)	405,929,049	73,477,895	332,451,154

1. Total 2016-17 tax base for the Secured Roll net of local exempt amounts obtained from the Contra Costa County Assessor's Office for the current MDUSD and proposed NUSD territories. The assessed value for the new MDUSD territory was determined by deducting the total NUSD assessed value from the current total MDUSD assessed value.
2. Assessed value times 2.5% as stipulated in Ed. Code 15270.
3. As reported in the MDUSD 2015-16 Audited Financial Statements. It is assumed that the outstanding bonds will be spent/allocated in proportion to the assessed values of the two district territories. Total outstanding amount includes accreted interest and unamortized insurance premium.
4. Includes the \$38.5 million of remaining authorized but unissued bonds from the Measure C 2010 election that are expected to be sold in the future. In September, 2016, those remaining bonds were authorized for issuance.

The District, through its Measure C Bond Committee, will need to complete a facility needs assessment before spending the proceeds from the remaining \$38.5 million of bonds. Given this proposal for dividing the district, we expect that the Bond Committee will need to demonstrate that these remaining bond expenditures will be divided equitably between the two districts.

While the current assessed valuation ratios would indicate that approximately 18.1% of the outstanding bond indebtedness would be transferred to NUSD and the remaining 81.9% would remain with the MDUSD, the actual allocation is subject to negotiation. In any case, it appears that after the reorganization, MDUSD will still have significant unused bonding capacity (before consideration of new bonding capacity from development of the Concord Naval Weapons Station).

Other Considerations

There are other issues regarding the distribution of property, funds, and obligations that will need to be resolved between the two districts. These issues likely will be subject to negotiation and/or require the assistance of the Board of Arbitrators. Below are two issues:

1. Currently, the MDUSD District Office, Maintenance and Operations, and Transportation Yard facilities are located in the territory of the new MDUSD. After the reorganization, these sites would remain the property of the new MDUSD. This would require that the new NUSD would need to find its own accommodations for the displaced offices and ancillary services. The property at these facilities would need to be distributed between the two districts. For example, school buses are one asset group that needs to be divided pro rata. However, the two districts may decide to have all buses remain with MDUSD while compensating NUSD in some way. If NUSD were to contract with MDUSD to provide transportation services (e.g. for special ed students), it would make sense for the buses to remain with MDUSD. In absence of a mutual agreement, the Board of Arbitrators would make the final and binding decision regarding the placement of buses.
2. There may be other facility needs that will result from program needs related to the reorganization (e.g. for alternative education). This issue is discussed in more detail under Criterion 6.

Conclusion

As discussed above, we believe that property can be distributed in a reasonable and fair manner at the reorganization. It seems appropriate to use ADA as the basis for dividing district property, since ADA reflects student usage of district property. Bond indebtedness for each district should be based on assessed valuation, which determines ability to repay bonds and bonding capacity for future debt.

Under that division, MDUSD would likely retain total bonding capacity considerably in excess of its currently allocated bond indebtedness. The recommended allocations in this section will need to be updated with new financial information, as well as updated projections on build-out of the Concord Naval Weapons Station, as of the effective date of the reorganization. (We project that the nearly 11,000 proposed residential units alone will add \$180-200 million to MDUSD's bonding capacity, before consideration of additional retail and office development on the property.) Nevertheless, using current financial data, we believe that this criterion is met.

Primary Information Sources

- MDUSD 2015-2016 Audited Financial Statements
- California Department of Education DataQuest Website
- Secured Roll of 2016-2017 tax base information from the Contra Costa County Assessor's Office

Criterion 4: Non-promotion of Racial/Ethnic Discrimination or Segregation

Relevant State Regulations

Education Code Section 35753(a)(4) - The reorganization of the school districts will not promote racial or ethnic discrimination or segregation.

California Code of Regulations, Title 5, Section 18573(a)(5) (A-E) - To determine whether the new districts will promote racial or ethnic discrimination or segregation, the State Board of Education will consider the effects of the following factors:

(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 school 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 entire school 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 to alleviate racial or ethnic discrimination or segregation.

(D) The effect of factors such as distance between schools and attendance centers, terrain and 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.

The California Department of Education District Organization Handbook provides guidelines for analyzing this criterion in the section entitled “Handbook for Conducting Racial and Ethnic Studies in School Districts”. This information and guidance will be referred to as The Handbook for the remainder of this chapter.

Key Definitions Outlined in The Handbook

- **promotion of segregation** - a situation in which minority enrollment in a district or school changes from “proportionate” to “disproportionate.” According to The Handbook, the California Supreme Court’s definition of disproportionate enrollment indicates that “minority students are isolated and deprived of an integrated educational experience.” Typically, 75 percent minority enrollment constitutes disproportionate enrollment. Sixty to 65 percent “may also be considered disproportionate if records over a significant period of time (at least five years) and an assessment of present and future demographic factors indicate the minority

percentage has been steadily increasing and will likely continue to do so.” However, the statutes allow for some flexibility in the quantitative application of this criterion, focusing on a before-and-after comparison rather than a strict numeric threshold. In recognition of this lack of clarity, the State Board of Education has been instructed in workshops that they could find violations of this criterion whenever:

1. The minority group percentage in a district or affected schools is more than 50-60 percent as a result of the proposed transfer or reorganization, or becomes more than 50-60 percent as a result of the proposal and is steadily increasing; and
2. The trend and rate of minority group increase has been in evidence over a period of at least five years; and
3. The trend will likely continue and become ‘disproportionate’ in five years or less. This determination relies on the use of statistical data and analysis procedures.

- **minority groups** - includes Hispanic, African American (not of Hispanic origin); Asian American Indian/Alaskan Native; Filipino; and Pacific Islander. For the purposes of applying this criterion, all minority students are combined into one unit to compare the group with a white student group.

- **integrated educational experience** - the process of education in a racially and ethnically diverse school that has as its goal equal opportunities for participation and achievement among all racial and ethnic groups in the academic program and other activities of the school, together with the development of attitudes, behavior, and friendship based on the recognition of dignity and value in differences as well as similarities. Under this definition, segregated schools are so [quantitatively] disproportionate that minority students feel isolated from other students, which deprives them of an “integrated educational experience.” This is the same definition developed by the California Department of Education Intergroup Relations Office and is used as a standard for determining under what circumstances segregation is occurring.

Process Outlined in The Handbook

The Handbook also details the process for presenting, summarizing and analyzing the “Findings of Fact” as required in applying the relevant sections of the California Code quoted at the beginning of this section. The following pages present information following this procedure.

Step 1: Findings of Fact

Prepare tables and description of racial/ethnic enrollment of—

1. Existing and proposed districts;
2. Affected schools;
3. Adjacent schools in areas of affected districts that could be affected by the proposal;
4. Comparison of existing and proposed districts and affected schools (i.e., before and after). (At this point of comparison disproportionate differences in minority and racial/ethnic enrollment could indicate a promotion of segregation.)

This step requires consideration of the current and future minority enrollment at the schools involved. This analysis includes all of the schools currently in MDUSD. Furthermore, projections are based on the assumption that the reorganization results in NUSD comprising the following schools: Bancroft Elementary, Valle Verde Elementary, Walnut Acres Elementary, Foothill Middle and Northgate High School. The Mt. Diablo Unified School District would comprise the remaining schools.

Existing and Proposed Districts: Current Enrollment

As shown in Figure 4.1 below, during the 2015-2016 school year approximately 58.5% of the MDUSD’s students were minority. This compares to the minority student percentages of 61.5% for Contra Costa County and 72.2% for the State of California. This MDUSD minority student percentage increases to an estimated 62.6% when students who would be attending the new NUSD are excluded from the MDUSD calculation (i.e., post-reorganization). During the 2015-16 school year, including transfer students, NUSD minority students would have constituted an estimated 33.8% of total NUSD students while white students would have constituted an estimated 56.3% of NUSD students (“Other” being the remainder).

Figure 4.1: District 2015-2016 Student Enrollment by Key Ethnic Groupings

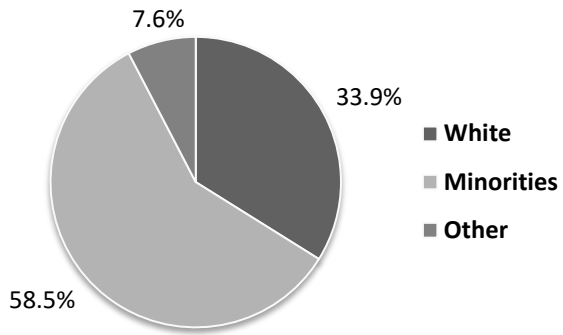
District	Minorities (1)	White (2)	Other (3)	Total Enrollment
Current MDUSD (4)	58.5%	33.9%	7.6%	32,005
New MDUSD (5)	62.6%	30.1%	7.3%	27,401
Current NUSD (6)	33.7%	56.8%	9.5%	4,284
New NUSD (7)	33.8%	56.3%	9.9%	4,604

Source: CA Dept. of Education DataQuest website

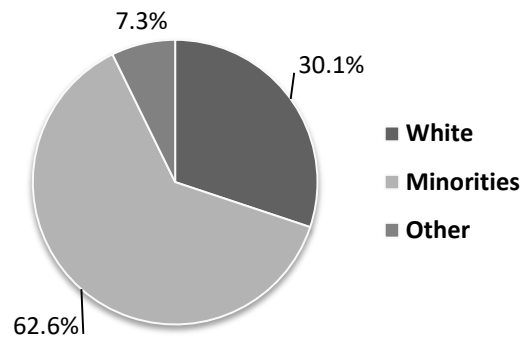
1. Comprises Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
2. Comprises only the "Whites, not Hispanics" student group.
3. Comprises the "2 or More Races, not Hispanics" and "Not Reported" student groups.
4. Includes the 5 Northgate schools.
5. Excludes the 5 Northgate schools and estimated Highlands students who will attend Northgate elementary schools.
6. Students who attended the 5 Northgate schools in 2015-16.
7. Also includes the estimated Highlands students who will attend Northgate schools

The charts on the following page illustrate the minor changes in each district, before and after reorganization.

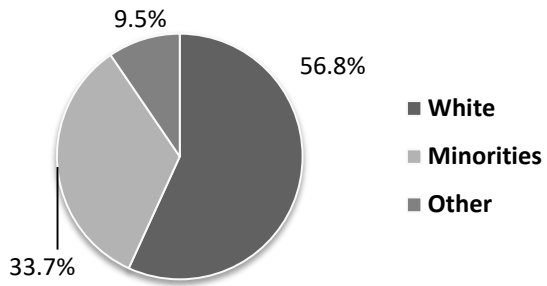
Current MDUSD



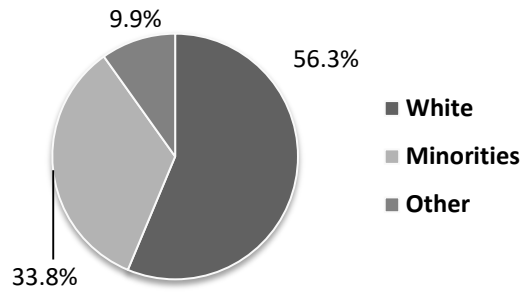
New MDUSD



Current NUSD Schools



New NUSD



Affected Schools: Current Enrollment

The plan for NUSD emphasizes preserving existing student populations (including transfer students) at the five Northgate-area schools, whose attendance boundaries were set by MDUSD. The historical MDUSD attendance boundaries as of April 24, 2016 are being altered only where we can fix split feeder patterns, to keep students with their cohort classmates through K-12 – for several communities a longtime goal that MDUSD has been unable to achieve.

Elementary Schools – MDUSD and NUSD students will continue to attend the same elementary schools except for the estimated 325 K-5 students living in the Walnut Country and Crystyl Ranch neighborhoods in the city of Concord. Currently, these students experience a split attendance pattern after leaving Highlands Elementary School (an MDUSD school). Some move on to Pine Hollow MS (which will remain an MDUSD school) and then to Northgate HS, while others matriculate to Foothill MS and then to Northgate HS (both to become NUSD schools). In order for these students to remain in the same school district throughout their entire K-12 education, these K-5 students will need to attend one of the three NUSD elementary schools (Bancroft, Valle Verde, or Walnut Acres). As discussed further in Criterion 7, these additional 325 students can be accommodated in the three NUSD elementary schools.

It is possible that many students attending Highlands at the time of the transition will wish to continue there, meaning that the impact on the three NUSD elementary schools could be phased in over time, perhaps beginning with the incoming K and Grade 1 classes. We would hope that MDUSD would work collaboratively with us to pursue the best interests of students at all four elementary schools. Given the ultimate decline in enrollment at Highlands, a transitional approach would give MDUSD time to develop new programs or attendance policies to attract students to that well-regarded school.

Middle and High Schools – Currently, only approximately 30 students who originally attended Bancroft Elementary School attend Oak Grove Middle School and Ygnacio Valley High Schools (MDUSD schools). With the creation of NUSD, those Bancroft Elementary School students would be assigned to attend Foothill Middle and Northgate High Schools. (We are proposing that NUSD permit inter-district transfer requests out to any other public district that a student wishes to attend. So students in the current Bancroft attendance area who wish to attend MDUSD schools would be permitted to do so.) If no students from Bancroft choose to attend Oak Grove Middle or Ygnacio Valley High School, their enrollment would decline by only a small amount (a maximum decline of 2-3%), which is within normal variability in year-to-year enrollment.

Other Comments – the overall district race/ethnicity percentages as a result of the above school enrollment changes should not change materially. Similarly, the ethnicity percentages of the following three MDUSD schools should not change materially (the below percentages reflect 2015-2016 data):

1. The percentage of minority students at Ygnacio Valley High School should remain around 84%.
2. The percentage of minority students at Oak Grove Middle School should remain around 93%.
3. The percentage of minority students at Highlands Elementary School should remain around 36%.

Proposed Districts and Affected Schools: Future Enrollment

Except for the above school enrollment changes, total enrollment of the two districts is not expected to change materially for the foreseeable future. Over time, the additional NUSD students discussed above will be offset with inter-district transfers currently attending Foothill Middle and Northgate High Schools either returning to their resident schools or graduating. The status of intra-district transfers becoming

inter-district transfers presents considerable uncertainty, as it depends on decisions made by those families, and more important, transfer policies enforced by MDUSD, neither of which is within the control of NUSD. The best approach would be for the two districts to discuss mutually agreeable arrangements that keep the interests of the students as the top priority. Longer term, total MDUSD enrollment should increase with the development of the Concord Naval Weapons Station in Concord, which is projected to include nearly 11,000 new residential units and as many as 6,000 school-age students.

Step 2: Prepare tables and description of the trends and rates of change in racial/ethnic enrollment and other changes in demographic conditions.

For this step, this analysis includes an examination of historical enrollment trends in the two school districts (MDUSD and NUSD). The first two tables that follow summarize the enrollment of minority students (Figure 4.2) and white students (Figure 4.3) in the two proposed school districts over the past 20 years compared to Contra Costa County and the State of California. Figure 4.4 summarizes the composition by major ethnic category (i.e., all minority groups combined, white and other) **by grade** for students attending the five Northgate schools over the past 20 years, reported in 5-year increments. More detailed demographic and enrollment data over this time period, including information by grade and school, is provided in Appendix 2.1.

As shown below, minority enrollment has increased consistently over the last 20 years in both of the proposed school districts as well as Contra Costa County and the State of California, although the rate of increase has slowed in the past few years. White enrollment has declined in all of these entities during this same time period, with the rate of decline being slightly higher in both MDUSD and NUSD.

Figure 4.2: Minority Enrollment Percentage By Entity By Year

Year	State of California	Contra Costa County	NUSD (1)	MDUSD (incl. NUSD)	MDUSD (excl. NUSD)
2015-16	72.2%	61.5%	33.8%	58.5%	62.6%
2014-15	72.0%	60.9%	34.4%	58.0%	62.0%
2013-14	71.7%	60.3%	34.2%	57.7%	61.6%
2012-13	71.4%	59.4%	33.0%	56.3%	60.1%
2011-12	71.0%	58.6%	32.4%	54.6%	58.0%
2010-11	70.5%	55.3%	30.9%	53.7%	57.1%
2005-06	67.7%	51.9%	28.3%	46.9%	49.8%
2000-01	63.5%	46.5%	23.9%	37.7%	39.9%
1995-96	59.6%	41.5%	22.3%	31.1%	32.5%
Annual Increase (2)	0.3%	0.7%	0.3%	0.7%	0.8%

Source: CA Dept. of Education DataQuest website

Above minority percentages comprise Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.

1. Adjusted for the estimated number of Highlands Elementary School students who would attend NUSD elementary schools.
2. Average annual increase of last 3 years.

Figure 4.3: White Enrollment Percentage By Entity By Year

Year	State of California	Contra Costa County	NUSD (1)	MDUSD (incl. NUSD)	MDUSD (excl. NUSD)
2015-16	24.1%	32.6%	56.3%	33.9%	30.1%
2014-15	24.6%	33.7%	56.6%	35.5%	31.9%
2013-14	25.0%	34.7%	58.4%	37.1%	33.6%
2012-13	25.5%	35.6%	59.8%	37.4%	33.8%
2011-12	26.1%	36.9%	62.6%	40.6%	37.3%
2010-11	26.6%	37.6%	65.6%	43.0%	39.7%
2005-06	30.3%	44.6%	71.7%	53.1%	50.2%
2000-01	35.9%	52.5%	76.1%	62.2%	60.1%
1995-96	40.4%	58.5%	77.7%	68.9%	67.5%
Annual Decrease (2)	0.5%	1.0%	1.2%	1.2%	1.2%

Source: CA Dept. of Education DataQuest website

Comprises only the "Whites, not Hispanics" student group.

1. Adjusted for the estimated number of Highlands Elementary School students who would attend NUSD elementary schools.
2. Average annual decrease of last 3 years.

Figure 4.4 – Composition of Northgate Students by Major Ethnic Grouping by Grade by Year

Year	Grade												
	K	1	2	3	4	5	6	7	8	9	10	11	12
2015-16													
Minority (1)	29.9%	32.1%	27.8%	31.8%	33.0%	34.3%	31.4%	28.9%	35.7%	36.4%	38.9%	35.1%	37.2%
White (2)	55.0%	50.7%	49.4%	55.4%	56.1%	53.9%	57.1%	60.6%	62.3%	58.7%	54.1%	59.4%	61.0%
Other (3)	15.1%	17.2%	22.9%	12.8%	11.0%	11.8%	11.5%	10.5%	1.9%	4.9%	7.0%	5.4%	1.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2010-11													
Minority (1)	27.1%	28.9%	25.6%	35.4%	27.4%	34.3%	31.3%	30.4%	33.2%	31.9%	29.8%	29.4%	31.5%
White (2)	56.8%	59.7%	65.0%	62.1%	70.1%	63.7%	68.1%	69.6%	66.0%	65.6%	68.8%	69.5%	67.6%
Other (3)	16.2%	11.4%	9.3%	2.5%	2.5%	2.1%	0.6%	0.0%	0.8%	2.5%	1.3%	1.0%	0.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2005-06													
Minority (1)	30.3%	27.0%	25.7%	28.4%	24.8%	24.5%	26.4%	25.6%	26.9%	31.3%	30.3%	27.9%	30.6%
White (2)	69.7%	73.0%	74.3%	71.6%	75.2%	75.5%	73.6%	74.4%	73.1%	68.7%	69.7%	72.1%	69.4%
Other (3)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2000-01													
Minority (1)	18.6%	18.8%	21.5%	24.6%	21.2%	23.1%	21.7%	24.6%	24.8%	27.4%	27.3%	28.7%	24.0%
White (2)	81.4%	81.2%	78.5%	75.4%	78.8%	76.9%	78.3%	75.4%	75.2%	72.6%	72.7%	71.3%	76.0%
Other (3)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1995-96													
Minority (1)	18.9%	20.4%	21.0%	20.2%	22.2%	16.8%	25.5%	17.7%	28.3%	24.0%	25.8%	23.9%	21.1%
White (2)	81.1%	79.6%	79.0%	79.8%	77.8%	83.2%	74.5%	82.3%	71.7%	76.0%	74.2%	76.1%	78.9%
Other (3)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: CA Dept. of Education DataQuest website

1. Comprises Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
2. Comprises only the "Whites, not Hispanic" ethnic group.
3. Comprises "2 or More Races, not Hispanic" and Not Reported groups.

More detailed demographic information by school and grade is provided in Appendix 2.1.

Above K-5 data includes only students from Bancroft, Valle Verde and Walnut Acres Elementary Schools. It does not include students from Highlands Elementary School.

We should note that:

- The percentages of the minority and white enrollments summarized above in Figures 4.2 and 4.3 do not sum to 100% for the reported entities because two other students groups, “2 or More Races, Not Hispanic” and “Not Reported”, are not included in the above numbers. Students of two or more ethnic races are becoming a significant and growing demographic group, especially among the K-5 students in the NUSD and MDUSD geographical areas.
- The future development of the Concord Naval Weapons Station and expected construction of nearly 11,000 homes may increase the percentage of white students in MDUSD and decrease the overall percentage of minority students in MDUSD.
- The school enrollment and ethnicity data reported in the California Department of Education DataQuest system is based on attendance area. Similar numbers reported by school of

residence area (i.e., excludes the impact of intra- and inter-district transfers on the enrollment and ethnicity data) are not readily available to the public. Such numbers would have to be obtained by the County/State. The above ethnicity percentages should not change significantly if they are based on school/district of residence. For example, from data received from MDUSD, it is estimated that the percentage of white students in NUSD would increase 2-3% if enrollment was based solely on residence.

Key observations from the above tables include:

- The percentage of minority students in MDUSD (both pre and post- reorganization) closely approximates the percentage of minority students for Contra Costa County as a whole. This is not surprising, considering how large MDUSD is and how it spans 10 different communities in central Contra Costa County (Concord and Clayton; as well as most of Pleasant Hill and portions of Walnut Creek, Pittsburg, Lafayette, and Martinez; and unincorporated areas, including Pacheco, Clyde and Bay Point.)
- The departure of the Northgate-area schools would leave MDUSD with a small increase in the percentage of minority students (58.5% to 62.6%).
- Based on the above demographics and the rate of change over the last three years for minority students (which shows a declining rate of change in MDUSD, Contra Costa County, and the State of California), it is estimated that in five years the percentage of minority students would be as follows:
 - MDUSD (pre-reorganization) – 62.1%
 - MDUSD (post-reorganization) – 66.9%
 - NUSD – 35.2%
 - Contra Costa County – 65.0%
 - State of California – 73.6%
- As shown in Figure 4.4, the percentage of white students in the five Northgate schools has declined consistently and significantly over the past 20 years, in all grades. Based on recent trends (especially matriculating high school students being replaced in the system by new K-5 students who are more ethnically diverse), we estimate that the percentage of NUSD white students would decline from a current 56.3% to 50.5% in five years.
- The percentage of MDUSD minority students in five years (66.9%) is projected to remain well below the 75% threshold for disproportionate enrollment.

Step 3: Prepare description and assessment of various factors that affect feasibility of integration: distance between schools, safety, capacity of schools, geographic features, etc.

If the reorganization goes forward, two unified school districts would be created. MDUSD allows students to choose any district school subject to capacity, and NUSD would follow the same policy at the elementary grades (where more than one option is available). We are proposing that NUSD allow transfers out to any other district, and given its capacity, the new district will have room for incoming transfers from other districts. We would hope that MDUSD would continue to allow student transfers to

NUSD schools, as is done now. But if MDUSD decides to restrict transfer choices, given the proximity of significant minority populations within a 20-minute drive of NUSD, we believe that there could be sizeable interest in NUSD schools among those communities. Any integration plans beyond the scope of the MDUSD and NUSD policies outlined above would require new cooperation across multiple district boundaries.

Step 4: Prepare description and assessment of district policies and desegregation programs or plans, voluntary or court ordered.

MDUSD is under no court orders to desegregate. Any current policies were adopted voluntarily. In addition, as far as we know, MDUSD has no policies specifically targeting desegregation.

Step 5: Prepare description and assessment of the duty of affected districts to take reasonable and feasible steps to alleviate segregation.

Based on an analysis of the data presented in Steps 1 and 2, minority enrollment in the resulting school districts would not exceed the standards used by the State Board of Education to determine when segregation occurs. Since the proposal for NUSD is using historical attendance boundaries assigned by MDUSD, there should be no significant demographic changes in resident student populations for any NUSD school. Since NUSD is proposing to continue current student transfer policies, there should be no significant changes in school transfer populations. In sum, Northgate-area schools should experience no change in minority population percentages from this reorganization.

Summary Statement: Findings of Fact and Conclusion

Step 6: Summarize all conditions or changes that would occur if the proposal were approved that would promote segregation, referring only to data or information given in Steps 1 through 5.

We do not believe that any aspects of this proposal promote segregation. The proposed attendance boundaries for NUSD schools are based on the attendance boundaries established years ago by MDUSD, and we are proposing to accept numbers of transfers from MDUSD neighborhoods outside NUSD that are equivalent to what the Northgate-area schools have now. In fact, with more control over transfer assignments and facilities planning in NUSD, we believe that the new district could accept a *higher* number of out-of-area transfer students to increase diversity in the local student population considerably *above* where it is now.

Step 7: Prepare a concluding statement to indicate whether the proposal promotes segregation of discrimination.

Since students' experience of diversity is formed primarily at their own school site, we believe the primary criterion to consider is whether diversity in their school is changing. We have shown that without changing attendance areas or transfer policies for the Northgate-area schools, there is no reason to expect any significant demographic changes in the student populations at the five NUSD schools. If MDUSD decides to restrict transfers into NUSD, we believe that there would be ample demand from elsewhere to attend our schools, creating perhaps an even more diverse student population than we have now.

NUSD is being created from the Northgate HS feeder pattern of MDUSD. We do not believe that comparisons between MDUSD's *overall* demographics and the *portion* of MDUSD that is to become NUSD provides any useful guide for evaluating this proposal, because those differences already exist *now*. There is no reason to expect every high school feeder pattern in a district to precisely mirror the district's overall demographics. Therefore, breaking out almost any high school feeder pattern would present different percentages than for the district overall, and that is the case with NUSD. If such changes were not permitted, then MDUSD could not ever be reorganized.

Individual feeder patterns tend to be dominated by certain housing patterns, which are highly related to household income. Therefore, it is not surprising that overall enrollment of minority students in NUSD – as well as other feeder patterns in MDUSD – differs from the percentages of minority enrollment in MDUSD as a whole. As one can see in the table below, only the departure of the YVHS or Concord HS would leave MDUSD demographics essentially unchanged. Separating the College Park HS feeder pattern would have an effect similar to NUSD, and the separation of MDHS would have an even more pronounced impact on the remaining district, only in the direction of decreasing the percentage of minority students, rather than increasing it.

Figure 4.5 - Ethnic Composition of 2015-16 Student Population, Summary of Feeder Pattern Impacts on Minority Ethnic Population

Feeder Pattern	Impact on MDUSD - % of Minorities		% of Minorities In Feeder Pattern
	Incl. Feeder Pattern	Excl. Feeder Pattern	
Northgate (1)	58.5%	62.6%	33.8%
College Park	58.5%	62.8%	43.1%
Ygnacio Valley	58.5%	56.1%	72.2%
Concord	58.5%	57.5%	64.9%
Mt. Diablo	58.5%	47.9% (2)	81.3%

Source: CA Dept. of Education DataQuest website

Above minority percentages comprise Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.

1. Adjusted for the estimated number of Highlands Elementary School students who would attend NUSD elementary schools.
2. Percentage influenced by high number of students included in the Mt. Diablo feeder pattern calculation.

The relevant Education Code sections, regulations, and steps outlined in The Handbook permit differences *within and between districts*. Nothing in the creation of NUSD would materially change the racial or ethnic balances at any MDUSD or NUSD school site, since enrollments and attendance areas would remain substantially unchanged pre and post-reorganization. Based on the standards and conditions outlined in The Handbook, the minority population of the resulting Mt. Diablo Unified School District would remain materially below the 75 percent mark over the next five years. The population of minority students, especially Hispanics, will certainly grow, but based on the data described in Steps 1 and 2, it will not grow to such a level as to merit concern about segregation. Furthermore, the percentage of minority MDUSD students (post-reorganization) will be comparable to the Contra Costa County average and below the State average. In addition, reflecting current trends throughout California, we estimate that in five years the percentage of white students in the new NUSD will decline to approximately 50%, and fall below that level soon thereafter.

The above data and analysis show that the reorganization of the two proposed school districts will not promote racial or ethnic discrimination or segregation. Therefore, this criterion is met. Note: The methodology and format used in this Section was adapted from the Santa Monica-Malibu Unified School District Feasibility Report that is available on the internet.

Primary Information Sources

- California Department of Education DataQuest Website
- California Department of Education District Organization Handbook
- 2013 Feasibility Analysis of Proposed Santa Monica-Malibu Unified School District Reorganization prepared by WestEd

Criterion 5: No Increase in State Costs

Relevant State Regulations

Education Code Section 35753(a)(5) - The proposed reorganization will not result in any substantial increase in costs to the state.

Background

The State has defined a substantial increase to be a cost increase above 10%. The factors which should be considered in evaluating this criterion include:

- The State's cost of the LCFF revenue of the district losing the students.
- The State's cost of the LCFF revenue of the district gaining the students.
- A comparison of the above LCFF revenue to the LCFF revenue of the district prior to the reorganization.
- The revenue of other State special and categorical programs of the two districts combined compared to the special and categorical program revenue of the district prior to the reorganization.
- The effect of the reorganization on the two district's home-to-school and special education transportation costs and related state reimbursement.
- Additional State costs for school facilities.

Analysis

To examine this criterion, this section focuses on the following areas:

- LCFF revenue.
- Special categorical program and revenue.
- Transportation and facility costs.

This analysis assumes that the petition will result in the creation of two unified school districts. In addition, neither district would be a Basic Aid District, thereby not impacting per pupil funding any more than described below.

LCFF Revenue

It is estimated that the LCFF revenue of the two districts will be impacted as follows:

- **Base grant revenue** – the two school districts should have similar LCFF grade span rates as the MDUSD rates prior to reorganization. Any differences (e.g., due to different grade span deficits or relative student grade span enrollment differences) should not be material. As a result, the base grant revenue of the two districts in total should be very close to the base grant revenue of the original MDUSD.
- **Supplemental grant revenue** – the higher per pupil supplemental grant revenue of the new MDUSD (due to a higher percentage of low income, English learner and foster youth students) essentially would be offset by the lower per pupil supplemental revenue of the new NUSD. As a

result, the supplemental grant revenue of the two districts in total should be very close to the original MDUSD, resulting in no increased costs for the state.

- **Concentration grant revenue** – based on 2015-16 metrics from the MDUSD and CDE Dataquest websites, it is estimated that the school districts will have the following unduplicated low income, English learner, and foster youth (FRL/EL/FY) percentages:

Original MDUSD – 49.33%

New MDUSD – 54.97%

New NUSD – 12.82%

Because it is estimated that the unduplicated FRL/EL/FY rate for the new MDUSD would be just under the 55% concentration grant threshold, the new MDUSD would not be eligible to receive a concentration grant. Therefore, the State would not incur an incremental LCFF cost related to this district reorganization.

Note: For every 1% above the 55% concentration grant threshold, it is estimated that MDUSD would receive an additional \$1.5 million (\$1.1M in concentration grant revenue and \$0.4M in supplemental grant revenue). Since MDUSD would be right on the cusp of a concentration grant, MDUSD likely would begin receiving concentration grant revenue during an economic downturn, if more students qualify as low income. For every 1% above the 55% threshold, the State would incur an estimated 0.5% LCFF cost increase, far below the 10% incremental cost limit cited in the Handbook.

The estimated financial impact of this district reorganization from a LCFF perspective is summarized in the following table:

Figure 5.1: Estimated Financial Impact of Reorganization on LCFF Revenue Paid by State

	Original MDUSD	NUSD	New MDUSD
Gross Enrollment (1)	32,005	4,284	27,721
ADA Percentage (2)	97.5%	97.5%	97.5%
ADA Enrollment	31,205	4,177	27,028
Unduplicated FRL/EL/FY % (3)	49.33%	12.82%	54.97%
Estimated Grant per ADA Student (4)			
Base Grant	\$7,856	\$7,991	\$7,835
Supplemental Grant	\$775	\$205	\$861
Concentration Grant	\$0	\$0	\$0
Estimated LCFF Revenue - \$000's (5)			
Base Grant	\$245,153	\$33,376	\$211,777
Supplemental Grant	\$24,187	\$856	\$23,284
Concentration Grant	\$0	\$0	\$0
Total Revenue	\$269,339	\$34,231	\$235,061
Total Estimated LCFF Revenue - \$000's			
Original MDUSD	\$269,339		
NUSD/Smaller MDUSD	\$269,292		
Additional Cost to State			
\$000's	\$0		
%	0.0%		

- (1) 2015/2016 enrollment reported by California Department of Education (CDE) DataQuest website.
- (2) Current district-wide metric reported by MDUSD.
- (3) Data reported by MDUSD and CDE DataQuest website.
- (4) Based on full base grant targets.
- (5) Total estimated LCFF revenue, excluding grade span deficit gap funding.

A “significant increase” of 10% under this criterion would allow for increased state costs of up to \$26.9million, which would be most likely to be incurred in Concentration Grant revenue, and under this calculation, there would be no Concentration Grant expenditures.

Special Categorical Program Revenue

Because of the new LCFF funding model, there are few special revenue programs that currently are funded separately. Almost all of this revenue is now included in the LCFF revenue from the State. For any remaining revenue streams outside of the LCFF model (e.g., special education; state lottery; after school education and safety; common core implementation; and one-time State mandated cost reimbursements), we assume that per pupil funding for these programs will follow the students at the same level regardless of the school district as provided by law. In addition, because the enrollment of both school districts will each exceed 1,500 students (see Criterion 1), the State will not incur additional costs due to district size.

Transportation and Facility Costs

This district reorganization should not impact transportation costs. Home-to-school transportation within the original MDUSD is limited to transporting students from the Bay Point area to schools located in the Concord area. That situation will not be impacted by the creation of NUSD, and the new MDUSD

will continue to incur these costs. NUSD will not incur home-to-school transportation costs as students will continue to attend schools that are located near their homes. Transportation costs for special education students are not expected to be increased by the reorganization: Northgate-area students now requiring transportation to MDUSD special education service locations throughout the district would need transportation to Contra Costa County Office of Education locations that provide services in the Central County area, and those costs would have to be borne by NUSD.

The reorganization should have a minimal impact on facility costs. As discussed in Criterion 7, neither district will have to construct additional schools to accommodate the reorganization. Any additional classrooms to satisfy the new K-3 classroom reduction program would have been required prior to the reorganization and the costs to increase capacity would have been covered in the CSR adjustment for the K-3 grade span. Similarly, classroom expansion and additional portables at select schools in the Northgate area (i.e., Northgate High School and Bancroft Elementary) will not be impacted by the proposed district reorganization. NUSD will incur one-time move-in and other costs associated with creating a district office; however, these costs should be minimal and will not be paid by the State. Similarly, the costs to house a district office and ancillary facilities will not be significant. NUSD will cover those from a small portion of regular revenue, which provides for overhead expenses in every other district.

Conclusion

Based on the above analysis, we estimate that there will be less than a 1% increase in total LCFF revenue, and this is only if the new MDUSD eventually qualifies for concentration grants. This places the additional cost to the State well below the 10% cost increase threshold. Consequently, this criterion is met.

Primary Information Sources

- California Department of Education DataQuest Website
- LCFF guidance from MDUSD and on the California Department of Education website

Criterion 6: No Disruption to Educational Programs or Performance

Relevant State Regulations

Education Code Section 35753(a)(6) – The proposed reorganization will not significantly disrupt the education programs in the proposed districts, and districts affected by the proposed reorganization and will continue or promote sound educational performance in those districts.

California Code of Regulations, Title 5, Section 18573(5) – The proposal or petition shall not significantly adversely affect the educational program of districts affected by the proposal or petition. In analyzing the proposal or petition, the California Department of Education shall describe the district-wide 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.

Description and Findings

According to the Education Code, analysis of this criterion should include the academic performance of students at the impacted schools as well as program offerings available to these students. In order to best understand potential future opportunities and performance at the schools, the California Department of Education District Organization Handbook recommends reviewing past performance and programs and then projecting possible adjustments due to the proposal.

The key areas to explore include academic performance as reflected by standardized test scores and accreditation reports, program offerings at schools within each of the proposed district areas, and shared programs that might be disrupted by a reorganization. Considering that students generally attend neighborhood schools, the proposed reorganization would have limited impact on the general education support provided to students, assuming that current staff and curriculum remain similar to what currently is in place. For those programs and opportunities for which there is a significant centralized role in operating and supporting (e.g., special education, English Learner services, alternative education, etc.), the reorganization could have a short-term moderate impact during the restructure and/or the shift of services. This potential impact is discussed below.

Analysis

The analysis of meeting the above criterion's requirements focuses on the following:

- Academic performance, including Advanced Placement/Honors course offerings and success rates;
- Key academic programs that currently exist in the five Northgate schools, including those programs that are attended by students in other MDUSD schools;
- Special needs programs, including special education, support for English Learners (EL students), and alternative education; and
- Other opportunities and challenges presented by the proposal.

Academic Performance

Academic performance can be analyzed and reported many ways. Using data on the California Department of Education DataQuest website, below are seven metrics that measure performance for the five Northgate schools and MDUSD.

Academic Performance Index (API) scores – these scores are calculated for all schools where over 85% of the students have taken the state’s Standardized Testing and Reporting (STAR) standardized achievement tests. Figure 6.1 lists the latest available API scores, the 2012-2013 school year.

Figure 6.1 – Base API Scores for 2012-13 School Year by Entity

Entity	API Score	Similar Schools Rank (1)
Proposed Northgate Unified School District Schools		
Bancroft Elementary	906	6
Valle Verde Elementary	947	7
Walnut Acres Elementary	935	3
Foothill Middle	897	1
Northgate High	863	2
MDUSD (all grades)	794	
Contra Costa County (all grades)	N/A	
State (all grades)	791	

(1) Decile ranking compared to 100 similar schools - 1 (lowest) to 10 (highest)

Source: California Department of Education DataQuest

Scholastic Aptitude Test (SAT) scores – this data is typically available for students preparing to enter college. Figure 6.2 lists the SAT results for Northgate High School for the 2014-15 school year compared to the SAT results of other high schools in MDUSD, Contra Costa County, and the State.

Figure 6.2 – SAT 3-Part Scores for 2014-15 School Year by Entity

SAT Section	Northgate High	MDUSD	County	State
Reading	568	512	510	489
Math	586	523	518	500
Writing	566	506	508	484
Total SAT Score	1720	1541	1536	1473
% of Scores Above 1500	74%	53%	53%	44%
Prior Year Total SAT Scores				
2013-14	1696	1557	1537	1487
2012-13	1724	1576	1602	1489
2011-12	1706	1580	1601	1492

Source: California Department of Education DataQuest

High school graduates meeting UC/CSU entrance requirements – California universities have academic requirements in order for high school graduates to be admitted as incoming college freshmen. Figure 6.3 lists the percentage of Northgate High School graduates meeting those requirements compared to other high schools in MDUSD, Contra Costa County and the State.

Figure 6.3 – Percent of High School Graduates meeting UC/CSU Entrance Requirements by Entity by Academic Year

Academic Year	Northgate High	MDUSD	County	State
2015-16	63.8%	35.7%	50.7%	45.4%
2014-15	62.9%	32.6%	48.9%	43.4%
2013-14	60.2%	29.4%	48.2%	41.9%
2012-13	59.6%	29.9%	47.3%	39.4%
2011-12	63.4%	33.1%	42.1%	38.3%
2010-11	56.3%	31.6%	40.9%	36.9%

Source: California Department of Education DataQuest

The CAASPP Smarter Balanced Mathematics and English Language Arts Tests are the statewide standardized tests to evaluate student achievement under California’s new Common Core State Standards (CCSS). The tests are still relatively new, and the State is still refining test and evaluation methodologies, as well as item integrity and test administration methods.

**Figure 6.4 - Smarter Balanced Assessment Results by Entity by Academic Year
Percent of Students Meeting or Exceeding Standards**

Entity	Eng Lang Arts/Literacy		Mathematics	
	2015-16	2014-15	2015-16	2014-15
Proposed NUSD Schools				
Bancroft Elementary	71%	68%	68%	60%
Valle Verde Elementary	76%	76%	70%	68%
Walnut Acres Elementary	78%	78%	73%	77%
Foothill Middle	77%	68%	67%	61%
Northgate High	75%	83%	61%	61%
MUSD (all grades)	49%	47%	39%	38%
Contra Costa County (all grades)	55%	52%	45%	43%
State (all grades)	49%	44%	37%	33%

Source: California Department of Education DataQuest

CAASPP Science/STS Test Results – the California Assessment of Student Performance and Progress (CAASPP) System administers California Standard Tests (CSTs) that assesses student knowledge of the California content standards in science. This test is an indicator of academic performance and has been given to students of California public schools in grades 5, 8 and 10 for many years through the STAR test system. Figure 6.5 summarizes how the five Northgate schools performed on this test the last two years compared to the schools in MDUSD, Contra Costa County and the State.

Figure 6.5 – Percent of All Students Scoring an Advanced or Proficient Result on the CAASPP CST Science Test by School Level by Entity

Northgate School	NUSD		MDUSD		County		State	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Bancroft Elementary	66%	62%	55%	56%	60%	61%	54%	55%
Valle Verde Elementary	82%	94%	55%	56%	60%	61%	54%	55%
Walnut Acres Elementary	90%	96%	55%	56%	60%	61%	54%	55%
Foothill Middle	76%	82%	61%	64%	66%	70%	61%	64%
Northgate High	81%	78%	53%	54%	59%	62%	50%	53%

The CAASPP CST Science Test is given to students in the fifth, eighth, and tenth grades

Source: California Department of Education DataQuest

Advanced Placement/Honors Programs – participation and success in Advanced Placement (AP) and Honors classes provides another basis for assessing educational programs and academic performance in comprehensive high schools. AP programs administered by The College Board allow high school students to take college-level classes at their high schools and then opt out of similar classes in college by passing the AP exams. During the 2015-16 school year, Northgate High School offered a total of 17 AP courses (29 AP sections) and 11 Honors courses (19 Honors sections) in English, Mathematics, Science, Social Science, Foreign Language and Art. The district is currently proposing a reduction or elimination of honors classes and that Northgate HS students be limited to five AP courses over the course of their high school career.

The other MDUSD high schools have offered many honors and AP classes as well. Figure 6.6 compares the number of AP exams that were taken and passed (by scoring a 3, 4, or 5 on the exam) at Northgate High School compared to the high schools in MDUSD, Contra Costa County and the State over the latest four academic years reported in the CDE DataQuest website.

Figure 6.6 – Advanced Placement (AP) Test Participation and Performance by Entity by Academic Year

Academic Year	Northgate High School	MDUSD	County	State
2015-16				
Number of Exam Takers	371	1,263	11,272	353,542
Passage Rate	79.2%	62.3%	67.4%	58.6%
2014-15				
Number of Exam Takers	315	1,089	9,869	329,412
Passage Rate	77.6%	60.2%	67.0%	56.8%
2013-14				
Number of Exam Takers	303	1,063	9,424	313,220
Passage Rate	83.2%	59.3%	67.6%	58.2%
2012-13				
Number of Exam Takers	293	979	8,647	299,799
Passage Rate	74.8%	58.5%	69.0%	58.0%
2011-12				
Number of Exam Takers	296	1,193	7,941	282,682
Passage Rate	80.8%	59.6%	70.1%	59.0%

Passage rate means score of 3 or higher on the AP test.

Source: California Department of Education DataQuest

High school graduation rates by ethnic group – an analysis of high school graduation rates by ethnic group is another important indicator of academic performance particularly because of the growing number of minority students in California. Figure 6.7 summarizes how the 2014-15 graduation class

from Northgate High School broken down by ethnic group compared to similar graduating students in MDUSD, Contra Costa County, and the State.

Figure 6.7 – High School Cohort Graduation Rates by Ethnic Group by Entity for 2015-16 Graduates

Ethnic Group	Northgate			
	High	MDUSD	County	State
Hispanic/Latino	95.7%	81.2%	83.6%	80.0%
Native American	100.0%	87.5%	81.4%	73.8%
Asian	97.1%	97.1%	96.5%	93.4%
Pacific Islander	100.0%	95.7%	87.5%	81.9%
Filipino	82.4%	91.4%	95.5%	93.6%
African American	100.0%	75.2%	79.1%	72.6%
White	97.1%	87.2%	93.0%	88.1%
Two or More Races	100.0%	82.9%	92.6%	84.9%
Overall Graduation Rate	96.4%	85.3%	88.9%	83.2%
Prior Year Overall Graduation Rates				
2014-15	95.8%	85.1%	89.3%	82.3%
2013-14	95.4%	85.1%	86.2%	81.0%
2012-13	93.2%	82.6%	85.9%	80.4%
2011-12	96.2%	81.2%	83.9%	78.9%

Source: California Department of Education DataQuest

The students at the five Northgate schools perform comparatively well on standardized tests, participate and achieve at high levels on Advanced Placement courses and tests, score well on the SAT and ACT, and graduate at higher rates both overall and by almost every ethnic group when compared to the county, state and national averages. We do not see any reason why the proposed district reorganization would negatively impact existing educational programs at the affected schools or the academic achievement of those schools' students.

Based on the table below of most-recent indices on factors commonly used to rate high schools, we believe that there is potential for Northgate HS to perform better with respect to its peer high schools in other districts the area. (Schools in the gray boxes are most similar demographically to Northgate HS.) The boldface figures in each line are for the lowest-performing school according to that metric. In 10 of the 16 areas measured, Northgate HS was the lowest performing school in the group. In four of the 16, Northgate HS ranked second from the bottom.

Figure 6.8 – Key Performance Metrics of Northgate HS Peer Group in Contra Costa County

	Northgate	Las Lomas	Acalanes	Campolindo	Miramonte	California	Dougherty Valley	Monte Vista	San Ramon Valley
2016-17 Results									
National Merit Scholarship Semi-Finalists	0	4	5	11	12	9	40	7	4
2015-16 Results									
Smarter Balanced Assessment Results Meeting or Exceeding Standard									
All Students									
English Language Arts/Literacy	75%	71%	92%	88%	88%	87%	96%	91%	79%
Mathematics	61%	55%	72%	77%	79%	72%	87%	77%	72%
Smarter Balanced Assessment Results Meeting or Exceeding Standard									
Students with Disabilities									
English Language Arts/Literacy	16%	26%	48%	44%	47%	46%	55%	56%	46%
Mathematics	4%	4%	11%	24%	14%	23%	32%	20%	27%
CAASPP CST Science Test - % Proficient or Advanced	81%	78%	87%	85%	87%	82%	93%	89%	88%
Advanced Placement Test College Credit Rate (Score of 5 or 4)	53%	61%	67%	70%	78%	63%	73%	66%	55%
Total SAT Scores (Evidence-Based Reading/Writing and Math)	1251	1225	1252	1277	1285	1219	1325	1239	1225
Average ACT Score	25.8	26.0	27.8	27.5	27.8	26.5	29.0	26.8	26.5
High School Grads Meeting UC/CSU Entrance Requirements	63.8%	69.4%	78.9%	83.2%	86.5%	67.5%	82.5%	79.6%	80.4%
Overall Graduation Rate	96.4%	99.4%	97.9%	100.0%	97.8%	98.5%	97.5%	99.3%	99.4%
2014-15 Results									
Total SAT Scores (3 Part)	1720	1679	1777	1836	1894	1753	1868	1723	1728
2012 Results (2)									
Base API - All Students	863	874	910	921	944	893	937	904	890
Statewide Rank - All Students	9	10	10	10	10	10	10	10	10
Similar Schools Rank - All Students	2	5	8	9	10	6	10	7	6
Base API - Students with Disabilities	645	612	740	722	774	649	723	568	690

The “peer” group is the 100 schools in the state that the CA Department of Education has determined have similar demographic characteristics, educational challenges, and opportunities. This chart uses peer schools as of 2012, the latest year for this peer group designation. Of the local peer schools listed above, those in gray (Las Lomas HS, California HS, and San Ramon Valley HS) are considered the closest comparables to Northgate HS. The lowest value for each metric appears in **bold**.

1. Comparative scores for most recent year of data.
2. The last year of this standardized test.

Key Academic Programs Currently Offered at the Five Northgate Schools

Although the new NUSD School Board would determine the educational programs that would be offered at each school, based on educator and parent support at each school site, it is expected that most current academic programs would continue in the new school district, since these programs appear to be popular with the sites and beneficial for students. All five schools feature strong volunteer involvement and parent/community financial support that provides additional classes, instructional aides, counselors, classroom enrichment programs, and curriculum/technology support.

Below are some of the notable recent offerings by school level.

School / District Sponsored Programs				
Bancroft	Valle Verde	Walnut Acres	Foothill	Northgate HS
Design Lab / Maker Space	Autism Magnet Pgm.	Design Lab / Maker Space	Clubs - Robotics/ 1st Lego	Academic/College Counselors
Early Intervention	Design Lab / Maker Space	Early Intervention	Early Intervention	Adv. Photography ROP
English - Spanish Dual Immersion	Early Intervention	Music Instruction	Foreign Languages	Career Counselors
Music Instruction	Music Instruction	School Counselors	Instrumental Music	Clubs
School Counselors	School Counselors	Special Education Classes	Intramural Sports	Intro. to Engineering
Transitional Kindergarten	Special Education Pgm.	Transitional Kindergarten	Project Lead The Way	Link Crew - transition pgm.
	Transitional Kindergarten		Rotational Electives	Music / Jazz, Orch, Corale
			School Counselors	Northgate Helpdesk
			Student Leadership Class	Peer Tutoring
			Woodshop	Sentinel Student Newspaper
				Sports Medicine ROP
				Support Counselors
				Threaded - Art/Hist./Eng Curriculum
				Yearbook class/production

PTA/PFA/PFC/Parent Volunteer - Wholly or Partially Funded				
Bancroft	Valle Verde	Walnut Acres	Foothill	Northgate HS
After School Enrichment	After School Enrichment	After School Enrichment	Instructional Aides	Class Sections
Art Appreciation Instruction	After School Play (parent)	After School Play	Odyssey of the Mind	College/Career Center Staff
Campus Landscaping / Gardens	Camp Scholarship (5th gr)	Art Appreciation Instruction	Technology staff hours	Computer Tech
Computer Hardware	Campus Landscaping / Gardens	Campus Landscaping	Technology Hardware	Curriculum Assistants
Emergency Supplies	Technology Hardware	Crossing guard	Crossing guard	Graduation
Harvest of the Month	Crossing guard	Early Intervention	Class Size Reduction	Principal's Fund
In-class Instructional Aides	Emergency Supplies	Emergency Supplies	Instructional Aides	Sports Medicine Interns
Instructional Software (Math/ELA)	In-class Instructional Aides	Instructional Aides	Computer Tech	Staff Professional Development
Maker Space/Design lab	Instructional Software (Math/ELA)	Instructional Software	Support Counselors	Support Counselors
Odyssey of the Mind (parent)	Library Upgrade	Maker Space / Design Lab	Library Assistant	Teacher Appreciation
Soul Shoppe (Peacemakers)	Maker Space/Design lab	Parent Educator Program	Emergency Supplies	Technology Hardware
Technology staff hours	Parent Educator Program	Reading/ELD Teacher	Teacher Appreciation	Technology staff
Yearbook	Reading specialist	Science Lab Aide		Special Education
	Soul Shoppe (Peacemakers)	Teacher supply allocations		Other/Discretionary
	Teacher Grants	Technology Hardware		
	Teacher supply allocations	Technology staff		
	Technology staff hours	Vocal Music instructor		
	Yearbook	Yearbook		
2016/17 Budget: \$182K	2016/17 Budget: \$140K	2016/17 Budget: \$316K	2016/17 Budget: \$180K	2016/17 Budget: \$386K

To ensure strong academic performance, it is assumed that the new school district would provide the academic coaching, professional development and training for its teachers at levels that at least meet, if not exceed, what has been provided in the past. Over time, it should be a goal of NUSD to substantially exceed the educator supports currently offered in MDUSD.

Because the above educational programs are offered at other MDUSD schools, there is a very small percentage of students transferring from other MDUSD schools to Northgate schools expressly to participate in specific educational programs, such as Northgate High's Sports Medicine ROP and Bancroft's Immersion program. The balance of the intra-district transfers into the Northgate area schools are probably not specifically motivated by the class offerings at the five Northgate schools, since these classes are generally offered at all schools throughout MDUSD. They are motivated to transfer for other reasons. Consequently, the NUSD and MDUSD school boards will need to negotiate how current and future transfer participants will be handled between the two school districts. We would encourage adoption of predictable transfer policies that preserve the option of attending Northgate schools for the current number of transfer students, and perhaps for larger numbers over time.

Special Programs

School districts provide programs for students with physical, mental and learning disabilities; English Language Learners (EL students); and students otherwise unable to succeed in the traditional school setting without additional counseling, assistance and opportunities. MDUSD currently addresses the needs of these students within a centralized support department, which would not be affected negatively by this reorganization. However, the proposed reorganization would require the newly formed NUSD to assess all current programs of support for students and determine which ones can continue as they are with current facilities and instructors, and which ones will need modification in terms of size, location and instructional leadership, so that the target student populations can continue to benefit. We expect that NUSD will need to collaborate closely with the Contra Costa Office of Education, the Contra Costa SELPA, and nearby districts to ensure that all students in special programs receive the support that they need.

Tables 6.9 and 6.10 are an indication of how the high-need students attending the five Northgate schools perform on standardized tests compared to MDUSD, Contra Costa County and the State. In the Northgate schools, the high-need students achieved comparatively higher base API scores. However, high-need students in MDUSD overall show lower results that are below or similar to State averages.

Figure 6.9 – Base API Scores for High-Need Students for 2012-13 School Year by Entity

Entity	Econ. Disadv.	EL	With Disability
Northgate Schools			
Bancroft Elementary	822	897	766
Valle Verde Elementary	869	924	868
Walnut Acres Elementary	836	905	785
Foothill Middle	802	759	618
Northgate High	750	719	645
MUSD (all grades)	703	681	616
Contra Costa County (all grades)	N/A	N/A	N/A
State (all grades)	740	719	610

Source: California Department of Education DataQuest

Figure 6.10 – Smarter Balanced Assessment Results by Entity for 2015-16; Percent of High-Need Students Meeting or Exceeding Standards

As evident in the table below, more recent testing suggests that in MDUSD, on average, high-need students across all grades score below county and state averages on state assessments. This under-performance is not evident among high-need students in Northgate-area schools (except for math scores among Northgate HS students with a disability, which may be an anomaly in the data), and we

expect that disadvantaged students, English learners, and students with disabilities will continue to perform above County and State averages in NUSD.

Entity	Eng Lang Arts/Literacy			Mathematics		
	Econ. Disadv.	EL	With Disability	Econ. Disadv.	EL	With Disability
Proposed NUSD Schools						
Bancroft Elementary	67%	17%	19%	48%	30%	34%
Valle Verde Elementary	45%	N/A	53%	39%	36%	41%
Walnut Acres Elementary	63%	N/A	35%	43%	N/A	21%
Foothill Middle	55%	19%	35%	30%	22%	25%
Northgate High	70%	N/A	16%	63%	N/A	4%
MUSD (all grades)	28%	4%	13%	17%	5%	9%
Contra Costa County (all grades)	30%	11%	17%	19%	10%	14%
State (all grades)	35%	13%	13%	23%	12%	11%

Source: California Department of Education DataQuest

Special Education

MDUSD currently operates its own Special Education Local Planning Area (SELPA), called the Mt. Diablo Unified SELPA and delivered most of its special education services with internal resources. During the 2015-2016 school year, it serviced 3,788 students, constituting 11.8% of the total district enrollment. Under the proposed reorganization, the newly formed NUSD would join the Contra Costa SELPA and contract for services through the Contra Costa Office of Education. The Contra Costa County Office of Education services all special education students in the County, outside the three largest school districts – over 9,700 students during the 2015-2016 school year.

We estimate, using MDUSD sources reflected in the table below, that there are approximately 318 students receiving special education services who reside within the new NUSD boundary. As part of the transition plan, NUSD will need to obtain the list of special education students by disability and/or impairment from MDUSD, with IEPs and details on their current supports, to prepare a special education plan for the entire district when it begins operation. Comprehensive records on students with 504 plans would also be necessary.

Figure 6.11 - Current NUSD Special Ed Student Needs by Key Program

Special Ed Program Type (1)	No. of Spec Ed Students (1)
Autism - Magnet Inclusion Program	15
Autism - Benchmark Program	2
Autism - Strategic Program	8
Autism - Intensive Program	2
Related Service Level Program	30
Resource Program	151
Special Day Class - Mild to Moderate	15
Special Day Class - Moderate to Severe	2
Special Day Class - Severe	10
Home & Hospital Program	7
Independent Study Program	2
Deaf Hard of Hearing Program	1
Mental Health Program	5
Intensive Speech Pre-School	2
Non Public Schools	16
County Office of Education Programs	3
Private Schools	12
	<hr/>
Total (2)	283

- 1) "Important Information for Families in the Northgate Feeder Pattern" reported by MDUSD as an attachment to the 12/12/2016 Board of Education meeting.
 - 2) Excludes estimated 35 special ed students from Highlands Elementary who likely would attend NUSD elementary schools.
- Estimated costs related to these special ed students summarized in Appendix Figure 3.3.7.

English Language Learners

In 2015-2016, MDUSD had approximately 7,355 students, or 23.0% of its total enrollment, categorized as English Learner (EL) students. Approximately 5.9% of the students attending the five Northgate schools were EL students. Under the proposed reorganization, the percentage of EL students in MDUSD would increase to approximately 25.6%, which is higher than the Contra Costa County and the State EL student rates of 17.7% and 22.1%, respectively. However, since the number of EL students attending each school is not changing, the supports for the EL student population at each site should remain intact.

If the new NUSD identifies a problem in obtaining support at schools with a smaller number of EL students, there are centralized support models, such as a Bilingual Community Liaison Program and EL

professional development that can be effective in addressing the needs of small or dispersed EL populations.

Alternative Schools

MDUSD has several continuation high schools and alternative programs (e.g., Home and Hospital, Independent Study, Home Study and Adult Education). The proposed reorganization would not impact those alternative school options for MDUSD. Because those schools and programs are on campuses outside the NUSD district, it would be necessary for NUSD to create options for students requiring alternative education solutions. Again, those options will require close collaboration with the County Office of Education and other nearby districts to develop suitable supports for NUSD students, just as other small districts in the County have done. Where the demand is large enough, or alternatives are not available, NUSD will need to identify space within an existing or new facility where programs can be offered in a self-contained manner, provide cost-effective staffing, select and implement an effective program of support, and identify funding. Appropriate on-line resources will also have to be considered.

As in many small and medium-sized districts, this planning would be done by NUSD's Director of Student Services and Director of Special Education, based upon the specific student needs identified at the time of the transition to the new district. As context, in November, 2016, MDUSD reported the following number of Northgate High School resident students who required alternative education solutions:

- Continuation High School – 9 students
- Independent/Home Study – 15 students
- Home and Hospital – 10 students
- Counseling Enriched Program – 3 students
- Extended Suspension Program – 1 student

Conclusion

While it is difficult to predict the precise impacts the reorganization could have on instruction and student outcomes when the transition to NUSD may be several years off, there is no evidence to suggest that academic performance in the two school districts would be adversely affected by the reorganization.

For the areas where services and programs are centralized within MDUSD (e.g., special education for students with disabilities, EL support services, and alternative education), new plans for how these services are offered would be required.

- The plan is straightforward for the new Mt. Diablo Unified School District. Because it will still have over 27,000 students to serve, all of these centralized services for the new MDUSD would remain unchanged. MDUSD has stated that it is unlikely to collaborate with NUSD on certain programs located in Northgate-area schools, and that those programs would be moved into other parts of MDUSD.
- The plan for centralized services in the new Northgate Unified School District would likely involve the new district:

- o Joining the Contra Costa SELPA for planning, coordination and training to provide services to students with disabilities;
- o Contracting with the Contra Costa County Office of Education for appropriate student support services;
- o Obtaining more EL support if necessary, probably onsite, given the small numbers; and
- o Outsourcing its alternative education program to, or collaborating with, another nearby school district or procuring a location and developing its own alternative education program. The last solution would involve developing staff and providing the necessary program support. Additional online and independent study options may need to be considered, where appropriate for the student population that NUSD needs to support.

While providing these centralized services for the new NUSD will not be easy, these services certainly are attainable with proper planning and funding, and many districts that are smaller than NUSD, with more challenging student populations, have done so. As a result, we believe that this criterion is substantially met.

Primary Information Sources

- California Department of Education DataQuest Website
- California Department of Education District Organization Handbook

Criterion 7: No Significant Increase in School Housing Costs

Relevant State Regulations

Education Code Section 35753 (a)(7) – The proposed reorganization will not result in a significant increase in school housing costs.

Description

The Criterion stipulates that “any increase in schools facilities costs as a result of the proposed reorganization will be insignificant and otherwise incidental to the reorganization” and that the reorganization will not create the need to build significant school facilities with the new school district or MDUSD.

Analysis and Findings

The proposed reorganization would result in the transfer of the following school sites to the proposed Northgate Unified School District (NUSD): Northgate High, Foothill Middle, Walnut Acres Elementary, Valle Verde Elementary, and Bancroft Elementary. (The special circumstances of the Eagle Peak Montessori School campus are addressed in Appendix 6.) MDUSD would continue to hold the remaining school sites and alternative education facilities in the district.

Figure 7.1 – NUSD Facility Capacity and Enrollment Analysis

	Bancroft	Valle Verde	Walnut Acres	Foothill Middle	Northgate High	Total District
Current Enrollment Based on Residence						
Base Enrollment (1)	501	411	617	886	1,296	3,711
Net Changes (2)	120	175	30	88	63	476
Total	621	586	647	974	1,359	4,187
2015-16 Enrollment Based on Attendance						
Base Enrollment (3)	559	466	617	1,043	1,599	4,284
Net Changes (4)	120	175	30	-	-	325
Total	679	641	647	1,043	1,599	4,609
Estimated Current Capacity	621	586	647	1,097	1,682	4,633
% of Current Capacity	109%	109%	100%	95%	95%	99%
Attendance in Excess of Current Capacity						
Residence Enrollment	-	-	-	(123)	(323)	(446)
Attendance Enrollment	58	55	-	(54)	(83)	(24)

1. Data obtained from MDUSD on 11/21/16. Includes students attending other MDUSD schools (e.g., for special ed) but excludes resident students attending Eagle Peak Montessori and special schools (i.e., special ed and alternative ed schools). Including all of these students, the total base resident enrollment increases to 3,827 students. This total is very close to the 3,839 total resident students reported in the August 2010 actual resident-based enrollment study from Jack Schreder & Associates that was commissioned by MDUSD.

2. Estimated additional elementary students from Walnut Country and Crystyl Ranch and additional Bancroft students who will attend NUSD schools
3. Reported on CDE DataQuest website.
4. Estimated additional elementary students from Walnut Country and Crystyl Ranch who will attend NUSD schools. Determination of school attendance boundaries will be made by NUSD during the transition period.

Enrollment

As summarized in the above Figure 7.1, the proposed NUSD would have an estimated total gross enrollment of 4,200-4,600 students. The lower estimate of 4,200 students is based on resident enrollment recently provided by MDUSD, adjusted for the estimated number of students who live in the Walnut Country and Crystyl Ranch neighborhoods who currently attend Highlands Elementary School. The students in these neighborhoods currently matriculate to Foothill Middle School and/or Northgate High School. This attendance adjustment will enable these students to continue NUSD schools throughout their entire K-12 education, a critical feature of this proposed reorganization. The upper estimate of 4,600 students is based on attendance and the 2015-16 enrollment numbers reported on the California Department of Education DataQuest website for the five Northgate schools, plus the additional estimated number of students from the Walnut Country and Crystyl Ranch neighborhoods.

It is important to note that the five Northgate schools currently have a large number (an estimated 400-500 students in 2015-16) of intra-district transfers (students who live in the residence areas of other MDUSD schools). NUSD acknowledges the importance of minimizing disruption for students during the transition and therefore, will accept all transfers changing from an intra-district to an inter-district transfer, continuing through each student's graduation. We recognize, though, that two key factors are beyond the control of NUSD: MDUSD may choose not to permit those transfers to continue, and some families could choose to remain in their current assigned schools.

Facility Capacity

Figure 7.1 above also compares the estimated NUSD school enrollment numbers discussed above to the estimated capacity of each school. Because MDSUD reports a variety of capacity numbers for each school site, it is difficult to pinpoint the accurate capacity of each school. For purposes of this report, enrollment as of November, 2016, is used as estimated capacity for each school site. Based on estimated resident enrollment, it is projected that NUSD will not have any significant facility capacity issues. Based on estimated 2015-16 attendance enrollment, it is projected that three of the five NUSD schools would be under current capacity levels. Two of the three NUSD elementary schools, Valle Verde and Bancroft, may exceed capacity levels due to the K-3 classroom reduction (CSR) initiative and the additional students from the Walnut Country and Crystyl Ranch neighborhoods noted above. However, once NUSD is established, it is assumed that a full capacity study for each school will be completed and a strategic plan developed to ensure students are provided with a safe learning environment in a school that is operated within its capacity.

While there may be a higher number of students in the initial years of NUSD, there should be ample time during the transition period, after the general election vote and before the new school district is

operative, to understand each school site's true capacity and organize each school site to meet all students' needs. NUSD may rely on temporary portables until adjustments can be made in capacity and facility/classroom organization. We suspect that the final enrollment will be somewhere between 4,200 and 4,600, resulting in the temporary measures not being needed over the longer term. We also believe that with proper planning and predictable numbers of transfers into NUSD, the district could decide to accommodate higher transfer populations over time, both to enhance the diversity of the student population beyond where it stands today, and to offer a broader array of programs that may need a larger student population to be viable. Those decisions would be up to the NUSD administration and the community at large.

Since the alternative education sites currently used by Northgate-area students will remain within MDUSD, NUSD may need to locate new sites to house the program for the very small number of Northgate-area students who participate. There are several options to explore. There may be adequate space on the Northgate High site to locate a small alternative education program, as well as many low-cost lease spaces available within NUSD boundaries in the Shadelands Office Park. NUSD may also explore partnerships with the City of Walnut Creek, Walnut Creek School District and Acalanes School District for feasible shared locations. The remaining MDUSD schools will not have to build any significant facilities as a result of this reorganization.

Conclusion

The above data indicates that both NUSD and MDUSD should have adequate facilities for the foreseeable future to accommodate all of their students, without a significant increase of new housing costs. The inter-district enrollment process between the two school districts will be particularly important during the initial years of the reorganization, as it depends on MDUSD policies and the choices of individual families. Any additional facility capacity (e.g., portable classrooms) required by the classroom reduction initiative (CSR) and the additional Walnut Country and Crystyl Ranch elementary school students should be minimal and funded by reserves, borrowing, and/or the additional LCFF revenue from those students. Furthermore, the facility costs for the NUSD district office and alternative education program should not be significant and should be funded through the NUSD general fund, as in any other school district. There is expected to be ample building space in the NUSD geographical area to accommodate these additional facility needs. It is also important to note that any additional facilities that MDUSD requires related to the build-out of the Concord Naval Weapons Station are unrelated and not impacted by this proposed district reorganization. Therefore, this criterion is met.

Primary Information Sources

- Northgate schools resident student data provided by MDUSD on November 21, 2016.
- 2009-10 enrollments by residence area and district capacity by site reported by Jack Schreder & Associates for the August 2010 MDUSD Demographic Study to help MDUSD with potential school closure and boundary issues.
- California Department of Education DataQuest Website for actual 2015-16 enrollments by school.

Criterion 8: Not Designed to Increase Property Values

Relevant State Regulations

Education Code Section 35753(a)(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.

Description

While property values may fluctuate after school district reorganization, it cannot be the intent of the petitioners to increase the property values of the new school district.

Analysis and Findings

The intent of the petitioners is to improve Northgate schools through a smaller, more community-oriented school district, not to increase local property values. None of the principals of Northgate CAPS is motivated by that issue, and none of our communication or campaign materials have promoted the issue of property values. We acknowledge that public perceptions of a local public school district can be a factor in residential property values, and when boundary adjustments are made between two existing districts, it is possible to compare existing housing values in one district with values in another district. But in the case of this proposal, NUSD does not yet exist. Therefore, any beliefs about future perceptions of that district are completely speculative. If the new district is well managed and becomes known for higher student achievement, then NUSD could positively impact property values. On the other hand, if the new district is not managed well enough to produce gains in student achievement, there is no reason to expect property values to be higher than they would otherwise be if the area remained part of MDUSD.

We should also note that the 94598 zip code, which corresponds roughly with NUSD, has 10,756 households, of which only 3,531 or about one third, have children. The other two-thirds of the households may or may not have been motivated by school district factors when choosing where to live.

To the extent that this Criterion needs to address property values at all (rather than the petitioners' intent), we can begin by examining relative residential values in Walnut Creek, which is essentially divided in half, between an eastern area served by MDUSD and a west side served by the Walnut Creek SD for K-8 and the Acalanes Union HSD for grades 9-12.

- Zip code **94598**, covering the east side of Walnut Creek, generally corresponds to the area of the proposed NUSD.
- Zip codes **94596** and **94597**, on the west side, hold most of the rest of Walnut Creek's student population. (The remaining Walnut Creek zip code, 94595, is dominated by the large Rossmoor retirement community.) Zip code 94596 in southern Walnut Creek, is served largely by Walnut Creek SD and Acalanes Union HSD, with a portion also served by San Ramon Valley USD. Zip Code 94597 covers northwest Walnut Creek, also served by Walnut Creek SD and Acalanes Union HSD. Although 94596 and 94597 are both served by the same school districts, resident

students generally attend different elementary schools and high schools, while sharing the same middle school.

The table below shows real estate values on a \$/square-foot basis, rather than median home prices, to compensate for other factors that can influence home values, such as house sizes and lot sizes or whether the home is a condo apartment or a single-family dwelling. We can see that the areas served by the Walnut Creek SD and Acalanes Union HSD have slightly higher values, which we would expect given the closer proximity to downtown services and amenities, BART, and the I680 and Hwy 24 commute corridors leading to major employment centers. Unlike residents in the NUSD area, residents in the west side can also avoid heavily trafficked Ygnacio Valley and Treat Boulevards, further reducing relative commute times.

Among the three most comparable zip codes, we see a total variance of approximately 8%. This is a relatively low figure that is probably accounted for entirely by the better transportation access and proximity to downtown amenities on the west (94597) and south (94596) sides of Walnut Creek. In other words, if school “quality” is playing a role in house prices, it is not providing a large difference between the proposed NUSD territory and the areas on the west side of Walnut Creek.

Moreover, within that margin of \$ per sf, we can see that the three markets have not behaved substantially differently over the past 12 years. Therefore, looking ahead, there is no reason to believe that NUSD would increase prices significantly in the Northgate area – particularly over areas that are closer to commute corridors and that are already served by established, well-regarded school districts.

Area	2016 Avg. Price \$/sq ft	% Change Since 2004
94598 (Northgate)	\$469.63	^ 26.7%
94597 (WCSD, northwest)	\$496.92	^ 27.6%
94596 (WCSD, south)	\$509.16	^ 31.7%

Source: Alain Pinel Realtors, *Facts and Trends™*, February 2017

We should note that an estimated 10-15% of the enrollment of the proposed Northgate Unified School District will come from the City of Concord students living in the Walnut Country, Crystyl Ranch, and Lime Ridge neighborhoods. Because these students are already assigned to attend Northgate schools, we do not believe that the proposed school district reorganization would impact property values in those Concord neighborhoods.

Finally, there is considerable research to indicate that perceptions of school quality is only one among many factors that home buyers consider, especially in an era when fewer and fewer households contain school-age children. A 2016 report from the National Association of Realtors, for example, lists 15 factors, in addition to “quality of the school district” that influence home buyer decisions. These factors are listed below, in order of importance, and as one can see, school district “quality” did not rank near the top:

1. Quality of the neighborhood
2. Convenience to job
3. Overall affordability of homes

4. Convenience to friends/family
5. Design of neighborhood
6. Convenience to shopping
7. **Quality of the school district**
8. Convenience to entertainment/leisure activities
9. Convenience to schools
10. Availability of larger lots or acreage
11. Convenience to parks/recreational facilities
12. Convenience to health facilities
13. Home in a planned community
14. Convenience to public transportation
15. Convenience to airport
16. Other

Conclusion

There is no evidence that property value has been a significant factor driving interest in the proposed new district. It has never been highlighted in communication by Northgate CAPS, and it has not been a focus of discussions among supporters. If this Criterion addresses “intent”, we believe that the burden of proving such intent must be assumed by others. While some school district reorganization proposals may involve moving boundaries between established districts with established housing values, that is not the case with this proposal. We are proposing the creation of a new district with no track record of student achievement beyond what has occurred as part of MDUSD. Therefore, any impact of NUSD on housing values is speculative.

Since property values in the Northgate area have already increased dramatically in recent years without this proposed reorganization, and given that values in the zip code that houses the proposed new district (94598) are comparable to property values in the most similar areas available for analysis (94596 and 94597), we do not see a basis for any focus on property values. While the quality of schools may impact property values in general, the public perceptions of NUSD, which does not yet exist, are completely unknown. Other factors unrelated to public schools, such as the overall economy, employment opportunities, amenities, transportation, etc. are likely to have a much more material impact on property values. Therefore, we believe that this criterion is met.

Primary Information Sources

- City-Data.com – 2013 data
- Local real estate data

Criterion 9: No Substantial Negative Impact on District Fiscal Management or Status

Relevant State Regulations

Education Code Section 35753(a)(9) - The proposed reorganization will continue to promote sound fiscal management and not cause a substantial negative effect on the fiscal status of the proposed district or any existing district affected by the proposed reorganization.

California Code of Regulations, Title 5, Section 18573(a)(2) – Each district affected will be adequate in terms of financial ability if:

- The revenue limit (i.e., LCFF revenue) per unit of average daily attendance of the proposed district does not vary from the LCFF revenue per unit of average daily attendance in all of the affected districts by more than 15%; or
- The proposal does not increase costs to the State for the affected territory by more than 10%.

Education Code Section 33127 (State Standards and Criteria) – The following three basic criteria are used to determine the reorganized district’s financial condition and solvency:

- Cash position at the end of the year.
- Fund Balance position at the end of the year.
- Three-year projection of the fund balance.

Estimated Cost of Reorganization to the State

As explained in Criterion 5, the additional costs of this reorganization to the State essentially would be limited to a possible increase in LCFF funding, which would occur only in the event that the new MDUSD qualified for concentration grants. We estimate that this additional revenue/cost to the State would be less than 1% - well below the 10% cost increase threshold.

Estimated LCFF Revenue per ADA Impact

Similarly, as summarized in the below table, the estimated LCFF revenue per ADA unit rate would be well within the 15% threshold for the affected districts – NUSD an estimated 7.2% below and the new MDUSD an estimated 1.1% above the original MDUSD LCFF rate, respectively. This relative LCFF revenue rate difference is not expected to change materially in the future.

Figure 9-1: Estimated LCFF Revenue per ADA Unit Based on MDUSD 2015-16 Unaudited Actuals

	Original MDUSD	NUSD	MDUSD
ADA Enrollment (1)	30,963	4,177	26,786
LCFF Revenue-\$ (2)	249,724,000	33,712,740	216,011,260
LCFF Revenue Adjustment-\$ (3)	-	(2,450,000)	2,450,000
Total Adjusted LCFF Revenue-\$	<u>249,724,000</u>	<u>31,262,740</u>	<u>218,461,260</u>
LCFF Revenue per ADA Unit-\$	8,065	7,484	8,156

1. 2015/2016 enrollment reported by California Department of Education (CDE) DataQuest website and 97.5% ADA rate. Excludes the enrollment of the Eagle Peak Montessori Charter School.
2. School district split based on estimated ADA enrollment of two school districts - NUSD (13.5%) and MDUSD (86.5%).
3. Adjustment for estimated supplemental grant difference based on the following unduplicated pupil counts: MDUSD - 49.33%; NUSD - 12.82%.

Methodology for Analyzing School District Financial Stability and Solvency

While the financial viability of the new Northgate Unified and Mt. Diablo Unified School Districts would be largely dependent on management decisions, a reasonable financial analysis of the reorganization is possible by following the methodology below:

Use the MDUSD 2014-15 Audited Actuals as the first year of the 3-year financials for both districts. Since the LCFF funding process was in effect in 2014-15, revenue limit and categorical revenue would not need to be considered in this analysis. Revenue and expenses would be split between the two districts based on ADA enrollment.

Use the MDUSD 2015-16 Unaudited Actuals as the second year of the 3-year financials for both districts. This would ensure that the cost changes from the recently negotiated MDUSD employee contracts are factored into this analysis. Revenue and expenses would be split between the two districts based on ADA enrollment.

Use the MDUSD 2016-17 Adopted Budget as the third year of the 3-year financials for both districts. This would ensure that the additional cost changes from the MDUSD employee contracts and special programs like the Common Core implementation are factored into this analysis. Revenue and expenses would be split between the two districts based on ADA enrollment.

Discuss additional factors and events that could impact the financials of the two school districts in the future.

Analysis

The following table is a high-level financial summary of the original MDUSD 2014-15 Audited Actuals, 2015-16 Unaudited Actuals, and 2016-17 Adopted Budget. It is the basis for the three-year financial pro forma that follows, showing how the financials for the two new school districts would have looked. It shows a 26% general fund reserve balance at the end of the three year period.

Figure 9-2: Summary of Baseline MDUSD Financial Data--General Fund Restricted and Unrestricted Sources

	2014-2015 Audited Actuals (1)	2015-2016 Unaudited Actuals	2016-2017 Budget
Revenues			
LCFF Revenue	222,626,709	249,724,000	261,164,252
Federal Revenue	20,477,079	18,817,140	15,881,080
Other State Revenue	37,027,169	60,472,797 (2)	36,869,399
Other Local Revenue	14,833,542	15,590,912	9,039,281
TOTAL REVENUES	294,964,499	344,604,849	322,954,012
Expenditures			
Certificated Salaries	133,833,408	140,138,104	149,488,080
Classified Salaries	44,044,112	46,718,127	47,647,594
Employee Benefits	54,340,309	70,751,928	70,585,940
Books and Supplies	13,167,352	17,778,315	25,430,945
Services and Contracts	36,155,758	38,185,961	35,371,134
Capital Outlay	1,612,065	2,011,109	2,597,167
Transfers and Other Outgo	2,771,963	2,346,796	2,289,854
Other Financing Uses	3,276,196	175,156	-
TOTAL EXPENDITURES	289,201,163	318,105,496	333,410,714
Net Change in Fund Balance	5,763,336	26,499,353	(10,456,702)
Beginning Fund Balance	65,758,065	71,521,401	98,020,754
Ending Fund Balance	71,521,401	98,020,754	87,564,052
Percent Reserve	25%	31%	26%

Above information reported on MDUSD Website.

(1) Excludes \$6.9 million of "on-behalf" revenue and expenses (net zero impact on fund balance).

(2) Includes significant one-time revenue.

The following table is an estimate of the 3-year financials and fund balance for the new Northgate Unified School District (NUSD). It assumes 13.5% (i.e., reflecting the current NUSD enrollment) of the revenue and expenses of the above three years of MDUSD financials in Figure 9.2. In addition, NUSD LCFF revenue has been adjusted for the much smaller proportion of supplemental grants that NUSD would receive compared to MDUSD and a smaller proportion of special ed students and costs. Based on this high-level overview, it is estimated that NUSD would have an ending general fund balance of 22% at the end of this three year period. A more detailed analysis of NUSD's estimated 2015-16 financials is available in Appendix 3.

Figure 9-3: NUSD 3-Year Financial Summary -- General Fund Restricted and Unrestricted Sources

	2014-2015	2015-2016	2016-2017
	Audited Actuals	Unaudited Actuals	Budget
Revenues (1)			
LCFF Revenue	30,054,606	33,712,740	35,257,174
LCFF Revenue Adjustment (2)	(2,350,000)	(2,450,000)	(2,550,000)
Federal Revenue	2,764,406	2,540,314	2,143,946
Other State Revenue	4,998,668	8,163,828	4,977,369
Other Local Revenue	2,002,528	2,104,773	1,220,303
TOTAL REVENUES	37,470,207	44,071,655	41,048,792
Expenditures (1)			
Certificated Salaries	18,067,510	18,918,644	20,180,891
Classified Salaries	5,945,955	6,306,947	6,432,425
Employee Benefits	7,335,942	9,551,510	9,529,102
Books and Supplies	1,777,593	2,400,073	3,433,178
Services and Contracts	4,881,027	5,155,105	4,775,103
Capital Outlay	217,629	271,500	350,618
Transfers and Other Outgo	374,215	316,817	309,130
Other Financing Uses	442,286	23,646	0
Special Ed Cost Adjustment (3)	(1,500,000)	(1,650,000)	(1,800,000)
TOTAL EXPENDITURES	37,542,157	41,294,242	43,210,446
Net Change in Fund Balance	(71,950)	2,777,413	(2,161,655)
Beginning Fund Balance	8,877,339	8,805,389	11,582,802
Ending Fund Balance	8,805,389	11,582,802	9,421,147
Percent Reserve	23%	28%	22%

Above information obtained from MDUSD financials on MDUSD website.

(1) School district split based on estimated ADA enrollment of two school districts - NUSD (13.5%) and MDUSD (86.5%).

(2) Adjustment for estimated supplemental grant difference based on the following unduplicated pupil counts: MDUSD - 49.33%; NUSD - 12.82%.

(3) Adjustment for difference in relative number of special ed students (MDUSD - 12% of total students; NUSD - 8% of total students). This amounts to an estimated 150 students.

The table on the next page is an estimate of the 3-year financials and fund balance for the remaining MDUSD. It assumes 86.5% of the revenue and costs of the MDUSD financials reported in Figure 9.2 above adjusted for estimated LCFF supplemental grant and special ed cost differences. The 86.5% allocation represents the proportion of students who are projected to remain with MDUSD after this reorganization. Based on this high-level analysis, we estimate that MDUSD would have an ending general fund balance of 27% at the end of this three year period.

Figure 9-4: MDUSD3-Year Financial Summary (excl Northgate-area schools) General Fund Restricted and Unrestricted Sources

	2014-2015 Audited Actuals	2015-2016 Unaudited Actuals	2016-2017 Budget
Revenues (1)			
LCFF Revenue	192,572,103	216,011,260	225,907,078
LCFF Revenue Adjustment (2)	2,350,000	2,450,000	2,550,000
Federal Revenue	17,712,673	16,276,826	13,737,134
Other State Revenue	32,028,501	52,308,969	31,892,030
Other Local Revenue	12,831,014	13,486,139	7,818,978
TOTAL REVENUES	257,494,292	300,533,194	281,905,220
Expenditures (1)			
Certificated Salaries	115,765,898	121,219,460	129,307,189
Classified Salaries	38,098,157	40,411,180	41,215,169
Employee Benefits	47,004,367	61,200,418	61,056,838
Books and Supplies	11,389,759	15,378,242	21,997,767
Services and Contracts	31,274,731	33,030,856	30,596,031
Capital Outlay	1,394,436	1,739,609	2,246,549
Transfers and Other Outgo	2,397,748	2,029,979	1,980,724
Other Financing Uses	2,833,910	151,510	0
Special Ed Cost Adjustment (3)	1,500,000	1,650,000	1,800,000
TOTAL EXPENDITURES	251,659,006	276,811,254	290,200,268
Net Change in Fund Balance	5,835,286	23,721,940	(8,295,047)
Beginning Fund Balance	56,880,726	62,716,012	86,437,952
Ending Fund Balance	62,716,012	86,437,952	78,142,905
Percent Reserve	25%	31%	27%

Above information obtained from MDUSD financials on MDUSD website.

(1) School district split based on estimated ADA enrollment of two school districts - NUSD (13.5%) and MDUSD (86.5%).

(2) Adjustment for estimated supplemental grant difference based on the following unduplicated pupil counts: MDUSD - 49.33%; NUSD - 12.82%.

(3) Adjustment for difference in relative number of special ed students (MDUSD - 12% of total students; NUSD - 8% of total students). This amounts to an estimated 150 students.

Three-Year projection of the General Fund Balance

In its 2016-17 Second Interim Report Released in March, 2017, MDUSD projects an \$11.6 million general fund balance at the end of the 2018-19 fiscal year, representing 3.3% of total annual general fund expenditures, from unrestricted and restricted sources. The significantly lower general fund balance appears to result largely from changes to the employee contracts. If NUSD begins operation around this time or soon after, NUSD should receive a pro-rata share of MDUSD's reserve funds (an estimated \$1.6 million) to satisfy requirements for school districts to maintain adequate reserves.

Management of Costs

The purpose of the above 3-year financial analysis is to demonstrate the financial viability of the two school districts operating independently, based on the most current financial information. Going forward, it is important to note that the financial viability of this reorganization is largely dependent on

how the management and boards of the two school districts manage their costs. This issue is further discussed below:

- The district office infrastructure of the current MDUSD provides a wide range of centralized services to all of its students, including those students in the five Northgate area schools. The proposed reorganization would require careful review to scale back existing support because of the smaller student base. The NUSD Board should be sensitive to this situation when staffing its district office.
- The financial information presented in the above two tables does not include any adjustments to the costs associated with salary and benefits. It is important to note that there could be potential adjustments to salary and benefit schedules as specified in the Rights of Employees Under Reorganization Section of Chapter 9 of the California Department of Education District Organization Handbook. While the above analyses assume a pro rata split of salary and benefit costs, the actual salary and benefit costs after reorganization may be different based on final staffing decisions by the two district boards.
- The management of the newly formed NUSD would also need to consider the costs of operating all of the programs noted in Criterion 6. The costs of some programs such as Special Education are included in the above financials. Furthermore, both districts would need to evaluate the viability of existing programs by taking into account funding availability, student interest, and staff support.
- NUSD will incur costs associated with adding staff to handle central administrative and program needs. In addition, there are one-time or temporary costs that NUSD likely would incur as a result of the reorganization (e.g., set up of the district office and ancillary services like maintenance and transportation). If these costs are not adequately covered in the above financial projection, they would be covered by the ending fund balance/reserves.

Other Factors Potentially Impacting Future Financial Solvency

Factors Impacting Both Districts

- Assuming the State continues with its plan to fund education, the education funding deficit will diminish over the coming years, resulting in school districts receiving annual LCFF revenue increases in excess of the annual COLA adjustments. This will help cover costs such as the additional pension costs mandated by the State.
- Although Common Core will continue to be a key focus of education in the State, the initial implementation costs of this process should not be a significant financial concern when this reorganization occurs.
- Because of growth in district expenses, including salary and benefit changes recently negotiated with MDUSD employees, the general fund balance is projected to decline rapidly over the coming years. The managements and boards of the two school districts will need to monitor this trend closely and make the necessary adjustments.

Factors Impacting MDUSD

- Because the district reorganization likely would occur in 2-3 years, the MDUSD management and board should have ample time to plan for the changes, particularly the impact of the reorganization on its district office infrastructure.

Factors Impacting NUSD

As with any reorganization, the financial situation of the newly-formed NUSD would be challenging during the transition and early years. However, the NUSD management and board would have some positive financial options to consider, including:

- A significant reduction in Special Ed costs based on the following two key metrics. First, as reported in the tables above, NUSD would have a smaller proportion of special ed students – an estimated 8% of its total student enrollment compared to about 12% for MDUSD. This should reduce NUSD expenses. Second, and related to the first metric, the Contra Costa County Office of Education (CCCOoE) reports that MDUSD spends a higher proportion of its total expenditures on special ed than average for districts in Contra Costa County. For example, the CCCOoE reported that in 2014-15 MDUSD spent 29.2% of its general fund expenditures on special ed while the County average was 22.0%. The special ed cost average was even lower for the County's smaller school districts. Therefore, as NUSD considers its options for serving its special ed students and incurs costs more in line with other smaller school districts in the County, NUSD should realize relatively lower special ed costs compared to MDUSD, which should help the NUSD financials.
- The eventual passing of a parcel tax by the Northgate community. This proposal does not assume the passage of a parcel tax; however, such a tax may be considered by the Northgate community at some point. Neighboring school districts of similar size all have passed parcel taxes recently, including the residents and businesses on the other side of Walnut Creek who are located in the Walnut Creek and Acalanes Union High School Districts. These residents and businesses pay just under \$400 per parcel per year. With the Contra Costa Assessor's Office reporting more than 11,800 taxable parcels in the proposed NUSD territory, a parcel tax could be a significant revenue source sometime in the future for NUSD, if the Northgate-area voters decide to accept such financing. (A previous effort to pass an MDUSD-wide parcel tax lacked support from the district administration and failed by a significant margin. There is currently no movement, that we are aware of, that could pass such a tax in the future.)
- As discussed in Criterion 3, NUSD is expected to receive an estimated 13.5% (based on current ADA enrollment) distribution of the MDUSD general fund balance at the effective date of the reorganization. While the currently high general fund balance is expected to decline significantly over time, NUSD should receive a proportionate general fund balance to begin its operation. For example, as of its Second Interim report, MDUSD is projecting a \$11.6 million fund balance at the end of the 2018-19 school year, a 3.3% reserve. At an assumed 13.5% allocation rate, based on the new district's share of ADA, NUSD would receive an estimated \$1.6 million cash distribution if the reorganization occurred at that time.
- To help offset costs, NUSD may pursue options such as renting facilities to the public, partnering with the City of Walnut Creek on recreational facilities, seeking business partnerships on

opportunities of mutual interest, pursuing education grants specifically for the needs in NUSD, and outsourcing non-core services that can be provided more cost-effectively by others.

Conclusion

Based on the above 3-year financial review of both school districts and the additional comments noted above, the reorganization and ongoing operation of the impacted school districts appear to be financially feasible. Consequently, we believe that this criterion is met.

Primary Information Sources

- MDUSD 2014-15 Audited Actuals
- MDUSD 2015-16 Unaudited Actuals
- MDUSD 2016-17 Adopted Budget
- MDUSD 2016-17 First Interim Report
- California Department of Education DataQuest Website
- Chapter 9 of the California Department of Education District Organization Handbook
- 2014-15 Annual Financial Report of the Contra Costa County Office of Education

APPENDICES

Appendix 1 – Public Description of the Petition

The petition that was submitted to the public stated as follows:

PETITION FOR TRANSFER OF TERRITORY

To The Superintendent Of Schools Of Contra Costa County:

Pursuant to Education Code Section 35700 subdivision (a), the undersigned constituting at least 25 percent of the registered electors residing in the territory proposed to be transferred, now within the boundaries of the Mount Diablo Unified School District (MDUSD), Contra Costa County, petition that the boundaries of the Mount Diablo Unified School District be changed to eliminate from it the area hereinafter described. The undersigned persons petition that the territory be transferred to and included within a new public school district, the Northgate Unified School District (NUSD) of Contra Costa County.

The Territory To Be Transferred Is Described As Follows:

All of the territory within the MDUSD-specified attendance boundaries as of April 24, 2016, of the five MDUSD-administered schools (Foothill Middle, Bancroft Elementary, Valle Verde Elementary, Walnut Acres Elementary and Northgate High School).

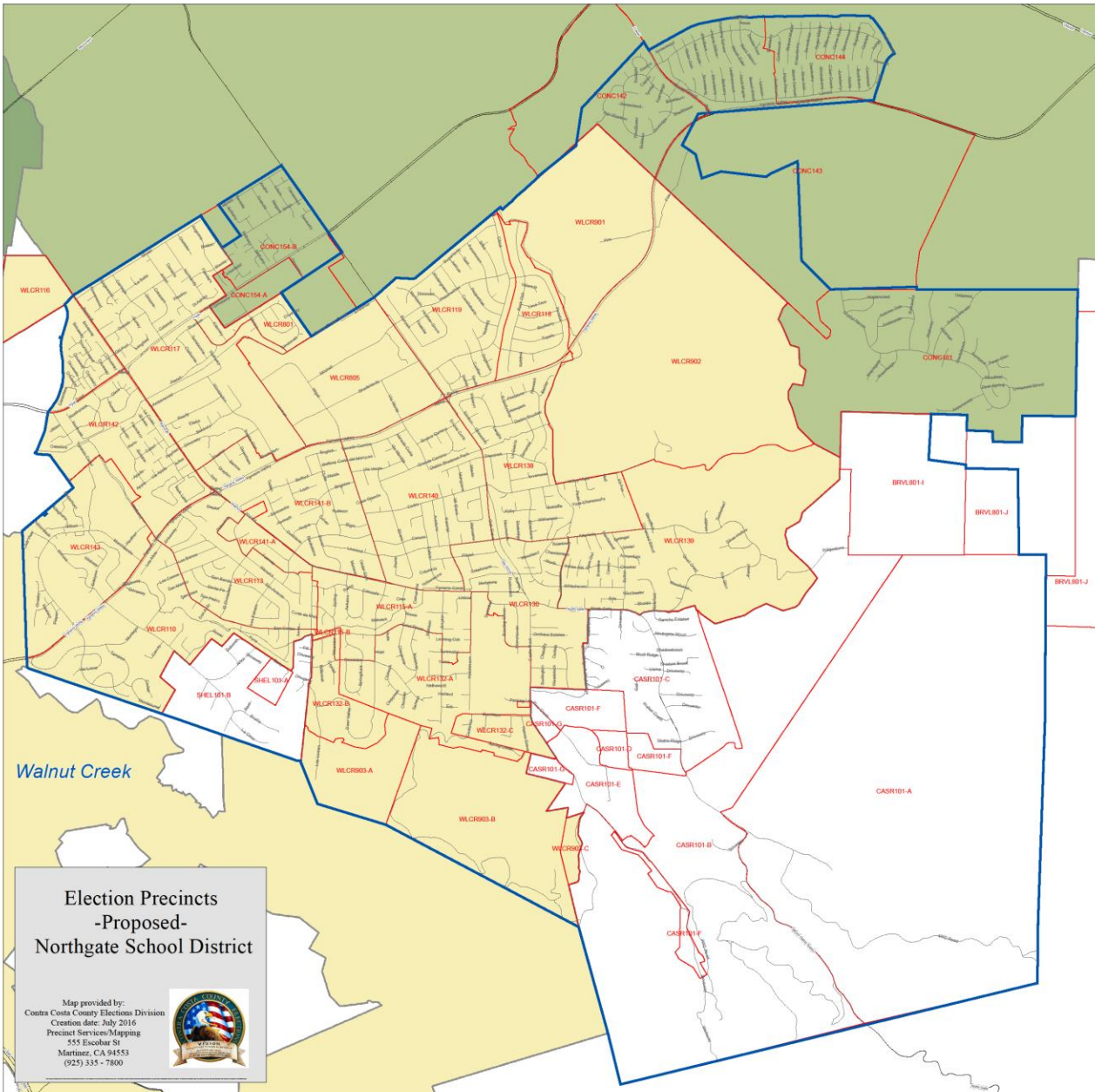
The undersigned request the changes in the respective boundaries of the school districts for the following reasons:

1. To create a smaller public school district that will be more accountable to families and voters in our territory as well as more responsive to the needs of our students and the educators who work in our schools.
2. To improve academic achievement, teacher satisfaction and learning environments to realize the full potential of our students and educators.
3. To increase community support for public education in the Northgate area with a school district that is dedicated to building positive, respectful, and productive partnerships that can maximize the district's impact on all of our 21st Century learners.

The Chief Petitioner for the purpose of receiving notices is:

Linda Loza 3698 Oak Creek Ct, Walnut Creek, CA 94598
Name (print or type) Address

Below is the map of the proposed NUSD, with boundaries in blue. Signatures were gathered from registered voters within those areas.



Items from Required by the County Office of Education

We have also provided to the County Committee on School District Organization for publication at least 10 days prior to public hearings, responses to the following items requested by the County Office of Education (per EC35705.5[b]):

i. Notice of the rights of the employees in the affected districts for continued employment.

Employees of Mt. Diablo Unified School District (MDUSD) who work at one of the five schools that will be part of the Northgate Unified School District (NUSD) will be offered continued employment in the same capacity in NUSD. With the anticipated approval of the NUSD financials prior to start-up by the Contra Costa County Office of Education (required of all public school districts in the County), and to the extent that it is within the control of NUSD, these employees will work under the same terms and retain the same rights and seniority as under their existing labor agreement with MDUSD after NUSD begins operation as an independent public school district, unless the employees, or their collective bargaining unit(s), mutually agree with the NUSD board to alter the terms of their agreement(s). Subsequent labor agreements would be negotiated between NUSD and NUSD employees or the representatives of employee collective bargaining unit(s). NUSD will not involve itself in opposition to any efforts by any employees to organize into collective bargaining units, and NUSD will recognize any properly established collective bargaining units.

Other employees of MDUSD who are not employees in the five Northgate-area schools at the time of the transition to NUSD may be considered for employment with NUSD, although NUSD will not be required to employ those individuals. If, at the time of the transition, NUSD hires individuals who are employees of MDUSD, those employees will work under the same labor agreement(s) as they had as employees of MDUSD. Candidates coming into NUSD schools after the transition will not necessarily have the same rights under pre-existing MDUSD labor agreements.

ii. The revenue limit per unit of ADA for each affected district and the effect of the petition, if approved, on such revenue limit.

Beginning with the 2013-14 fiscal year, the State replaced the revenue limit funding system with the LCFF revenue system as the primary source for K-12 education funding in California. Figure 1.1 below summarizes the estimated impact on the LCFF revenue that this reorganization would have on MDUSD and the proposed NUSD. The table below uses full LCFF grant funding. (In 2015-16 MDUSD received 91.9% of the full grant funding, and the funding gap is projected to continue to decline until 2020.) On a per ADA basis, LCFF revenue for MDUSD is estimated to increase slightly (around 1%), because of the higher percentage of unduplicated students qualifying for supplemental funding in the district and the district surpassing slightly the 55% state threshold to qualify for concentration grants. (For every 1% above the state's 55% concentration threshold, we estimate that MDUSD would receive an additional \$1.5 million in revenue – \$1.1M in concentration grant revenue and \$0.4M in supplemental grant revenue.)

Appendix Figure 1.1 - Estimated LCFF Target Entitlement by School District, Based on Full Grant Funding

	Original MDUSD (1)	New MDUSD (3)	New NUSD (2)
Base Grant Funding	239,766,229	206,390,700	33,375,529
Supplemental Grant Funding	23,655,336	22,799,587	855,749
Concentration Grant Funding	-	121,746	-
Add-On Funding	3,896,037	3,896,037	-
Total LCFF Target Entitlement	<u>267,317,602</u>	<u>233,208,070</u>	<u>34,231,278</u>
Funded ADA - No. of students	30,528	26,351	4,177
Funded ADA - Relative %		86.3%	13.7%
Unduplicated - No. of students	15,059	14,524	535
Unduplicated Pupil Percentage	49.33%	55.12%	12.81%
Target LCFF per ADA	\$ 8,757	\$ 8,850	\$ 8,195

1) Per California Department of Education 2015-16 LCFF Funding Snapshot for MDUSD.

2) Refer to Figure 1.2 for more detail.

3) Original MDUSD data less Proposed NUSD data.

Appendix Figure 1.2 - Estimated NUSD LCFF Revenue at Full Entitlement

For NUSD, as summarized in more detail in Figure 1.2 below, the LCFF base grant revenue per ADA averages \$7,991 on a grade-blended basis. Including supplemental grant funding, total LCFF revenue rises to an average of \$8,195 per ADA. We assume that NUSD, because of its demographics, would not be eligible to receive any additional miscellaneous LCFF funding (e.g. instructional improvement grants, home-to-school transportation funding, etc.). We expect all of that funding to remain with MDUSD.

Figure 1.2 - Estimated NUSD LCFF Revenue at Full Entitlement

	Grades TK-3	Grades 4-6	Grades 7-8	Grades 9-12	Total
Number of Students per School (1)					
Bancroft Elementary	389	170			559
Valle Verde Elementary	322	144			466
Walnut Acres Elementary	413	204			617
Foothill Middle		357	686		1,043
Northgate High				1,599	1,599
Total Enrollment	1,124	875	686	1,599	4,284
Estimated ADA Rate (2)					
	97.5%	97.5%	97.5%	97.5%	97.5%
Total Number of ADA Students					
	1,096	853	669	1,559	4,177
Unduplicated % (3)					
	12.82%	12.82%	12.82%	12.82%	12.82%
LCFF Base Grant (4)					
	\$ 7,820	\$ 7,189	\$ 7,403	\$ 8,801	\$ 7,991 (5)
LCFF Revenue					
Base Grant Funding	\$ 8,569,938	\$ 6,133,116	\$ 4,951,497	\$ 13,720,979	\$ 33,375,529
Supplemental Grant Funding	\$ 219,733	\$ 157,253	\$ 126,956	\$ 351,806	\$ 855,749
Add-On Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Total LCFF Revenue	\$ 8,789,671	\$ 6,290,369	\$ 5,078,453	\$ 14,072,785	\$ 34,231,278
Total LCFF Revenue per ADA					
	\$ 8,021	\$ 7,373	\$ 7,593	\$ 9,027	\$ 8,195

1. Actual 2015/16 total enrollment for the five Northgate schools reported on the California Department of Education DataQuest website.
2. Actual 2015-16 ADA rate reported by MDUSD for the 5 Northgate schools.
3. Actual 2015-16 Unduplicated Pupil Count Percentage reported by MDUSD for the 5 Northgate schools.
4. Full LCFF entitlement base grants by grade span.
5. Blended overall LCFF average base grant for NUSD.

iii. Whether the districts involved will be governed in part by provisions of a city charter and, if so, in what way.

No city charter will govern the new district.

iv. Whether the governing boards of any proposed new district will have five or seven members.

The school board of the Northgate Unified School District will have five members.

v. A description of the territory or districts in which the election, if any, will be held.

The election will be held in the proposed territory of the Northgate Unified School District, which comprises the territory within the attendance boundaries as of April 24, 2016, of the following schools (Foothill Middle School, Bancroft Elementary School, Valle Verde Elementary School, Walnut Acres Elementary School, and Northgate High School), excluding the real property of Oak Grove Middle School and Ygnacio Valley High School.

vi. Where the proposal is to create two or more districts, whether the proposal will be voted on as a single proposition.

The proposal to create the Northgate Unified School District will be voted on as a single proposition.

vii. Whether the governing board of any new district will have trustee areas and, if so, whether the trustees will be elected by only the voters of that trustee area or by the voters of the entire district.

All five members of the board of the Northgate Unified School District will be elected at large.

viii. A description of how the property, obligations, and bonded indebtedness of existing districts will be divided.

Following the guidance provided by the Education Code (particularly Sections 35560 and 35736), it is proposed that the property, obligations, and bonded indebtedness of MDUSD be divided as follows:

- The real property, personal property and fixtures at the school sites would be the property of the district in which the assets are located.
- All other property, funds, and obligations (except bonded indebtedness) would be divided pro rata among NUSD and MDUSD. The most common method for dividing property among public school entities in California is the average daily attendance (ADA), because it reflects actual demand for student use, and that is the proposed methodology for this district reorganization. Based on the 2015-16 ADA information reported on the CDE DataQuest website and summarized on the above Figure 1.1, NUSD and MDUSD would receive an estimated 13.7% and 86.3%, respectively, of the remaining property, funds, and (non-bond debt) obligations.
- Bonded indebtedness would be based on the relative assessed valuations of the two school districts. As summarized in the below Figure 1.3 and based on the most current property valuations of the Contra Costs County’s Assessor’s Office, it is estimated that the outstanding MDUSD bonds would be split 18.1% for NUSD and 81.9% for MDUSD.
- Based on the above proposed allocations, the below Figure 1.4 summarizes how the MDUSD property, obligations, and bonded indebtedness would be divided between the proposed NUSD and MDUSD as of June 30, 2016, the most current published financial statements.

The above allocations would have to be updated with the most current information as of the actual effective date of the district reorganization. Furthermore, as allowed in Education Code Section 35565, an outside arbitrator or board of arbitrators could be used to facilitate this process.

Appendix Figure 1.3 – Distribution of Property and Funds Based on Assessed Valuation

Entity	Total Assessed Valuation (1)	Relative %
NUSD (2)	\$6,559,148,137	18.10%
Remaining MDUSD	<u>\$29,676,903,081</u>	<u>81.90%</u>
Total (3)	\$36,236,051,218	100.00%

1. Total 2016-17 tax base for the Secured roll net of local exempt amounts obtained from the Contra Costa County Assessor's Office on 12/15/2016.
2. Total 2016-17 tax base for the proposed NUSD boundary.
3. Total 2016-17 tax base for the current MDUSD boundary.

Appendix Figure 1.4 – Proposed Asset and Liability Distribution as of June 30, 2016

	Basis of Division (1)	Total	NUSD	MDUSD
ASSETS (2)				
General Fund Unrestricted and Restricted	ADA	95,812,705	13,126,341	82,686,364
Adult Education Fund	ADA	1,723,781	236,158	1,487,623
Cafeteria Special Revenue Fund	ADA	4,036,916	553,057	3,483,859
Deferred Maintenance Fund	ADA	8,389	1,149	7,240
Building Fund	ADA	44,475,289	6,093,115	38,382,174
Capital Facilities Fund	ADA	7,046,352	965,350	6,081,002
County School Facilities Fund	ADA	2,186,712	299,580	1,887,132
Capital Project Fund for Blended Component Units	ADA	787,170	107,842	679,328
Bond Interest and Redemption Fund	Assessed Valuation	31,903,286	5,774,495	26,128,791
Total Assets		187,980,600	27,157,087	160,823,513
LIABILITIES (3)				
General Obligation Bonds	Assessed Valuation	499,972,231	90,494,974	409,477,257
Capital Leases	ADA	2,220,206	304,168	1,916,038
Construction Loan	ADA	4,326,049	592,669	3,733,380
Net Pension Liability	ADA	255,536,539	35,008,506	220,528,033
Compensated Absences	ADA	2,938,779	402,613	2,536,166
Post-Employment Benefits	ADA	44,387,681	6,081,112	38,306,569
Total Liabilities		809,381,485	132,884,042	676,497,443

1. Asset/liability division percentages:
 - a. ADA Enrollment: NUSD - 13.7%; MDUSD - 86.3%
 - b. Assessed Valuation - NUSD - 18.1%; MDUSD - 81.9%
2. Fund balances reported in MDUSD 2015-16 Audited Financials. Excludes Fiduciary Funds (Foundation Private-Purpose Trust Fund, Student Body Funds, and Debt Service Fund for Special Assessment Debt/CFD Bonds) and Charter Schools Special Revenue Fund. This latter fund likely will be assumed entirely by one of the two school districts.
3. Long-term debt reported in MDUSD 2015-16 Audited Financials. Excludes Special Assessment Debt/CFD Bonds.

ix. A description of when the first governing board of any new district will be elected and how the terms of office for each new trustee will be determined.

The first governing board will be elected in the election held to create the district. The two candidates receiving the highest and second-highest number of votes will be elected to four-year terms, and those board seats will continue to be subject to four-year terms. The three candidates receiving the third, fourth, and fifth-highest number of votes will be elected to initial two-year terms. After the expiry of those two-year terms, those seats subsequently will be filled by elections to four-year terms.

Appendix 2 – Background and Operating Assumptions for NUSD

Appendix 2.1 – Enrollment

The sample operating figures for NUSD in Appendix 3 use the most recent total enrollment figure of 4,284 for the five Northgate-area schools. That enrollment figure and subsequent cost figures assume that NUSD would maintain the current level of the transfer-student population from other parts of MDUSD as well as current inter-district transfers from outside the district. We recognize that MDUSD may resist allowing transfer students to continue in NUSD schools, due to the loss of revenue to MDUSD. We hope that MDUSD would continue to offer MDUSD families the opportunity to transfer to Northgate-area schools. At the very least, we hope MDUSD would agree to grandfather-in intra-district transfers at the time of the transition, to minimize disruption for those students.

We believe that there is a strong sentiment within the Northgate community to maintain the continuity and diversity of our student population by continuing to accommodate existing levels of transfer students. In fact, we believe that with *more transparency regarding school capacities and proper planning for transfers and facilities*, we could accommodate a student population of up to 4,600 students, which would include more places for transfer students. If financial concerns lead MDUSD to discourage its students from transferring to NUSD, then we would encourage the NUSD board to consider strategies for attracting students from other nearby communities, to continue to provide additional diversity in our student community, and to assure funding resources that could allow wider instructional opportunities for NUSD students, as well as for students from neighboring communities.

Appendix 2.1.1 – Northgate Student Demographic Trends by Grade

The following five tables summarize the enrollment and student ethnicity by grade for each Northgate school over the past 20 years, showing how the demographics have changed in these schools.

Ethnic Composition of Walnut Acres Elementary School Student Population by Grade

	2015-16							2014-15							2013-14						
	K	1	2	Grade 3	4	5	Total	K	1	2	Grade 3	4	5	Total	K	1	Grade 3	4	5	Total	
Number of Students																					
Hispanic/Latino	10	12	11	9	6	16	64	22	11	8	6	16	13	76	10	11	5	13	14	11	64
American Indian/Alaska Native	0	0	1	0	1	2	4	0	0	1	0	1	1	3	0	1	0	1	1	0	3
Asian	11	10	8	12	12	12	65	8	8	13	10	11	13	63	8	16	10	9	14	12	69
Pacific Islander	1	0	0	0	0	0	1	0	0	0	0	0	1	1	0	0	0	0	1	0	1
Filipino	4	3	7	10	3	4	31	5	7	8	3	3	29	4	6	3	2	3	1	19	
African American	0	1	1	0	1	0	3	1	1	1	1	0	0	4	0	0	1	0	0	1	2
White	70	52	47	53	63	60	345	59	48	52	68	60	62	349	48	48	61	56	58	71	342
Two or More Races, Not Hispanic	14	12	16	8	13	12	75	17	16	7	13	10	7	76	19	9	14	14	12	7	75
Not Reported	7	10	8	5	0	1	31	15	6	2	0	1	0	24	6	1	0	0	0	1	8
Total	117	100	98	98	98	106	617	127	97	92	101	105	103	625	95	92	94	95	103	104	583
Percentage of Students																					
Hispanic/Latino	8.5%	12.0%	11.2%	9.2%	6.1%	15.1%	10.4%	17.3%	11.3%	8.7%	5.9%	15.2%	12.6%	12.2%	10.5%	12.0%	5.3%	13.7%	13.6%	10.6%	11.0%
American Indian/Alaska Native	0.0%	0.0%	0.0%	1.0%	0.0%	0.9%	0.3%	0.0%	0.0%	1.1%	0.0%	1.0%	1.0%	0.5%	0.0%	1.1%	0.0%	1.1%	1.0%	0.0%	0.5%
Asian	9.4%	10.0%	8.2%	12.2%	12.2%	11.3%	10.5%	6.3%	8.2%	14.1%	9.9%	10.5%	12.6%	10.1%	8.4%	17.4%	10.6%	9.5%	13.6%	11.5%	11.8%
Pacific Islander	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	0.2%	0.0%	0.0%	0.0%	0.0%	1.0%	0.0%	0.2%
Filipino	3.4%	3.0%	7.1%	10.2%	3.1%	3.8%	5.0%	3.9%	7.2%	8.7%	3.0%	2.9%	2.9%	4.6%	4.2%	6.5%	3.2%	2.1%	2.9%	1.0%	3.3%
African American	0.0%	1.0%	1.0%	0.0%	1.0%	0.0%	0.5%	0.8%	1.0%	1.1%	1.0%	0.0%	0.0%	0.6%	0.0%	0.0%	1.1%	0.0%	0.0%	1.0%	0.3%
White	59.8%	52.0%	48.0%	54.1%	64.3%	56.6%	55.9%	46.5%	49.5%	56.5%	67.3%	57.1%	60.2%	55.8%	50.5%	52.2%	64.9%	58.9%	56.3%	68.3%	58.7%
Two or More Races, Not Hispanic	12.0%	12.0%	16.3%	8.2%	13.3%	11.3%	12.2%	13.4%	16.5%	7.6%	12.9%	12.4%	9.7%	12.2%	20.0%	9.8%	14.9%	14.7%	11.7%	6.7%	12.9%
Not Reported	6.0%	10.0%	8.2%	5.1%	0.0%	0.9%	5.0%	11.8%	6.2%	2.2%	0.0%	1.0%	0.0%	3.8%	6.3%	1.1%	0.0%	0.0%	0.0%	1.0%	1.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition																					
Minority (1)	22.2%	26.0%	27.6%	32.7%	22.4%	31.1%	26.9%	28.3%	27.8%	33.7%	19.8%	29.5%	30.1%	28.2%	23.2%	37.0%	20.2%	26.3%	32.0%	24.0%	27.1%
White (2)	59.8%	52.0%	48.0%	54.1%	64.3%	56.6%	55.9%	46.5%	49.5%	56.5%	67.3%	57.1%	60.2%	55.8%	50.5%	52.2%	64.9%	58.9%	56.3%	68.3%	58.7%
Other (3)	17.9%	22.0%	24.5%	13.3%	13.3%	12.3%	17.2%	25.2%	22.7%	9.8%	12.9%	13.3%	9.7%	16.0%	26.3%	10.9%	14.9%	14.7%	11.7%	7.7%	14.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Number of Students																					
Hispanic/Latino	10	6	15	13	12	10	66	6	11	12	11	11	10	61	11	11	10	7	9	10	58
American Indian/Alaska Native	0	0	1	0	0	1	2	0	1	0	0	1	1	3	1	0	0	1	1	0	3
Asian	14	8	8	15	11	13	69	7	8	14	10	14	8	61	8	15	8	14	8	18	71
Pacific Islander	0	0	0	1	0	0	1	0	0	1	0	0	0	1	0	1	0	0	0	1	2
Filipino	4	3	2	3	1	6	19	3	2	3	1	7	7	23	1	3	1	6	7	6	24
African American	0	1	0	0	0	0	1	1	1	0	0	1	3	6	2	0	0	1	2	0	5
White	45	58	56	53	72	72	356	57	55	54	64	63	100	393	56	55	67	63	101	80	422
Two or More Races, Not Hispanic	4	14	13	9	8	1	49	17	14	9	6	1	6	53	14	8	6	1	5	0	34
Not Reported	18	4	0	1	0	1	24	5	1	0	0	0	0	6	2	0	0	0	0	1	3
Total	95	94	95	95	104	104	587	96	93	93	92	98	135	607	95	93	92	93	133	116	622
Percentage of Students																					
Hispanic/Latino	10.5%	6.4%	15.8%	13.7%	11.5%	9.6%	11.2%	6.3%	11.8%	12.9%	12.0%	11.2%	7.4%	10.0%	11.6%	11.8%	10.9%	7.5%	6.8%	8.6%	9.3%
American Indian/Alaska Native	0.0%	0.0%	1.1%	0.0%	0.0%	1.0%	0.3%	0.0%	1.1%	0.0%	0.0%	1.0%	0.7%	0.5%	1.1%	0.0%	0.0%	1.1%	0.8%	0.0%	0.5%
Asian	14.7%	8.5%	8.4%	15.8%	10.6%	12.5%	11.8%	7.3%	8.6%	15.1%	10.9%	14.3%	5.9%	10.0%	8.4%	16.1%	8.7%	15.1%	6.0%	15.5%	11.4%
Pacific Islander	0.0%	0.0%	0.0%	1.1%	0.0%	0.0%	0.2%	0.0%	0.0%	1.1%	0.0%	0.0%	0.0%	0.2%	0.0%	1.1%	0.0%	0.0%	0.0%	0.9%	0.3%
Filipino	4.2%	3.2%	2.1%	3.2%	1.0%	5.8%	3.2%	3.1%	2.2%	3.2%	1.1%	7.1%	5.2%	3.8%	1.1%	3.2%	1.1%	6.5%	5.3%	5.2%	3.9%
African American	0.0%	1.1%	0.0%	0.0%	0.0%	0.0%	0.2%	1.0%	1.1%	0.0%	0.0%	1.0%	2.2%	1.0%	2.1%	0.0%	0.0%	1.1%	1.5%	0.0%	0.8%
White	47.4%	61.7%	58.9%	55.8%	69.2%	69.2%	60.6%	59.4%	59.1%	58.1%	69.6%	64.3%	74.1%	64.7%	58.9%	59.1%	72.8%	67.7%	75.9%	69.0%	67.8%
Two or More Races, Not Hispanic	4.2%	14.9%	13.7%	9.5%	7.7%	1.0%	8.3%	17.7%	15.1%	9.7%	6.5%	1.0%	4.4%	8.7%	14.7%	8.6%	6.5%	1.1%	3.8%	0.0%	5.5%
Not Reported	18.9%	4.3%	0.0%	1.1%	0.0%	1.0%	4.1%	5.2%	1.1%	0.0%	0.0%	0.0%	0.0%	1.0%	2.1%	0.0%	0.0%	0.0%	0.0%	0.9%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition																					
Minority (1)	29.5%	19.1%	27.4%	33.7%	23.1%	28.8%	26.9%	17.7%	24.7%	32.3%	23.9%	34.7%	21.5%	25.5%	24.2%	32.3%	20.7%	31.2%	20.3%	30.2%	26.2%
White (2)	47.4%	61.7%	58.9%	55.8%	69.2%	69.2%	60.6%	59.4%	59.1%	58.1%	69.6%	64.3%	74.1%	64.7%	58.9%	59.1%	72.8%	67.7%	75.9%	69.0%	67.8%
Other (3)	23.2%	19.1%	13.7%	10.5%	7.7%	1.9%	12.4%	22.9%	16.1%	9.7%	6.5%	1.0%	4.4%	9.7%	16.8%	8.6%	6.5%	1.1%	3.8%	0.9%	5.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Number of Students																					
Hispanic/Latino	5	5	5	6	5	7	33	4	1	5	8	3	6	27	4	2	2	3	3	4	18
American Indian/Alaska Native	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Asian	19	11	13	14	14	10	81	9	7	13	18	18	17	82	12	15	29	15	18	16	105
Pacific Islander	0	1	0	0	2	1	4	1	0	0	0	0	1	2	0	0	0	1	1	0	1
Filipino	5	3	4	3	2	3	20	1	4	2	1	2	4	14	2	2	2	0	5	3	14
African American	1	1	2	1	2	0	7	0	1	0	0	4	1	6	0	0	0	0	1	0	1
White	87	75	91	96	103	109	561	81	87	94	92	99	104	557	87	89	105	113	116	130	640
Two or More Races, Not Hispanic	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Not Reported	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	117	96	115	120	128	130	706	96	100	114	119	126	133	688	105	108	138	132	143	153	779
Ungraded Elementary							0							0							6
Percentage of Students																					
Hispanic/Latino	4.3%	5.2%	4.3%	5.0%	3.9%	5.4%	4.7%	4.2%	1.0%	4.4%	6.7%	2.4%	4.5%	3.9%	3.8%	1.9%	1.4%	2.3%	2.1%	2.6%	2.3%
American Indian/Alaska Native	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asian	16.2%	11.5%	11.3%	11.7%	10.9%	7.7%	11.5%	9.4%	7.0%	11.4%	15.1%	14.3%	12.8%	11.9%	11.4%	13.9%	21.0%	11.4%	12.5%	10.5%	13.5%
Pacific Islander	0.0%	1.0%	0.0%	0.0%	1.6%	0.8%	0.6%	1.0%	0.0%	0.0%	0.0%	0.0%	0.8%	0.3%	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%	0.1%
Filipino	4.3%	3.1%	3.5%	2.5%	1.6%	2.3%															

Ethnic Composition of Foothill Middle School Student Population by Grade

	2015-16				2014-15				2013-14				2012-13				2011-12			
	6	7	8	Total	6	7	8	Total	6	7	8	Total	6	7	8	Total	6	7	8	Total
Number of Students																				
Hispanic/Latino	45	32	42	119	27	40	25	92	38	27	36	101	24	35	29	88	34	28	32	94
American Indian/Alaska Native	1	0	1	2	0	1	2	3	1	2	2	5	2	2	2	6	3	2	1	6
Asian	45	47	64	156	47	63	48	158	63	50	76	189	48	74	56	178	70	53	55	178
Pacific Islander	5	4	1	10	4	1	2	7	1	1	4	6	1	4	4	9	2	4	3	9
Filipino	9	9	17	35	10	18	20	48	18	18	15	51	20	14	15	49	15	14	10	39
African American	7	2	4	13	2	4	7	13	4	8	8	20	9	8	9	26	8	6	10	24
White	204	197	225	626	190	219	227	636	212	226	211	649	233	214	206	653	205	207	226	638
Two or More Races, Not Hispanic	34	29	6	69	28	5	13	46	7	15	8	30	14	7	3	24	6	2	2	10
Not Reported	7	5	1	13	5	2	4	11	2	4	1	7	1	1	2	4	1	1	0	2
Total	357	325	361	1,043	313	353	348	1,014	346	351	361	1,058	352	359	326	1,037	344	317	339	1,000
Percentage of Students																				
Hispanic/Latino	12.6%	9.8%	11.6%	11.4%	8.6%	11.3%	7.2%	9.1%	11.0%	7.7%	10.0%	9.5%	6.8%	9.7%	8.9%	8.5%	9.9%	8.8%	9.4%	9.4%
American Indian/Alaska Native	0.3%	0.0%	0.3%	0.2%	0.0%	0.3%	0.6%	0.3%	0.3%	0.6%	0.6%	0.5%	0.6%	0.6%	0.6%	0.6%	0.9%	0.6%	0.3%	0.6%
Asian	12.6%	14.5%	17.7%	15.0%	15.0%	17.8%	13.8%	15.6%	18.2%	14.2%	21.1%	17.9%	13.6%	20.6%	17.2%	17.2%	20.3%	16.7%	16.2%	17.8%
Pacific Islander	1.4%	1.2%	0.3%	1.0%	1.3%	0.3%	0.6%	0.7%	0.3%	0.3%	1.1%	0.6%	0.3%	1.1%	1.2%	0.9%	0.6%	1.3%	0.9%	0.9%
Filipino	2.5%	2.8%	4.7%	3.4%	3.2%	5.1%	5.7%	4.7%	5.2%	5.1%	4.2%	4.8%	5.7%	3.9%	4.6%	4.7%	4.4%	4.4%	2.9%	3.9%
African American	2.0%	0.6%	1.1%	1.2%	0.6%	1.1%	2.0%	1.3%	1.2%	2.3%	2.2%	1.9%	2.6%	2.2%	2.8%	2.5%	2.3%	1.9%	2.9%	2.4%
White	57.1%	60.6%	62.3%	60.0%	60.7%	62.0%	65.2%	62.7%	61.3%	64.4%	58.4%	61.3%	66.2%	59.6%	63.2%	63.0%	59.6%	65.3%	66.7%	63.8%
Two or More Races, Not Hispanic	9.5%	8.9%	1.7%	6.6%	8.9%	1.4%	3.7%	4.5%	2.0%	4.3%	2.2%	2.8%	4.0%	1.9%	0.9%	2.3%	1.7%	0.6%	0.6%	1.0%
Not Reported	2.0%	1.5%	0.3%	1.2%	1.6%	0.6%	1.1%	1.1%	0.6%	1.1%	0.3%	0.7%	0.3%	0.3%	0.6%	0.4%	0.3%	0.3%	0.0%	0.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition																				
Minority (1)	31.4%	28.9%	35.7%	32.1%	28.8%	36.0%	29.9%	31.7%	36.1%	30.2%	39.1%	35.2%	29.5%	38.2%	35.3%	34.3%	38.4%	33.8%	32.7%	35.0%
White (2)	57.1%	60.6%	62.3%	60.0%	60.7%	62.0%	65.2%	62.7%	61.3%	64.4%	58.4%	61.3%	66.2%	59.6%	63.2%	63.0%	59.6%	65.3%	66.7%	63.8%
Other (3)	11.5%	10.5%	1.9%	7.9%	10.5%	2.0%	4.9%	5.6%	2.6%	5.4%	2.2%	2.8%	4.3%	2.2%	1.5%	2.7%	2.0%	0.6%	0.6%	1.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Number of Students																				
Hispanic/Latino	26	26	29	81	18	20	19	57	16	11	9	36	19	8	16	43				
American Indian/Alaska Native	2	1	2	5	2	0	2	4	0	0	0	0	1	0	0	1				
Asian	48	52	67	167	57	52	67	176	55	73	65	193	57	49	61	167				
Pacific Islander	4	3	6	13	1	0	3	4	1	0	1	2	1	0	3	4				
Filipino	12	12	14	38	15	8	7	30	7	1	6	14	8	4	9	21				
African American	6	7	6	19	4	2	2	8	4	6	8	18	4	1	2	7				
White	213	231	246	690	271	238	272	781	300	279	270	849	263	289	231	783				
Two or More Races, Not Hispanic	2	0	3	5	0	0	0	0	0	0	0	0	0	0	0	0				
Not Reported	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
Total	313	332	373	1,018	368	320	372	1,060	383	370	359	1,112	353	351	322	1,026				
Ungraded Students																				
									20											
Percentage of Students																				
Hispanic/Latino	8.3%	7.8%	7.8%	8.0%	4.9%	6.3%	5.1%	5.4%	4.2%	3.0%	2.5%	3.2%	5.4%	2.3%	5.0%	4.2%				
American Indian/Alaska Native	0.6%	0.3%	0.5%	0.5%	0.5%	0.0%	0.5%	0.4%	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%	0.0%	0.1%				
Asian	15.3%	15.7%	18.0%	16.4%	15.5%	16.3%	18.0%	16.6%	14.4%	19.7%	18.1%	17.4%	16.1%	14.0%	18.9%	16.3%				
Pacific Islander	1.3%	0.9%	1.6%	1.3%	0.3%	0.0%	0.8%	0.4%	0.3%	0.0%	0.3%	0.2%	0.3%	0.0%	0.9%	0.4%				
Filipino	3.8%	3.6%	3.8%	3.7%	4.1%	2.5%	1.9%	2.8%	1.8%	0.3%	1.7%	1.3%	2.3%	1.1%	2.8%	2.0%				
African American	1.9%	2.1%	1.6%	1.9%	1.1%	0.6%	0.5%	0.8%	1.0%	1.6%	2.2%	1.6%	1.1%	0.3%	0.6%	0.7%				
White	68.1%	69.6%	66.0%	67.8%	73.6%	74.4%	73.1%	73.7%	78.3%	75.4%	75.2%	76.3%	74.5%	82.3%	71.7%	76.3%				
Two or More Races, Not Hispanic	0.6%	0.0%	0.8%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Not Reported	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				
Total Ethnic Composition																				
Minority (1)	31.3%	30.4%	33.2%	31.7%	26.4%	25.6%	26.9%	26.3%	21.7%	24.6%	24.8%	23.7%	25.5%	17.7%	28.3%	23.7%				
White (2)	68.1%	69.6%	66.0%	67.8%	73.6%	74.4%	73.1%	73.7%	78.3%	75.4%	75.2%	76.3%	74.5%	82.3%	71.7%	76.3%				
Other (3)	0.6%	0.0%	0.8%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%				
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				

Above information reported on California Department of Education DataQuest Website.

1. Comprises Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
2. Comprises only "Whites, not Hispanic" ethnic group.
3. Comprises "2 or More Races, not Hispanic" and Not Reported groups.

Ethnic Composition of Northgate High School Student Population by Grade

	2015-16					2014-15					2013-14					2012-13					2011-12				
	9	10	11	12	Total	9	10	11	12	Total	9	10	11	12	Total	9	10	11	12	Total	9	10	11	12	Total
Number of Students																									
Hispanic/Latino	41	53	35	46	175	48	37	49	46	180	35	50	47	44	176	45	49	40	29	163	50	35	31	28	144
American Indian/Alaska Native	3	2	1	2	8	2	1	2	2	7	1	2	2	2	7	2	2	3	1	8	2	3	1	0	6
Asian	57	79	66	66	268	78	70	70	84	302	72	71	82	62	287	71	74	60	53	258	71	58	52	63	244
Pacific Islander	3	6	4	3	16	6	4	3	7	20	3	5	6	5	19	5	6	6	2	19	5	6	2	1	14
Filipino	30	20	23	17	90	20	21	17	24	82	22	17	25	20	84	15	25	23	11	74	25	22	12	14	73
African American	8	11	7	8	34	11	8	8	9	36	7	7	8	11	33	6	7	7	2	22	7	8	4	5	24
White	229	238	230	233	930	243	235	247	249	974	232	254	258	253	997	249	249	246	235	979	264	252	241	257	1,014
Two or More Races, Not Hispanic	15	21	7	5	48	16	7	4	7	34	7	4	6	1	18	3	5	0	4	12	5	0	4	3	12
Not Reported	4	10	14	2	30	9	14	2	11	36	10	1	1	1	22	19	17	16	2	54	9	9	1	4	23
Total	390	440	387	382	1,599	433	397	402	439	1,671	389	411	444	399	1,643	415	434	401	339	1,589	438	393	348	375	1,554
Percentage of Students																									
Hispanic/Latino	10.5%	12.0%	9.0%	12.0%	10.9%	11.1%	9.3%	12.2%	10.5%	10.8%	9.0%	12.2%	10.6%	11.0%	10.7%	10.8%	11.3%	10.0%	8.6%	10.3%	11.4%	8.9%	8.9%	7.5%	9.3%
American Indian/Alaska Native	0.8%	0.5%	0.3%	0.5%	0.5%	0.5%	0.3%	0.5%	0.5%	0.4%	0.3%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.7%	0.3%	0.5%	0.5%	0.8%	0.3%	0.0%	0.4%
Asian	14.6%	18.0%	17.1%	17.3%	16.8%	18.0%	17.6%	17.4%	19.1%	18.1%	18.5%	17.3%	18.5%	15.5%	17.5%	17.1%	17.1%	15.0%	15.6%	16.2%	16.2%	14.8%	14.9%	16.8%	15.7%
Pacific Islander	0.8%	1.4%	1.0%	0.8%	1.0%	1.4%	1.0%	0.7%	1.6%	1.2%	0.8%	1.2%	1.4%	1.3%	1.2%	1.2%	1.4%	1.5%	0.6%	1.2%	1.1%	1.5%	0.6%	0.3%	0.9%
Filipino	7.7%	4.5%	5.9%	4.5%	5.6%	4.6%	5.3%	4.2%	5.5%	4.9%	5.7%	4.1%	5.6%	5.0%	5.1%	3.6%	5.8%	5.7%	3.2%	4.7%	5.7%	5.6%	3.4%	3.7%	4.7%
African American	2.1%	2.5%	1.8%	2.1%	2.1%	2.5%	2.0%	2.0%	2.1%	2.2%	1.8%	1.7%	1.8%	2.8%	2.0%	1.4%	1.6%	1.7%	0.6%	1.4%	1.6%	2.0%	1.1%	1.3%	1.6%
White	58.7%	54.1%	59.4%	61.0%	58.2%	56.1%	59.2%	61.4%	56.7%	58.3%	59.6%	61.8%	58.1%	63.4%	60.7%	60.0%	57.4%	61.3%	69.3%	61.6%	60.3%	64.1%	69.3%	68.5%	65.3%
Two or More Races, Not Hispanic	3.8%	4.8%	1.8%	1.3%	3.0%	3.7%	1.8%	1.0%	1.6%	2.0%	1.8%	1.0%	1.4%	0.3%	1.1%	0.7%	1.2%	0.0%	1.2%	0.8%	1.1%	0.0%	1.1%	0.8%	0.8%
Not Reported	1.0%	2.3%	3.6%	0.5%	1.9%	2.1%	3.5%	0.5%	2.5%	2.2%	2.6%	0.2%	2.3%	0.3%	1.3%	4.6%	3.9%	4.0%	0.6%	3.4%	2.1%	2.3%	0.3%	1.1%	1.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition																									
Minority (1)	36.4%	38.9%	35.1%	37.2%	37.0%	38.1%	35.5%	37.1%	39.2%	37.5%	36.0%	37.0%	38.3%	36.1%	36.9%	34.7%	37.6%	34.7%	28.9%	34.2%	36.5%	33.6%	29.3%	29.6%	32.5%
White (2)	58.7%	54.1%	59.4%	61.0%	58.2%	56.1%	59.2%	61.4%	56.7%	58.3%	59.6%	61.8%	58.1%	63.4%	60.7%	60.0%	57.4%	61.3%	69.3%	61.6%	60.3%	64.1%	69.3%	68.5%	65.3%
Other (3)	4.9%	7.0%	5.4%	1.8%	4.9%	5.8%	5.3%	1.5%	4.1%	4.2%	4.4%	1.2%	3.6%	0.5%	2.4%	5.3%	5.1%	4.0%	1.8%	4.2%	3.2%	2.3%	1.4%	1.9%	2.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Number of Students																									
Hispanic/Latino	33	34	27	31	125	26	30	19	16	91	12	14	16	9	51	15	16	16	8	55	15	16	16	8	55
American Indian/Alaska Native	3	2	0	0	5	1	1	0	0	2	1	0	1	0	2	0	0	0	0	0	0	0	0	0	0
Asian	54	56	65	58	233	77	72	73	89	311	79	75	77	67	298	57	76	62	48	243	57	62	48	243	
Pacific Islander	5	1	1	0	7	1	2	2	0	5	1	0	2	1	4	0	1	2	0	3	0	1	2	0	3
Filipino	22	14	15	10	61	19	9	6	4	38	8	8	9	6	31	10	13	14	15	52	10	13	14	15	52
African American	10	4	5	7	26	9	3	9	5	26	1	6	8	5	20	6	5	1	2	14	5	1	2	14	
White	261	256	267	227	1,011	292	269	281	258	1,100	270	274	281	279	1,104	279	319	302	276	1,176	279	319	302	276	1,176
Two or More Races, Not Hispanic	0	4	2	3	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Not Reported	10	1	2	0	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	398	372	384	336	1,490	425	386	390	372	1,573	372	377	394	367	1,510	367	430	397	350	1,544	367	430	397	350	1,544
Ungraded Students																									
Percentage of Students																									
Hispanic/Latino	8.3%	9.1%	7.0%	9.2%	8.4%	6.1%	7.8%	4.9%	4.3%	5.8%	3.2%	3.7%	4.1%	2.5%	3.4%	4.1%	3.7%	4.0%	2.3%	3.6%	4.1%	3.7%	4.0%	2.3%	3.6%
American Indian/Alaska Native	0.8%	0.5%	0.0%	0.0%	0.3%	0.2%	0.3%	0.0%	0.0%	0.1%	0.3%	0.0%	0.3%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%
Asian	13.6%	15.1%	16.9%	17.3%	15.6%	18.1%	18.7%	18.7%	23.9%	19.8%	21.2%	19.9%	19.5%	18.3%	19.7%	15.5%	17.7%	15.6%	13.7%	15.7%	15.5%	17.7%	15.6%	13.7%	15.7%
Pacific Islander	1.3%	0.3%	0.3%	0.0%	0.5%	0.2%	0.5%	0.5%	0.0%	0.3%	0.3%	0.0%	0.5%	0.3%	0.3%	0.0%	0.2%	0.5%	0.0%	0.2%	0.0%	0.2%	0.5%	0.0%	0.2%
Filipino	5.5%	3.8%	3.9%	3.0%	4.1%	4.5%	2.3%	1.5%	1.1%	2.4%	2.2%	2.1%	2.3%	1.6%	2.1%	2.7%	3.0%	3.5%	4.3%	3.4%	2.7%	3.0%	3.5%	4.3%	3.4%
African American	2.5%	1.1%	1.3%	2.1%	1.7%	2.1%	0.8%	2.3%	1.3%	1.7%	0.3%	1.6%	2.0%	1.4%	1.3%	1.6%	1.2%	0.3%	0.6%	0.9%	1.6%	1.2%	0.3%	0.6%	0.9%
White	65.6%	68.6%	69.5%	67.6%	67.9%	68.7%	69.7%	72.1%	69.4%	69.9%	72.6%	72.7%	71.3%	76.0%	73.1%	76.0%	74.2%	76.1%	78.9%	76.2%	76.0%	74.2%	76.1%	78.9%	76.2%
Two or More Races, Not Hispanic	0.0%	1.1%	0.5%	0.9%	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Not Reported	2.5%	0.3%	0.5%	0.0%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Above information reported on California Department of Education DataQuest Website.

1. Comprises Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
2. Comprises only "Whites, not Hispanic" ethnic group.
3. Comprises "2 or More Races, not Hispanic" and Not Reported groups.

Appendix 2.1.2 – Student Demographic Trends by District, County, and State

Historical data on the ethnic composition of student populations in local and regional schools were used to support certain demographic projections for MDUSD and NUSD. Our proposal for NUSD is designed to follow MDUSD attendance boundaries for the five Northgate-area schools as of April 24, 2016. We also propose to continue accepting current and future transfer students from neighborhoods outside NUSD. Therefore, we do not see any specific reasons why the student population demographics should follow different trend lines than the current student population of the five Northgate-area schools. However, if MDUSD resists allowing transfers from that district to continue to attend NUSD schools, then NUSD could choose to accept transfers from further away, and the demographics of those students could vary. Generally, we would expect those transfer students to be as diverse, if not more so, than the transfer student population that MDUSD currently permits for the Northgate-area schools.

The data in this section was sourced from the California Dept. of Education *DataQuest* Website.

Ethnic Composition of 2015-16 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)	
Number of Students												
Hispanic/Latino	3,360,562	60,992	13,323	584	12,739	175	119	100	60	64	66	584
American Indian/Alaska Native	34,704	570	87	13	74	8	2	1	0	2	0	13
Asian	551,229	21,326	2,324	664	1,660	268	156	79	67	65	29	664
Pacific Islander	30,436	1,139	255	34	221	16	10	3	2	1	2	34
Filipino	156,166	7,393	1,464	193	1,271	90	35	16	8	31	13	193
African American	361,752	17,101	1,263	70	1,193	34	13	10	4	3	6	70
White	1,500,932	57,501	10,845	2,592	8,253	930	626	288	245	345	158	2,592
Two or More Races, Not Hispanic	192,146	8,954	1,547	334	1,213	48	69	56	58	75	28	334
Not Reported	38,810	1,437	897	120	777	30	13	6	22	31	18	120
Total	6,226,737	176,413	32,005	4,604	27,401	1,599	1,043	559	466	617	320	4,604
Percentage of Students												
Hispanic/Latino	54.0%	34.6%	41.6%	12.7%	46.5%	10.9%	11.4%	17.9%	12.9%	10.4%	20.6%	12.7%
American Indian/Alaska Native	0.6%	0.3%	0.3%	0.3%	0.3%	0.5%	0.2%	0.2%	0.0%	0.3%	0.0%	0.3%
Asian	8.9%	12.1%	7.3%	14.4%	6.1%	16.8%	15.0%	14.1%	14.4%	10.5%	9.1%	14.4%
Pacific Islander	0.5%	0.6%	0.8%	0.7%	0.8%	1.0%	1.0%	0.5%	0.4%	0.2%	0.6%	0.7%
Filipino	2.5%	4.2%	4.6%	4.2%	4.6%	5.6%	3.4%	2.9%	1.7%	5.0%	4.1%	4.2%
African American	5.8%	9.7%	3.9%	1.5%	4.4%	2.1%	1.2%	1.8%	0.9%	0.5%	1.9%	1.5%
White	24.1%	32.6%	33.9%	56.3%	30.1%	58.2%	60.0%	51.5%	52.6%	55.9%	49.4%	56.3%
Two or More Races, Not Hispanic	3.1%	5.1%	4.8%	7.3%	4.4%	3.0%	6.6%	10.0%	12.4%	12.2%	8.8%	7.3%
Not Reported	0.6%	0.8%	2.8%	2.6%	2.8%	1.9%	1.2%	1.1%	4.7%	5.0%	5.6%	2.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition												
Minority (2)	72.2%	61.5%	58.5%	33.8%	62.6%	37.0%	32.1%	37.4%	30.3%	26.9%	36.3%	33.8%
White (3)	24.1%	32.6%	33.9%	56.3%	30.1%	58.2%	60.0%	51.5%	52.6%	55.9%	49.4%	56.3%
Other (4)	3.7%	5.9%	7.6%	9.9%	7.3%	4.9%	7.9%	11.1%	17.2%	17.2%	14.4%	9.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- (1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.
(2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
(3) Comprised exclusively of "Whites, not Hispanic" ethnic group.
(4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Source: CA Dept. of Education DataQuest website

Ethnic Composition of 2014-15 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)	
Number of Students												
Hispanic/Latino	3,344,431	59,426	13,028	569	12,459	180	92	94	66	76	61	569
American Indian/Alaska Native	36,755	612	108	15	93	7	3	0	2	3	0	15
Asian	545,720	20,418	2,319	700	1,619	302	158	78	68	63	31	700
Pacific Islander	31,513	1,191	241	35	206	20	7	3	3	1	1	35
Filipino	158,224	7,466	1,480	201	1,279	82	48	16	12	29	14	201
African American	373,280	17,401	1,336	74	1,262	36	13	9	5	4	7	74
White	1,531,088	58,953	11,337	2,624	8,713	974	636	265	244	349	156	2,624
Two or More Races, Not Hispanic	175,700	8,111	1,394	302	1,092	34	46	56	62	76	28	302
Not Reported	38,809	1,224	680	117	563	36	11	4	20	24	22	117
Total	6,235,520	174,802	31,923	4,637	27,286	1,671	1,014	525	482	625	320	4,637
Percentage of Students												
Hispanic/Latino	53.6%	34.0%	40.8%	12.3%	45.7%	10.8%	9.1%	17.9%	13.7%	12.2%	19.1%	12.3%
American Indian/Alaska Native	0.6%	0.4%	0.3%	0.3%	0.3%	0.4%	0.3%	0.0%	0.4%	0.5%	0.0%	0.3%
Asian	8.8%	11.7%	7.3%	15.1%	5.9%	18.1%	15.6%	14.9%	14.1%	10.1%	9.7%	15.1%
Pacific Islander	0.5%	0.7%	0.8%	0.8%	0.8%	1.2%	0.7%	0.6%	0.6%	0.2%	0.3%	0.8%
Filipino	2.5%	4.3%	4.6%	4.3%	4.7%	4.9%	4.7%	3.0%	2.5%	4.6%	4.4%	4.3%
African American	6.0%	10.0%	4.2%	1.6%	4.6%	2.2%	1.3%	1.7%	1.0%	0.6%	2.2%	1.6%
White	24.6%	33.7%	35.5%	56.6%	31.9%	58.3%	62.7%	50.5%	50.6%	55.8%	48.8%	56.6%
Two or More Races, Not Hispanic	2.8%	4.6%	4.4%	6.5%	4.0%	2.0%	4.5%	10.7%	12.9%	12.2%	8.8%	6.5%
Not Reported	0.6%	0.7%	2.1%	2.5%	2.1%	2.2%	1.1%	0.8%	4.1%	3.8%	6.9%	2.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition												
Minority (2)	72.0%	60.9%	58.0%	34.4%	62.0%	37.5%	31.7%	38.1%	32.4%	28.2%	35.6%	34.4%
White (3)	24.6%	33.7%	35.5%	56.6%	31.9%	58.3%	62.7%	50.5%	50.6%	55.8%	48.8%	56.6%
Other (4)	3.4%	5.3%	6.5%	9.0%	6.1%	4.2%	5.6%	11.4%	17.0%	16.0%	15.6%	9.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- (1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.
(2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
(3) Comprised exclusively of "Whites, not Hispanic" ethnic group.
(4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Source: CA Dept. of Education DataQuest website

Ethnic Composition of 2013-14 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)	
Number of Students												
Hispanic/Latino	3,321,274	58,062	12,817	536	12,281	176	101	85	53	64	57	536
American Indian/Alaska Native	38,616	605	129	18	111	7	5	0	2	3	1	18
Asian	542,540	19,552	2,342	709	1,633	287	189	59	71	69	34	709
Pacific Islander	32,821	1,199	284	35	249	19	6	6	3	1	0	35
Filipino	151,745	7,110	1,458	188	1,270	84	51	14	7	19	13	188
African American	384,291	17,886	1,408	72	1,336	33	20	5	4	2	8	72
White	1,559,113	60,055	11,856	2,661	9,195	997	649	253	249	342	171	2,661
Two or More Races, Not Hispanic	167,153	7,768	1,264	272	992	18	30	59	58	75	32	272
Not Reported	39,119	783	397	67	330	22	7	4	15	8	11	67
Total	6,236,672	173,020	31,955	4,558	27,397	1,643	1,058	485	462	583	327	4,558
Percentage of Students												
Hispanic/Latino	53.3%	33.6%	40.1%	11.8%	44.8%	10.7%	9.5%	17.5%	11.5%	11.0%	17.4%	11.8%
American Indian/Alaska Native	0.6%	0.3%	0.4%	0.4%	0.4%	0.4%	0.5%	0.0%	0.4%	0.5%	0.3%	0.4%
Asian	8.7%	11.3%	7.3%	15.6%	6.0%	17.5%	17.9%	12.2%	15.4%	11.8%	10.4%	15.6%
Pacific Islander	0.5%	0.7%	0.9%	0.8%	0.9%	1.2%	0.6%	1.2%	0.6%	0.2%	0.0%	0.8%
Filipino	2.4%	4.1%	4.6%	4.1%	4.6%	5.1%	4.8%	2.9%	1.5%	3.3%	4.0%	4.1%
African American	6.2%	10.3%	4.4%	1.6%	4.9%	2.0%	1.9%	1.0%	0.9%	0.3%	2.4%	1.6%
White	25.0%	34.7%	37.1%	58.4%	33.6%	60.7%	61.3%	52.2%	53.9%	58.7%	52.3%	58.4%
Two or More Races, Not Hispanic	2.7%	4.5%	4.0%	6.0%	3.6%	1.1%	2.8%	12.2%	12.6%	12.9%	9.8%	6.0%
Not Reported	0.6%	0.5%	1.2%	1.5%	1.2%	1.3%	0.7%	0.8%	3.2%	1.4%	3.4%	1.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition												
Minority (2)	71.7%	60.3%	57.7%	34.2%	61.6%	36.9%	35.2%	34.8%	30.3%	27.1%	34.6%	34.2%
White (3)	25.0%	34.7%	37.1%	58.4%	33.6%	60.7%	61.3%	52.2%	53.9%	58.7%	52.3%	58.4%
Other (4)	3.3%	4.9%	5.2%	7.4%	4.8%	2.4%	3.5%	13.0%	15.8%	14.2%	13.1%	7.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

(1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.

(2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.

(3) Comprised exclusively of "Whites, not Hispanic" ethnic group.

(4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Source: CA Dept. of Education DataQuest website

Ethnic Composition of 2012-13 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total	
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)		
Number of Students													
Hispanic/Latino	3,282,105	56,249	12,524	506	12,018	163	88	81	51	66	57	506	
American Indian/Alaska Native	40,414	639	142	19	123	8	6	0	2	2	1	19	
Asian	536,970	18,877	2,243	670	1,573	258	178	64	65	69	36	670	
Pacific Islander	33,958	1,189	298	46	252	19	9	13	2	1	2	46	
Filipino	154,891	7,024	1,388	172	1,216	74	49	12	6	19	12	172	
African American	394,695	17,922	1,418	69	1,349	22	26	7	3	1	10	69	
White	1,589,393	61,014	11,971	2,680	9,291	979	653	239	271	356	182	2,680	
Two or More Races, Not Hispanic	149,806	7,023	1,050	203	847	12	24	40	48	49	30	203	
Not Reported	44,757	1,481	967	120	847	54	4	10	14	24	14	120	
Total	6,226,989	171,418	32,001	4,485	27,516	1,589	1,037	466	462	587	344	4,485	
Percentage of Students													
Hispanic/Latino	52.7%	32.8%	39.1%	11.3%	43.7%	10.3%	8.5%	17.4%	11.0%	11.2%	16.6%	11.3%	
American Indian/Alaska Native	0.6%	0.4%	0.4%	0.4%	0.4%	0.5%	0.6%	0.0%	0.4%	0.3%	0.3%	0.4%	
Asian	8.6%	11.0%	7.0%	14.9%	5.7%	16.2%	17.2%	13.7%	14.1%	11.8%	10.5%	14.9%	
Pacific Islander	0.5%	0.7%	0.9%	1.0%	0.9%	1.2%	0.9%	2.8%	0.4%	0.2%	0.6%	1.0%	
Filipino	2.5%	4.1%	4.3%	3.8%	4.4%	4.7%	4.7%	2.6%	1.3%	3.2%	3.5%	3.8%	
African American	6.3%	10.5%	4.4%	1.5%	4.9%	1.4%	2.5%	1.5%	0.6%	0.2%	2.9%	1.5%	
White	25.5%	35.6%	37.4%	59.8%	33.8%	61.6%	63.0%	51.3%	58.7%	60.6%	52.9%	59.8%	
Two or More Races, Not Hispanic	2.4%	4.1%	3.3%	4.5%	3.1%	0.8%	2.3%	8.6%	10.4%	8.3%	8.7%	4.5%	
Not Reported	0.7%	0.9%	3.0%	2.7%	3.1%	3.4%	0.4%	2.1%	3.0%	4.1%	4.1%	2.7%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Total Ethnic Composition													
Minority (2)	71.4%	59.4%	56.3%	33.0%	60.1%	34.2%	34.3%	38.0%	27.9%	26.9%	34.3%	33.0%	
White (3)	25.5%	35.6%	37.4%	59.8%	33.8%	61.6%	63.0%	51.3%	58.7%	60.6%	52.9%	59.8%	
Other (4)	3.1%	5.0%	6.3%	7.2%	6.2%	4.2%	2.7%	10.7%	13.4%	12.4%	12.8%	7.2%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

- (1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.
(2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
(3) Comprised exclusively of "Whites, not Hispanic" ethnic group.
(4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Ethnic Composition of 2011-12 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)	
Number of Students												
Hispanic/Latino	3,236,942	54,379	12,633	463	12,170	144	94	64	47	61	53	463
American Indian/Alaska Native	42,539	636	163	20	143	6	6	1	3	3	1	20
Asian	535,829	18,190	2,425	654	1,771	244	178	72	70	61	29	654
Pacific Islander	34,944	1,195	320	40	280	14	9	12	1	1	3	40
Filipino	157,640	7,002	1,458	172	1,286	73	39	16	7	23	14	172
African American	406,089	17,863	1,573	78	1,495	24	24	7	7	6	10	78
White	1,626,507	62,555	13,792	2,757	11,035	1,014	638	240	297	393	175	2,757
Two or More Races, Not Hispanic	130,947	6,240	941	175	766	12	10	40	38	53	22	175
Not Reported	49,556	1,317	682	48	634	23	2	13	4	6	5	48
Total	6,220,993	169,377	33,987	4,407	29,580	1,554	1,000	465	474	607	312	4,407
Percentage of Students												
Hispanic/Latino	52.0%	32.1%	37.2%	10.5%	41.1%	9.3%	9.4%	13.8%	9.9%	10.0%	17.0%	10.5%
American Indian/Alaska Native	0.7%	0.4%	0.5%	0.5%	0.5%	0.4%	0.6%	0.2%	0.6%	0.5%	0.3%	0.5%
Asian	8.6%	10.7%	7.1%	14.8%	6.0%	15.7%	17.8%	15.5%	14.8%	10.0%	9.3%	14.8%
Pacific Islander	0.6%	0.7%	0.9%	0.9%	0.9%	0.9%	0.9%	2.6%	0.2%	0.2%	1.0%	0.9%
Filipino	2.5%	4.1%	4.3%	3.9%	4.3%	4.7%	3.9%	3.4%	1.5%	3.8%	4.5%	3.9%
African American	6.5%	10.5%	4.6%	1.8%	5.1%	1.5%	2.4%	1.5%	1.5%	1.0%	3.2%	1.8%
White	26.1%	36.9%	40.6%	62.6%	37.3%	65.3%	63.8%	51.6%	62.7%	64.7%	56.1%	62.6%
Two or More Races, Not Hispanic	2.1%	3.7%	2.8%	4.0%	2.6%	0.8%	1.0%	8.6%	8.0%	8.7%	7.1%	4.0%
Not Reported	0.8%	0.8%	2.0%	1.1%	2.1%	1.5%	0.2%	2.8%	0.8%	1.0%	1.6%	1.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition												
Minority (2)	71.0%	58.6%	54.6%	32.4%	58.0%	32.5%	35.0%	37.0%	28.5%	25.5%	35.3%	32.4%
White (3)	26.1%	36.9%	40.6%	62.6%	37.3%	65.3%	63.8%	51.6%	62.7%	64.7%	56.1%	62.6%
Other (4)	2.9%	4.5%	4.8%	5.1%	4.7%	2.3%	1.2%	11.4%	8.9%	9.7%	8.7%	5.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

- (1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.
(2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
(3) Comprised exclusively of "Whites, not Hispanic" ethnic group.
(4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Ethnic Composition of 2010-11 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)	
Number of Students												
Hispanic/Latino	3,197,384	51,921	12,258	410	11,848	125	81	49	46	58	51	410
American Indian/Alaska Native	43,552	638	171	21	150	5	5	4	3	3	1	21
Asian	529,510	16,751	2,466	658	1,808	233	167	83	73	71	31	658
Pacific Islander	35,787	1,162	326	37	289	7	13	12	0	2	3	37
Filipino	159,038	6,548	1,464	164	1,300	61	38	15	12	24	14	164
African American	416,098	15,965	1,625	71	1,554	26	19	6	6	5	9	71
White	1,655,598	63,337	14,670	2,889	11,781	1,011	690	257	323	422	186	2,889
Two or More Races, Not Hispanic	112,788	5,098	766	134	632	9	5	32	36	34	18	134
Not Reported	67,247	6,808	370	23	347	13	0	2	3	3	2	23
Total	6,217,002	168,228	34,116	4,407	29,709	1,490	1,018	460	502	622	315	4,407
Percentage of Students												
Hispanic/Latino	51.4%	30.9%	35.9%	9.3%	39.9%	8.4%	8.0%	10.7%	9.2%	9.3%	16.2%	9.3%
American Indian/Alaska Native	0.7%	0.4%	0.5%	0.5%	0.5%	0.3%	0.5%	0.9%	0.6%	0.5%	0.3%	0.5%
Asian	8.5%	10.0%	7.2%	14.9%	6.1%	15.6%	16.4%	18.0%	14.5%	11.4%	9.8%	14.9%
Pacific Islander	0.6%	0.7%	1.0%	0.8%	1.0%	0.5%	1.3%	2.6%	0.0%	0.3%	1.0%	0.8%
Filipino	2.6%	3.9%	4.3%	3.7%	4.4%	4.1%	3.7%	3.3%	2.4%	3.9%	4.4%	3.7%
African American	6.7%	9.5%	4.8%	1.6%	5.2%	1.7%	1.9%	1.3%	1.2%	0.8%	2.9%	1.6%
White	26.6%	37.6%	43.0%	65.6%	39.7%	67.9%	67.8%	55.9%	64.3%	67.8%	59.0%	65.6%
Two or More Races, Not Hispanic	1.8%	3.0%	2.2%	3.0%	2.1%	0.6%	0.5%	7.0%	7.2%	5.5%	5.7%	3.0%
Not Reported	1.1%	4.0%	1.1%	0.5%	1.2%	0.9%	0.0%	0.4%	0.6%	0.5%	0.6%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Ethnic Composition												
Minority (2)	70.5%	55.3%	53.7%	30.9%	57.1%	30.7%	31.7%	36.7%	27.9%	26.2%	34.6%	30.9%
White (3)	26.6%	37.6%	43.0%	65.6%	39.7%	67.9%	67.8%	55.9%	64.3%	67.8%	59.0%	65.6%
Other (4)	2.9%	7.1%	3.3%	3.6%	3.3%	1.5%	0.5%	7.4%	7.8%	5.9%	6.3%	3.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

(1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.

(2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.

(3) Comprised exclusively of "Whites, not Hispanic" ethnic group.

(4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Ethnic Composition of 2005-06 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total	
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)		
Number of Students													
Hispanic/Latino	3,003,716	43,076	10,149	295	9,854	96	61	32	26	33	47	295	
American Indian/Alaska Native	50,758	982	191	16	175	2	4	4	4	0	2	16	
Asian	517,171	13,941	2,782	783	1,999	314	176	94	80	81	38	783	
Pacific Islander	40,387	1,421	421	25	396	5	4	9	2	4	1	25	
Filipino	165,572	7,057	1,373	133	1,240	39	30	21	11	20	12	133	
African American	495,017	19,573	1,948	81	1,867	30	9	15	10	7	10	81	
White	1,915,491	74,025	19,060	3,385	15,675	1,123	796	255	425	561	225	3,385	
Two or More Races, Not Hispanic	124,324	5,741										0	
Not Reported												0	
Total	6,312,436	165,816	35,924	4,718	31,206	1,609	1,080	430	558	706	335	4,718	
Percentage of Students													
Hispanic/Latino	47.6%	26.0%	28.3%	6.3%	31.6%	6.0%	5.6%	7.4%	4.7%	4.7%	14.0%	6.3%	
American Indian/Alaska Native	0.8%	0.6%	0.5%	0.3%	0.6%	0.1%	0.4%	0.9%	0.7%	0.0%	0.6%	0.3%	
Asian	8.2%	8.4%	7.7%	16.6%	6.4%	19.5%	16.3%	21.9%	14.3%	11.5%	11.3%	16.6%	
Pacific Islander	0.6%	0.9%	1.2%	0.5%	1.3%	0.3%	0.4%	2.1%	0.4%	0.6%	0.3%	0.5%	
Filipino	2.6%	4.3%	3.8%	2.8%	4.0%	2.4%	2.8%	4.9%	2.0%	2.8%	3.6%	2.8%	
African American	7.8%	11.8%	5.4%	1.7%	6.0%	1.9%	0.8%	3.5%	1.8%	1.0%	3.0%	1.7%	
White	30.3%	44.6%	53.1%	71.7%	50.2%	69.8%	73.7%	59.3%	76.2%	79.5%	67.2%	71.7%	
Two or More Races, Not Hispanic	2.0%	3.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Not Reported	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Total Ethnic Composition													
Minority (2)	67.7%	51.9%	46.9%	28.3%	49.8%	30.2%	26.3%	40.7%	23.8%	20.5%	32.8%	28.3%	
White (3)	30.3%	44.6%	53.1%	71.7%	50.2%	69.8%	73.7%	59.3%	76.2%	79.5%	67.2%	71.7%	
Other (4)	2.0%	3.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

- (1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.
- (2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
- (3) Comprised exclusively of "Whites, not Hispanic" ethnic group.
- (4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Ethnic Composition of 2000-01 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total	
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)		
Number of Students													
Hispanic/Latino	2,613,480	33,678	7,446	219	7,227	54	39	47	16	27	36	219	
American Indian/Alaska Native	51,926	959	154	10	144	2	0	6	1	0	1	10	
Asian	484,220	12,934	2,865	751	2,114	299	194	78	69	82	29	751	
Pacific Islander	38,651	1,204	335	15	320	4	2	3	3	2	1	15	
Filipino	144,759	5,573	1,231	96	1,135	33	14	14	11	14	10	96	
African American	510,779	19,995	1,803	66	1,737	22	19	8	6	6	5	66	
White	2,171,861	83,916	22,813	3,688	19,125	1,119	866	362	489	557	295	3,688	
Two or More Races, Not Hispanic	35,219	1,455	1		1							0	
Not Reported												0	
Total	6,050,895	159,714	36,648	4,845	31,803	0	1,533	1,134	518	595	688	377	4,845
Percentage of Students													
Hispanic/Latino	43.2%	21.1%	20.3%	4.5%	22.7%	3.5%	3.4%	9.1%	2.7%	3.9%	9.5%	4.5%	
American Indian/Alaska Native	0.9%	0.6%	0.4%	0.2%	0.5%	0.1%	0.0%	1.2%	0.2%	0.0%	0.3%	0.2%	
Asian	8.0%	8.1%	7.8%	15.5%	6.6%	19.5%	17.1%	15.1%	11.6%	11.9%	7.7%	15.5%	
Pacific Islander	0.6%	0.8%	0.9%	0.3%	1.0%	0.3%	0.2%	0.6%	0.5%	0.3%	0.3%	0.3%	
Filipino	2.4%	3.5%	3.4%	2.0%	3.6%	2.2%	1.2%	2.7%	1.8%	2.0%	2.7%	2.0%	
African American	8.4%	12.5%	4.9%	1.4%	5.5%	1.4%	1.7%	1.5%	1.0%	0.9%	1.3%	1.4%	
White	35.9%	52.5%	62.2%	76.1%	60.1%	73.0%	76.4%	69.9%	82.2%	81.0%	78.2%	76.1%	
Two or More Races, Not Hispanic	0.6%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Not Reported	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Total Ethnic Composition													
Minority (2)	63.5%	46.5%	37.7%	23.9%	39.9%	27.0%	23.6%	30.1%	17.8%	19.0%	21.8%	23.9%	
White (3)	35.9%	52.5%	62.2%	76.1%	60.1%	73.0%	76.4%	69.9%	82.2%	81.0%	78.2%	76.1%	
Other (4)	0.6%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

- (1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.
- (2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
- (3) Comprised exclusively of "Whites, not Hispanic" ethnic group.
- (4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Ethnic Composition of 1995-96 Student Population

	State	County	MDUSD	5 Northgate Schools	MDUSD (excl. Northgate Schools)	Northgate Area Schools						Total	
						Northgate	Foothill	Bancroft	Valle Verde	Walnut Acres	Highlands (1)		
Number of Students													
Hispanic/Latino	2,118,028	23,270	5,175	207	4,968	55	47	32	17	20	36	207	
American Indian/Alaska Native	47,697	909	159	9	150	1	1	7	0	0	0	9	
Asian	449,725	11,357	2,694	705	1,989	245	169	83	73	105	30	705	
Pacific Islander	31,325	690	207	17	190	3	4	5	3	1	1	17	
Filipino	131,820	5,047	1,064	118	946	52	21	14	6	14	11	118	
African American	478,912	18,092	1,655	45	1,610	14	8	9	6	1	7	45	
White	2,209,717	83,539	24,304	3,843	20,461	1,182	798	450	479	644	290	3,843	
Two or More Races, Not Hispanic												0	
Not Reported												0	
Total	5,467,224	142,904	35,258	4,944	30,314	1,552	1,048	600	584	785	375	4,944	
Percentage of Students													
Hispanic/Latino	38.7%	16.3%	14.7%	4.2%	16.4%	3.5%	4.5%	5.3%	2.9%	2.5%	9.6%	4.2%	
American Indian/Alaska Native	0.9%	0.6%	0.5%	0.2%	0.5%	0.1%	0.1%	1.2%	0.0%	0.0%	0.0%	0.2%	
Asian	8.2%	7.9%	7.6%	14.3%	6.6%	15.8%	16.1%	13.8%	12.5%	13.4%	8.0%	14.3%	
Pacific Islander	0.6%	0.5%	0.6%	0.3%	0.6%	0.2%	0.4%	0.8%	0.5%	0.1%	0.3%	0.3%	
Filipino	2.4%	3.5%	3.0%	2.4%	3.1%	3.4%	2.0%	2.3%	1.0%	1.8%	2.9%	2.4%	
African American	8.8%	12.7%	4.7%	0.9%	5.3%	0.9%	0.8%	1.5%	1.0%	0.1%	1.9%	0.9%	
White	40.4%	58.5%	68.9%	77.7%	67.5%	76.2%	76.1%	75.0%	82.0%	82.0%	77.3%	77.7%	
Two or More Races, Not Hispanic	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Not Reported	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Total Ethnic Composition													
Minority (2)	59.6%	41.5%	31.1%	22.3%	32.5%	23.8%	23.9%	25.0%	18.0%	18.0%	22.7%	22.3%	
White (3)	40.4%	58.5%	68.9%	77.7%	67.5%	76.2%	76.1%	75.0%	82.0%	82.0%	77.3%	77.7%	
Other (4)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

- (1) Estimated number of Highlands Elementary School students who will attend Northgate elementary schools. Ethnic numbers represent 50% of the numbers on the CDC DataQuest website.
- (2) Comprised of Hispanic/Latino, American Indian/Alaska Native, Asian, Pacific Islander, Filipino, and African American ethnic groups.
- (3) Comprised exclusively of "Whites, not Hispanic" ethnic group.
- (4) Comprised of "2 or More Races, not Hispanic" and Not Reported groups.

Appendix 2.2 – Transfer Policies

This proposal seeks to minimize disruption for all families whose students attend Northgate-area schools. Therefore, we will seek an arrangement with MDUSD that allows current students who are intra-district transfers in Northgate-area schools to continue attending their current school and remain within the Northgate HS feeder pattern if they prefer. Because families become accustomed to their school community, we would like that arrangement to apply to siblings as well. We propose to continue accepting inter-district transfer students from outside NUSD in the same numbers and from the same communities as currently attend Northgate-area schools on an intra- or inter-district basis.

Under MDUSD management, Northgate-area schools have had to cope with unpredictable numbers of transfer students, which could vary widely from year to year. Since the district would not disclose the actual enrollment capacity of each school, there was also debate about the ability of each school to accommodate the transfer students who arrived at each site. Finally, even if there had been agreement on capacity figures, the Northgate community had no ability to make facility adjustments or enhancements at local schools to accommodate whatever numbers the district office permitted. We believe that all of those problems can be addressed by a NUSD that plans for specific numbers of transfer students and plans for the facilities to accommodate them.

Planning for a consistent number of transfers into NUSD will: 1) allow the new district to maintain and enhance the diversity of the student population; 2) provide another attractive option for Contra Costa County families seeking different public school options for their students; and 3) allow NUSD to match facilities to student populations in a manner that has not been possible under the changing transfer practices of MDUSD, which many residents have regarded as unpredictable and even arbitrary.

We also propose that NUSD should allow inter-district transfers from NUSD's five schools into any MDUSD school, without objections or withholding of any ADA funding, if the family does not wish to choose NUSD schools. This "freedom to leave" a district is an important right that we believe every student should have, when a place is available in another district. This right has often gone unrecognized in MDUSD, and we want NUSD to model policies that are more respectful of student needs and parental choices.

Appendix 3 – Estimated Financials for Proposed NUSD

The primary objective of the financials reported in Criterion 9 was to estimate the general fund balance for the new MDUSD and NUSD organizations based on the latest three years of detailed MDUSD financial information (2014-15 actuals, 2015-16 actuals, and 2016-17 Adopted Budget). We necessarily employed a high-level review involving an allocation to both school districts of MDUSD revenue and expenses by relative ADA enrollment, adjusted for significant differences in supplemental grant revenue and special ed costs.

The purpose of Appendix 3 is to examine more closely the financial viability of NUSD by focusing on 2015-16 NUSD revenue and expenses, the latest year of actual financial data. It is based on a combination of actual financial data obtained from MDUSD (i.e., LCFF revenue, local revenue, and school site expenses) and estimated financial data (i.e., federal revenue, other state revenue, non-site specific special ed costs, and District-level costs that were not charged to the school sites). The estimates and supporting detail largely were based on data and analysis of other nearby school districts. To minimize distortions, unusual non-recurring revenue sources (e.g., State mandated cost reimbursements and short-term solar rebates) were excluded from the estimated NUSD 2015-16 financials.

Appendix 3.1 – NUSD 2015-16 General Fund Net Revenue Estimate

As summarized in the table below, it is estimated that NUSD would have realized net revenue of \$515,000 in 2015-16, or 1.4% of total estimated NUSD expenses, had the district been in operation. The detail supporting this schedule can be found in Appendices 3.2 (revenue) and 3.3 (expenses) of this report. It is important to note that the \$515,000 net revenue estimate is a conservative estimate for the following reasons:

- It excludes an estimated \$650,000 of net revenue related to the approximate 320 students from Highlands Elementary who likely will attend the three Northgate elementary schools when NUSD is formed. (Note that the estimated \$525,000 of incremental costs pertaining to the approximate 35 special ed students from Highlands Elementary are already included in the \$7.1 million of total special ed costs summarized in Appendix Figure 3.3.7).
- It is based on a conservative estimate of non-LCFF revenue (particularly federal and state special ed revenue) and excludes any one-time, non-recurring revenue. In 2015-16, school districts realized a one-time windfall of \$529 per ADA from the state, which would have amounted to \$2.2 million for NUSD, which is not in this revenue estimate. Note that \$467 thousand of annual solar rebates that are due to expire soon were also excluded from the financial estimate.
- The NUSD 2015-16 financial estimate assumed a high cost (\$22,400) per NUSD special ed student. An actual NUSD special ed student cost that is closer to the estimated Contra Costa County average of \$18,000 per special ed student would lower NUSD expenses further, by more than \$1 million.
- It includes a 3% cost contingency (\$1,051,000) to cover any unknown or unexpected costs such as additional alternative education costs, higher maintenance costs, additional books/other instructional materials, and “Other Outgo” expenditures. Although this additional expense

cushion may be unnecessary, we feel it is appropriate to include such a cost contingency in a district reorganization like the one being proposed here.

The net revenue amount and the potential favorable adjustments noted above, together with future LCFF/COLA increases in state funding and fund balances that NUSD likely would receive should this district reorganization be approved, should make NUSD a financially viable school district. Naturally, given the uncertain date for the transition to the new district, additional cost adjustments will be necessary before NUSD begins operations.

Appendix Figure 3.1.1 – General Fund Net Revenue, Restricted and Unrestricted Sources

Estimated Revenue	Total
LCFF Revenue (1)	
Base Grant Funding	30,655,732
Supplemental Grant Funding	786,013
Add-On Funding	0
Sub-Total	<u>31,441,745</u>
Federal Revenue (2)	840,000
Other State Revenue (2)	2,675,000
Local Revenue (3)	<u>1,667,463</u>
Total Estimated Revenue	36,624,209
Estimated Expenses	
Actual 2015-16 School Site Costs (4)	22,452,489
Estimated 2015-16 Special Ed Costs (5)	7,143,636
Estimated District Headquarter Costs (Excluding Special Ed Staff costs) (6)	5,461,121
3% Cost Contingency (7)	<u>1,051,717</u>
Total Estimated Expenses	36,108,963
Net Revenue Estimate	515,245
Net Revenue Estimate - % of Total Expenses	1.4%

1. See "LCFF Estimate" worksheet Figure 3.2.1
2. See "Other Revenue" worksheet Figure 3.2.2. Based on reviewing comparables of nearby school districts.
3. See "Local Revenue Summary" worksheet Figure 3.2.3. Based on 2015-16 actuals. Excludes non-recurring revenue, revenue credited to other funds and special MDUSD contributions.
4. See "School Site Expenses" worksheet Figure 3.3.1. Based on 2015-16 actual costs for the 5 schools provided by MDUSD. Excludes special ed costs and costs charged to other funds (e.g., food services).

5. See "Special Ed Costs" worksheet Figure 3.3.7.
6. See "District Office Expense" Figure 3.3.3 and "District Comp Costs" Figure 3.3.6 worksheets.
7. Estimated cost contingency to cover unknown/unexpected costs.

Appendix 3.2 – Revenue

Appendix Figure 3.2.1 – Estimated LCFF Revenue for 2015-16 School Year

The information below was estimated based on LCFF base grant rates provided by MDUSD, according to grade span data, and correlated with rates published by the California Department of Education. The ADA rate used was provided by MDUSD for the five Northgate-area schools.

	Grades TK-3	Grades 4-6	Grades 7-8	Grades 9-12	Total
Number of Students per School (1)					
Bancroft Elementary	389	170			559
Valle Verde Elementary	322	144			466
Walnut Acres Elementary	413	204			617
Foothill Middle		357	686		1,043
Northgate High				1,599	1,599
Total Enrollment	1,124	875	686	1,599	4,284
Estimated ADA Rate (2)	97.5%	97.5%	97.5%	97.5%	
Total Number of ADA Students	1,096	853	669	1,559	4,177
Unduplicated % (3)	12.82%	12.82%	12.82%	12.82%	12.82%
LCFF Base Grant (4)	\$ 6,506	\$ 6,603	\$ 6,800	\$ 7,879	
Additional LCFF Grade Span Grant (5)	\$ 677			\$ 205	
LCFF Revenue					
Base Grant Funding	\$ 7,871,438	\$ 5,633,184	\$ 4,548,180	\$ 12,602,930	\$ 30,655,732
Supplemental Grant Funding	\$ 201,824	\$ 144,435	\$ 116,615	\$ 323,139	\$ 786,013
Add-On Funding	\$ -	\$ -	\$ -	\$ -	\$ -
Total LCFF Revenue	\$ 8,073,261	\$ 5,777,619	\$ 4,664,795	\$ 12,926,070	\$ 31,441,745

1. Actual 2015/16 total enrollment for the five Northgate schools reported on the California Department of Education (CDE) DataQuest website.
2. Actual 2015-16 ADA rate reported by MDUSD for the 5 Northgate schools.
3. Actual 2015-16 Unduplicated Pupil Count Percentage reported by MDUSD for the 5 Northgate schools.
4. Actual MDUSD 2015-16 LCFF base grants by grade span reported by MDUSD for the entire school district (i.e., not school site specific). These 2015-16 base grants equate to 91.9% of the full base grant targets.
5. 10.4% for grades TK-3 and 2.6% for grades 9-12.

Additional assumptions:

- Above ADA and Unduplicated percentages are not multi-year averages. However, the 2015-16 percentages are representative of the recent past.
- The new Northgate Unified School District would not qualify for any add-on (i.e., Transportation and TIIG) funding.

Appendix Figure 3.2.2 – Estimated 2015-16 Federal and Other State Revenue

Since no other school district in the region compares exactly to the proposed NUSD in terms of size and student population, the figures below were developed using the following adjacent districts as comparables: Martinez Unified School District, Acalanes Union High School District, Walnut Creek School District, and San Ramon Valley Unified School District. We did not use MDUSD as a comparable, because of its many dissimilarities to NUSD.

ADA Enrollment	4,177	
Number of Special Ed Students	318	
Federal Revenue		
Special Education		550,000
Title I-III Revenue		290,000
Total		<u>840,000</u>
Other State Revenue (1)		
Special Education		1,350,000
Lottery		700,000
Other State Revenue		625,000
Total		<u>2,675,000</u>
Total Other Revenue		\$ 3,515,000

1. Excludes unusual revenue (e.g., one-time State mandated cost reimbursements).

Appendix Figure 3.2.3 - Actual 2015-16 Local Revenue Reported for Northgate Schools

Below are site-generated sources of revenue not from MDUSD general funds, and excluding non-recurring sources, for the five Northgate-area schools.

<u>Program</u>	<u>Bancroft Elementary</u>	<u>Valle Verde Elementary</u>	<u>Walnut Acres Elementary</u>	<u>Foothill Middle School</u>	<u>Northgate High School</u>	<u>Total</u>
General/Unassigned	42,224	50,959	92,865	143,252	165,529	494,830
District Advanced Placement Testing (1)					55,454	55,454 (4)
School Vending					974	974
Special Ed Donations		500				500
School Site Donations		2,734		1,846		4,580
City of Walnut Creek				6,209		6,209
Athletics - District Contribution (1)					135,995	135,995 (4)
Athletics - Other Revenue					120,642	120,642
Parent Club Donations	59,332	222	13,162	74,267	103,363	250,346
Student Body Donations		854		16,515	122,336	139,705
Community Donations		36,208				36,208
Reimbursement from Outside Agency	111,746	94,318	265,411	71,116	70,878	613,470
Utilities (2)	36,391	39,607	43,273	73,227	274,223	466,721 (4)
Food Services Sales (3)	41,247	68,171	67,238	176,569	217,272	570,498 (4)
Federal/State Child Nutrition Revenue (3)	27,745	21,525	27,011	54,218	71,065	201,564 (4)
Developer Fee Fund	20,912	3,666	75,490			100,067 (4)
Total Local Income - Before Adjustments	339,597	318,766	584,451	617,219	1,337,730	\$ 3,197,763
Total Local Income - After Adjustments						\$ 1,667,463

1. Non-recurring MDUSD contributions (presumed unavailable after transition to NUSD).
2. Solar project rebate money, which is scheduled to end after the 2016/2017 school year.
3. Revenue normally reported in separate Cafeteria Fund.
4. Non-recurring items *not* included in Local Income Total, After Adjustments.

Appendix 3.3 – Expenses

Appendix Figure 3.3.1 - Actual Northgate 2015-2016 School Site Expenses

The figures for the five Northgate school sites were provided by MDUSD. We note that the current district's allocation of costs between school sites and the central office may differ in NUSD. The expenses below are summarized by expense category and exclude Special Ed and Food Service Costs.

	Bancroft Elementary	Valle Verde Elementary	Walnut Acres Elementary	Foothill Middle School	Northgate High School	Total
Certificated Employees	1,691,467	1,497,473	1,902,982	3,258,666	4,848,293	13,198,881
Classified Employees	293,328	262,668	320,680	298,215	851,725	2,026,616
Substitutes	7,950	6,558	10,270	3,629	8,799	37,206
Total Payroll	1,992,744	1,766,699	2,233,932	3,560,510	5,708,818	15,262,702
Medical	177,548	129,339	173,266	350,880	548,242	1,379,276
Dental	42,855	36,267	43,491	70,637	125,181	318,431
Vision	4,191	3,512	4,244	6,892	12,246	31,085
Other Benefits - OPEB	64,656	53,365	66,516	101,620	191,104	477,262
Total Health Benefits	289,249	222,484	287,517	530,030	876,774	2,206,055
STRS	174,581	160,351	199,685	347,805	519,503	1,401,925
PERS	35,893	21,122	22,327	27,719	93,055	200,117
PARS	-	206	1,062	413	-	1,581
Social Security/Medicare	48,164	39,046	48,242	65,157	128,640	329,250
SUI	950	853	1,059	1,687	2,725	7,275
Worker's Comp	57,729	51,582	64,125	102,170	165,029	440,635
Total Statutory Benefits	317,318	273,161	336,501	544,951	908,953	2,380,883
Books/Instructional Materials	1,958	6,047	18,385	8,304	12,274	46,968
Materials and Supplies	116,886	67,568	37,054	202,652	204,323	628,482
Custodial Supplies	-	-	-	-	-	-
Furniture/Equipment	59,095	16,299	38,787	33,262	70,552	217,996
Food Supplies	576	184	151	61	1,029	2,001
Total Supplies	178,516	90,099	94,377	244,278	288,178	895,447
Travel and Conferences	3,181	-	6,001	23,201	33,960	66,343
Dues and fees (e.g., CCSA membership, AERIES, fingerprinting/bank fees)	-	-	-	-	-	-
Insurance (e.g., property, student accident, Board)	-	-	-	-	-	-
Utilities (electricity, water, natural gas, garbage)	68,339	55,124	27,691	98,682	314,222	564,060
Building Rent	-	-	-	-	-	-
Equipment Rental	-	-	-	-	44,851	44,851
Maintenance/Repairs/Landscaping	1,754	2,203	450	1,235	146,199	151,841
Pupil Transportation (excluding athletics)	7,018	7,829	18,048	11,420	1,325	45,640
Legal/Audit	-	-	-	-	-	-
Accounting/Payroll	-	-	-	-	-	-
Instructional Consultants	8,203	8,986	1,800	7,960	96,695	123,644
Non-Instructional Consultants	48,272	-	3,140	7,920	161,849	221,181
Communication Costs of District (e.g., phone, internet, postage)	514	173	494	745	1,732	3,658
Recruiting/marketing/website support	-	-	-	-	-	-
Athletics	-	-	-	-	261,183	261,183
Field Trip Admissions	24,801	26,921	53,085	7,600	175	112,583
Other Expenses	8,767	11,751	14,650	50,317	26,933	112,418
Total Operating Services	170,849	112,988	125,361	209,079	1,089,124	1,707,402
Debt Service on Credit Line	-	-	-	-	-	-
Total Other Outlays	-	-	-	-	-	-
TOTAL EXPENSES	\$ 2,948,677	\$ 2,465,430	\$ 3,077,688	\$ 5,088,848	\$ 8,871,846	\$ 22,452,489

Appendix Figure 3.3.2 – Estimated Total District Expenses by Category for Proposed NUSD

The table below provides a compilation of the total estimated NUSD 2015-16 expenses by expense category.

	Total School Site Costs	Total Spec Ed Costs	Total District Office Costs	Total Estimated NUSD Costs	
Certificated Employees	13,198,881	2,617,638	1,995,000	17,811,519	
Classified Employees	2,026,616	1,402,338	655,000	4,083,954	
Substitutes	37,206	20,593	-	57,799	
Total Payroll	15,262,702	4,040,570	2,650,000	21,953,272	60.8%
Medical	1,379,276	704,447	336,000	2,419,723	
Dental	318,431	124,132	44,800	487,363	
Vision	31,085	13,163	5,600	49,848	
Other Benefits - OPEB	477,262	204,279	93,545	775,086	
Total Health Benefits	2,206,055	1,046,021	479,945	3,732,020	10.3%
STRS	1,401,925	276,019	214,064	1,892,008	
PERS	200,117	166,673	77,598	444,388	
PARS	1,681	754	-	2,435	
Social Security/Medicare	329,250	105,442	38,425	473,117	
SUI	7,275	1,942	1,325	10,543	
Worker's Comp	440,635	117,263	79,765	637,663	
Total Statutory Benefits	2,380,883	668,094	411,176	3,460,153	9.6%
Books/Instructional Materials	46,968	309	250,000	297,277	
Materials and Supplies	628,482	3,552	50,000	682,035	
Custodial Supplies	-	-	-	-	
Furniture/Equipment	217,996	-	30,000	247,996	
Food Supplies	2,001	-	-	2,001	
Total Supplies	895,447	3,861	330,000	1,229,308	3.4%
Travel and Conferences	66,343	-	60,000	126,343	
Dues and fees	-	-	25,000	25,000	
Insurance	-	-	225,000	225,000	
Utilities	564,060	-	50,000	614,060	
Building Rent	-	-	220,000	220,000	
Equipment Rental	44,851	-	25,000	69,851	
Maintenance/Repairs/Landscaping	151,841	-	50,000	201,841	
Pupil Transportation (excluding athletics)	45,640	-	-	45,640	
Legal/Audit	-	500,000	400,000	900,000	
Accounting/Payroll	-	-	-	-	
Instructional Consultants	123,644	-	-	123,644	
Non-Instructional Consultants	221,181	-	-	221,181	
Communication Costs	3,658	-	100,000	103,658	
Recruiting/marketing/website support	-	-	150,000	150,000	
Athletics	261,183	-	-	261,183	
New Swimming Pool Expenses	-	-	-	-	
Additional Special Ed Expenses	-	885,000	-	885,000	
Field Trip Admissions	112,583	-	-	112,583	
Other Expenses	112,418	91	35,000	147,509	
Total Operating Services	1,707,402	1,385,091	1,340,000	4,432,493	12.3%
Debt Service on Credit Line	-	-	250,000	250,000	0.7%
Total Other Outlays	-	-	250,000	250,000	
3% Cost Contingency	673,575	214,309	163,834	1,051,717	2.9%
TOTAL EXPENSES	\$ 23,126,063	\$ 7,357,945	\$ 5,624,955	\$ 36,108,963	100.0%

Appendix Figure 3.3.3 – Estimated District Office Expense for Proposed NUSD

To estimate NUSD’s Central District Office expenses, we used local comparables from similarly-sized districts in Contra Costa County. That analysis includes comparisons of staffing levels among various functional areas and examination of compensation for positions that we think will be comparable to those needed in NUSD. Specific ranges for compensation and benefit figures are based on figures obtained from the TransparentCalifornia.com website for school district personnel in Contra Costa County.

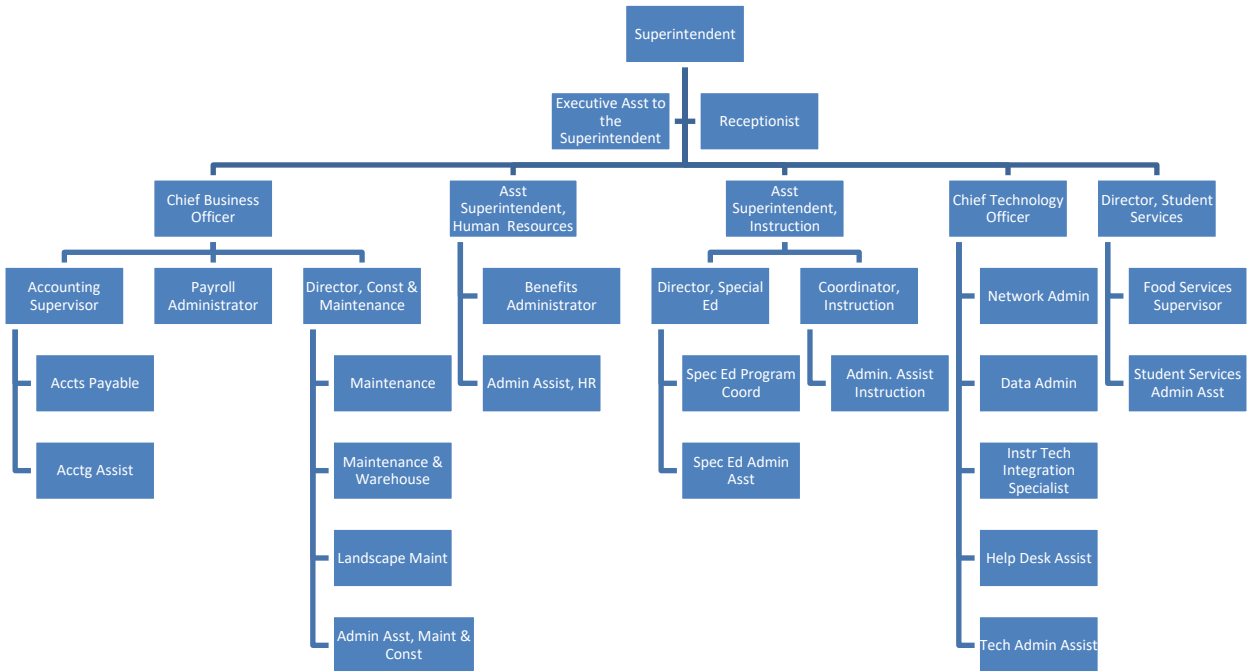
Certificated Employees	1,995,000
Classified Employees	655,000
Substitutes	-
Total Payroll (1)	<u>2,650,000</u>
Medical	336,000
Dental	44,800
Vision	5,600
Allocated OPEB	93,545
Total Health Benefits (1)	<u>479,945</u>
STRS	214,064
PERS	77,598
PARS	-
Social Security/Medicare	38,425
SUI	1,325
Worker's Comp	79,765
Total Statutory Benefits (1)	<u>411,176</u>
Books/Instructional Materials	250,000
Materials and Supplies	50,000
Custodial Supplies	-
Furniture/Equipment	30,000
Food Supplies	-
Total Supplies	<u>330,000</u>
Travel and Conferences	60,000
Dues and fees (e.g., CCSA membership, AERIES, fingerprinting/bank fees)	25,000
Insurance (e.g., property, student accident, Board)	225,000
Utilities (electricity, water, natural gas, garbage)	50,000
Building Rent (2)	220,000
Equipment Rental	25,000
Maintenance/Repairs/Landscaping	50,000
Pupil Transportation (excluding athletics)	-
Legal/Audit Fees	400,000
Accounting/Payroll	-
Instructional Consultants	-
Non-Instructional Consultants	-
Communication Costs of District (e.g., phone, internet, postage)	100,000
Recruiting/marketing/website support	150,000
Athletics	-
Other Expenses	35,000
Total Operating Services	<u>1,340,000</u>
Debt Service on Credit Line (3)	<u>250,000</u>
Total Other Outlays	<u>250,000</u>
TOTAL EXPENSES	5,461,121

1. See District Office Compensation Cost spreadsheet (Appendix 3.3.6) for more detail.

2. 10,000 square feet at \$22 per square foot annual cost.
3. Estimated \$1 million transition costs and one month of district expenses (\$3M) subject to a 6% credit line.

Appendix Figure 3.3.4 – Central Office Organization Chart

Below is an outline of a possible Central Office organization for NUSD, based upon positions in comparably sized districts. The actual reporting structure and positions created would of course be determined by the leadership of the new district.



Appendix 3.3.5 – Central Office Personnel Position Descriptions

Below are typical responsibilities for various positions in a California school district the size of NUSD. Naturally, the leadership of the new district would determine the specific positions needed and the appropriate job descriptions.

Executive Office

Superintendent

Serves as the chief executive officer of the school district, reporting to the elected school board of the district. General management responsibilities include hiring, managing, and evaluating senior staff. Oversees development and execution of plans to meet state curriculum standards and improve student achievement. Plans and approves budgets and resolve resource allocation issues. Responsible for legal compliance with all county, state, and federal regulations pertinent to the operation of the district. Oversees all critical internal and external communications. Acts as, or appoints a specific subordinate to be, the point person for interactions with government agencies and the public.

Exec Assistant to the Superintendent

Reporting to the Superintendent, the executive assistant provides responsible and confidential secretarial and administrative support services to the Superintendent and the School Board. Maintains and regulates appointment calendar for the Superintendent and Board. Arranges and schedules appointments, meetings, and travel arrangements for the Superintendent and the Board. Drafts agendas and keeps minutes for meetings. Handles incoming calls, visits, correspondence for the Superintendent and Board. Provides updates to website from the Superintendent and Board.

Receptionist

The Receptionist, reporting to the Executive Assistant, handles inquiries, visits, and other contacts with the district office, assisting the Superintendent's office as needed.

Business and Operations

Chief Business Officer

The Chief Business Officer, reporting to the Superintendent, plans and directs the overall management of district business functions to support the District's mission and goals. The CBO assures the ethical and prudent conduct of the District's fiscal and legal affairs. Supervises resource planning, accounting, purchasing, financial reporting, payroll services, capital expenditures, and fiscal record keeping. Directs the preparation of long and short term financial plans and assists other executive staff with departmental planning. Establishes and oversees budgeting procedures and controls, timely and accurate issuance of operating and capital budgets, auditing of all funds, and preparation of financial statements. Retains and manages legal counsel as needed and makes recommendations to the Superintendent and Board regarding efficient, effective district legal representation when necessary.

Payroll Administrator

Responsible for all payroll functions to ensure an accurate and timely payroll for district employees. Develops and maintains systems for internal controls. Audits information received from all departments to ensure ongoing accuracy. Processes and calculates all contract adjustments and changes in salaries, supplemental payments, resignations, retirement eligibility, and deductions. Notifies employees of time-off and leave status. Prepares monthly and quarterly payroll reports for: Social Security, IRS, state unemployment dept., teacher and public employees retirement plans. Prepares all correspondence related to payroll.

Accounting Supervisor

The Accounting Supervisor, reporting to the CBO, performs more complex accounting, auditing and technical work, including preparing, monitoring, reconciling, and maintaining fiscal records. S/he also trains and supervises work of assigned accounting personnel. Calculates and projects anticipated revenue and expenditures for all funds. Monitors and analyzes budget income, encumbrances, and expenditures to ensure that expenditures are equal to budget allocations. Prepares reports for cash flow and accruals. Answers financial questions and seeks information from other district personnel, public agencies, and vendors as needed. Prepares reports for budgeting and operating statistics. Audits source documents and appropriations, ensures data is coded according to prescribed procedures. Tracks expenditures against budget estimates and checks authorizations for expenditures. Alerts CBO and department heads to critical changes in pricing, cash flow, or funding factors. Oversees preparation of financial reports.

Accounts Payable

Ensures timely and accurate payment of district's non-payroll expenses. Maintains: fiscal information for up-to-date reference and audit trail compliance; automated vendor files and accounts; working relationship with vendors for resolving discrepancies in billing or payments. Processes vouchers, expense reports, and credit card receipts for accurate reimbursements according to district policies. Processes invoices for payment. Reconciles account balances and bank statements to maintain accurate records and policy compliance. Resolves billing and statement discrepancies to ensure accurate accounting. Checks invoices for authorization of payment, verifies coding.

Accounting Clerk

The Accounting Clerk performs various specialized financial and statistical functions in support of the accounts payable, accounts receivable, payroll, general bookkeeping, and auditing responsibilities. Collects and checks transaction records, enters transactions into the accounting system.

Human Resources

Assistant Superintendent, Human Resources

The Assistant Superintendent for Human Resources, reporting to the Superintendent, provides leadership in the recruiting, hiring, training, development, and evaluation of all people working for the district. S/he negotiates salary schedules and contract language with all employee groups; develops and administers employee bargaining agreements outlining policies, procedures, and benefits; establishes staffing guidelines and forecasts staffing needs; assists department heads and school site administrators

with succession planning; reviews/mediates grievances; develops and implements disciplinary procedures; oversees employee health insurance and benefit programs; helps create and implement onboarding and ongoing programs for training and professional development; stays informed of legal and regulatory factors impacting district employees and ensures compliance with EEO and other policies promoting a fair, non-discriminatory workplace; prepares district, state, and federal reports pertaining to district personnel; ensures that the district is in spirit, as well as in fact, an open, non-discriminatory, and culturally welcome workplace for all current and prospective employees.

Benefits Administrator

Reporting to the Asst. Superintendent of Human Resources, the Benefits Administrator develops employee benefit policies and procedures; maintains employee benefits records; coordinates training of district and site-based personnel in the district's benefits program; manages employee requests for benefit changes; projects premium deduction schedules on a two-year basis for the district's financial planning; plans the communication and activities related to group health, group life, dental, vision, and flexible fringe offerings; reviews and ensures compliance with federal and state statutes pertaining to employee benefits; coordinates the acquisition of benefit programs; acts as a liaison between all health plan representatives and the district; monitors and reviews performance agreements with all benefits providers.

HR Admin Assistant

Reporting to the Assistant Superintendent of Human Resources, the Administrative Assistant: handles contacts and correspondence for the department; performs secretarial duties by arranging appointments and maintaining calendars; processes records for new hires, separations, leaves, grievances etc.; reviews and processes documents related to benefits, contracts, and agreements managed by the Human Resources Department; records minutes of meetings related to Department activities.

Technology

Chief Technology Officer

The Chief Technology Officer (CTO), reporting to the Superintendent, plans and directs the overall management of technology and data functions to efficiently and effectively provide technical services necessary to support the district's mission and goals. Maintains highest level of security for all district records and communications. Directs and supports: technology systems for critical functions in district administration, human resources, student services, and records; the strategic planning and integration of technology for classroom instruction and assessment, as well as other functions for improving student achievement.

Network Administrator

Reporting to the CTO, the Network Administrator develops and maintains: a data and communications network to support the administrative and educational functions of the district; secure and robust data and communication links to the internet, while supporting ongoing district educational goals; secure and stable data storage systems, ensuring compliance with state and federal guidelines and regulations; a plan for data recovery and ongoing back-up operation in the event of a disaster; inventory of

equipment, licenses, service expiries/renewals, and warranties. The Network Administrator also: researches and secures services of outside technology vendors, acting as primary contact and internal project manager; monitors computer and network usage to ensure compliance with the district's policies; helps create district and site technology budgets; collaborates with site educators to support successful use of technology for student instruction and site operations.

Data Administrator

The Data Administrator, reporting to the CTO, plans and leads projects to develop and improve the collection of data for analysis and reporting. The person in this position: creates and maintains district and site databases, as well as providing support to users; coordinates with data users to promote and maintain data quality; fulfills requests for data from staff and others; audits data, processes, and procedures to ensure data integrity and quality; assists in preparation of data reports, training materials, and presentations; helps ensure district compliance with all data confidentiality regulations such as HIPAA and FERPA and data access control policies.

Instructional Technology Integration Specialist

The Instructional Technology Integration Specialist, reporting to the CTO, collaborates with site administrators and teachers to: optimize use of technology and media for instruction; conduct professional development in technology integration; work with teachers and staff to select resources that are compatible with instructional goals and technology infrastructure; assist with planning and implementation of new technology resources as well as follow-up evaluations; provide input for technology budgeting.

Help Desk Assist.

Reporting to the CTO, the Help Desk Assistant responds to user technology requests, helps solve technology problems, and coordinates work orders to assure effective operation of the district's central office and site technology. Maintains records and files related to work orders and response outcomes. Provides input to CTO staff on user and equipment challenges for ongoing improvements to district technology.

Technology Admin. Assist.

Reporting to the CTO, the Administrative Assistant: handles contacts and correspondence for the department; performs secretarial duties by arranging appointments and maintaining calendars; processes documents related to licenses, contracts, and agreements managed by the Technology Department; assists with Help Desk as needed.

Instruction and Assessment

Asst Superintendent, Instruction

The Assistant Superintendent of Instruction, reporting to the Superintendent, is responsible for strategic planning and implementation of K-12 curriculum, instruction, assessment, and professional development to optimize student achievement and learning environments. Develops collaborative curriculum selection processes with teacher/users of the curriculum, provides on-going implementation coaching to teachers as needed, and collects feedback on prior curriculum selections. Develops and

manages the budget for curriculum and instruction including, instructional materials, technology, and professional development. Coordinates the district's new-teacher onboarding and mentoring programs. Develops/identifies student assessment and instructional evaluation protocols and tools for all subject areas. Analyzes, synthesizes and distributes assessment data. Supports principals and teaching staff in coordinating state-mandated testing with instruction plans. Collaborates with teachers and staff at all levels to develop and coordinate initiatives for improving student achievement and learning environments.

Coordinator, Instructional Services

Reporting to the Assistant Superintendent of Instruction, the Coordinator of Instructional Services provides support to the Assistant Superintendent in all phases of the processes for selecting, implementing, and evaluating curriculum selections. This position also coordinates related professional development programs and the collection and processing of the district's student assessment results and on-going feedback from teacher/users of curriculum.

Administrative Assistant, Instruction

The Administrative Assistant for Instruction, reporting to the Assistant Superintendent for Instruction, handles correspondence, calendaring, and record-keeping for the department. In addition, s/he is responsible for facilitating training and professional development as well as meetings, communication, and collaboration activities among teachers, site administrators, and the district office.

Director, Special Education

The Director of Special Education, reporting to the Asst. Superintendent of Instruction, ensures that all district students with disabilities are provided with a free and appropriate public education through the provision of instructional programs and related services that follow best practices in special education as well as adhering to relevant state and federal requirements. Working with the Contra Costa SELPA, leads the recruitment and employment of properly licensed personnel to provide students with disabilities the services that are consistent with their IEPs. Conducts on-going assessments to identify needs within the district for use in planning of budgets and programs. Conducts or oversees applications for grant funds. Develops policies and procedures to ensure compliance with state and federal regulations concerning special education services. Conducts performance evaluations for staff assigned to provide special education services and coordinates staff development opportunities to improve district services for students with special needs. Coordinates district's relationship with non-public providers of services for students with special needs. Maintains effective working relationships with various public and private agencies involved in social services and involves parents and community in the development, implementation, and evaluation of the district's special education programs. Prepares mandated state and federal reports and reports to the board of education regarding the district's special education services and responsibilities. Develops and manages special education budgets and contracts with service providers. Helps ensure that all district personnel understand and adhere to policies pertaining to students with IEPs. When necessary, works with facilities personnel to ensure that physical environments in schools meet the requirements of students with special needs.

Special Education Program Coordinator

The Special Education Program Coordinator assists the Director of Special Education in implementing and monitoring procedures for meeting the district's goals and responsibilities in special education. Duties include: coordinating referrals for student assessments; providing administrative coordination for the IEP process; monitor documentation for special education placements as required by law and ensure that proper procedures are being followed by all school IEP teams; assist in the processing and resolution of complaints or due process proceedings; facilitate communication among staff, teachers, and parents of special education students; assist in obtaining and administering grants; ongoing monitoring of staff needs and intervention follow-ups; assist with student transitions (e.g. pre-K to K, middle school to high school); assist with unusual or complex IEP meetings.

Special Education Administrative Assistant

Reporting to the Director of Special Education, the Special Education Administrative Assistant is responsible for: assisting with calendaring, communication, documentation, and correspondence related to special education services; collating and submitting special education student data to relevant agencies; assisting in accessing and maintaining student records; processing Social Security benefit requests for evidence of appropriate eligibility requirements and records; coordinating and submitting documentation required by outside agencies to assist special education students and families.

Student Services

Director, Student Services

The Director of Student Services, reporting to the Superintendent, is responsible for student enrollment, food services, transfers, transcripts, discipline, alternative education, school safety, and extra-curricular activities. Facilitates the development of cooperative efforts between schools and other community agencies to provide needed services to students. Supervises various discipline and attendance hearings, coordinates hearing panels, ensures due process in all cases, and makes recommendations to district management. Responsible for the District's pupil attendance programs, including truancy and drop-out prevention programs, to maximize student learning time. Interprets and disseminates information regarding Education Codes and legally mandated policies regarding attendance, student discipline, and due process. Oversees safety and emergency plans at all sites, and coordinates enrollment with facility capacity at each school.

Food Services Supervisor

The Food Services Manager, reporting to the Director of Student Services, manages the daily food service operations at all district sites, ensuring efficient compliance with district, state, and federal laws and regulations, as well as best practices for safety, sanitation, and nutrition. Estimates and orders amount of food and supplies needed; monitors and controls expenditures; maintains assigned budget. Directs, schedules, and evaluates food service personnel and conducts training sessions for new employees. Conducts frequent inspections of kitchen and lunchroom areas to ensure compliance with applicable requirements. Prepares and maintains menu production records, inventories, and reports. Plans for catered events such as meetings and activities and coordinates food service operations with school activities to improve school and community relations and increase student participation. Communicates with students, staff, faculty, and outside organizations to exchange information, receive suggestions, and resolve issues related to food service.

Student Services Administrative Assistant

The Student Services Administrative Assistant, reporting to the Director, Student Services, handles inquiries, correspondence, calendaring, and record-keeping for the Department of Student Services.

Helps monitor processes and/or projects for the purpose of coordinating activities and ensuring compliance with established policies. Prepares a variety of written materials to document department activities. Processes documents and materials required for department operations. Helps prepare meeting agendas and minutes as needed.

Facilities

Director, Maintenance and Construction

The Director of Maintenance and Construction, reporting to the Chief Business Officer, is responsible for the efficient maintenance of all physical facilities in the district, as well as the construction of new facilities as needed, according to the best professional school facility standards. In collaboration with administrators and teachers, assesses facility needs and creates facility plans to meet instructional plans and enrollment projections of the district. Develops and monitors budgets, fund balances, timetables, and related financial data for all construction and maintenance work. Directs department operations to efficiently maintain current facilities and create new facilities as needed. Inspects new construction, repair work, grounds, special projects, equipment, work orders, daily maintenance, and supplies to balance efficient use of time and funds with needs for high-quality facilities. Approves inspection reports and payment requests. Ensures that capital improvements conform to local/state/federal requirements. Manages construction contracts for new facilities and major alterations and/or modernization of existing facilities to ensure that the work is performed in accordance with specifications, timelines, and budget. Oversees the preparation and development of various plans, studies, and reports prepared internally or by retained consultants (e.g., environmental impact report, project applications with the State and local agencies) for the purpose of complying with regulations, funding requirements, and other established policies. Manages department personnel (e.g., interviewing, hiring, training, supervising, evaluating) to maintain adequate staffing and skills to accomplish department goals. Prepares written materials, including Board agenda items and briefings, contracts of professional services, budgets, property contracts, legislative updates, contract changes, requests for proposals, and construction and maintenance reports.

Maintenance and Construction Administrative Assistant

The Maintenance and Construction Administrative Assistant, reporting to the Director of Maintenance and Construction, is responsible for assisting the department work flow by handling inquiries, correspondence, calendaring, and documentation. Processes purchase orders and invoices for payment by accounting. Monitors payment transactions, timetables, and fund balances for facilities projects. Orders custodial and maintenance supplies and tracks inventories for all district sites. Receives and processes work orders. Handles communication with external vendors. Assists with purchase and delivery of building furnishings and fixtures.

Maintenance Worker

Reporting to the Director of Maintenance and Construction, the Maintenance Worker performs general maintenance and repair tasks in accordance with all applicable codes and regulations. Performs regular inspections of equipment and systems, reporting any abnormalities and hazards immediately. Responds to emergency situations and perform necessary repairs. Recommends repairs or procedures that are beyond the scope of responsibilities, skill, or experience. Ensures that all applicable fire, safety, health, and environmental regulations and laws are observed. Maintains an adequate supply of parts and

supplies usually used in repairs, and request needed supplies through the established procedures of the district. Operates and maintains in a safe and operational condition all tools and equipment necessary to carry out job functions and responsibilities. Reports immediately any damage or vandalism to facilities, or theft of equipment.

Maintenance and Warehouse

Reporting to the Director of Maintenance and Construction, the Maintenance and Warehouse Worker assists with all regular maintenance tasks. In addition, s/he is responsible for the district receiving and/or storage of instructional materials and school supplies, including receiving and logging items, ensuring that type, quantity, and quality of items ordered are correct. Maintains storage areas for cleanliness, safety, accessibility, and security. Delivers items to district sites. Maintains records documenting activities and providing reliable resource information. Helps conduct physical inventories.

Landscape Maintenance Worker

Reporting to the Director of Maintenance and Construction, the Landscape Maintenance Worker maintains building grounds to a professional standard that ensures optimal use of district facilities and supports the district's "good neighbor" reputation in the community. Ensures that landscaping and procedures conform to district guidelines. Offers timely responses to unexpected damage. Operates all equipment and machinery appropriately and safely.

Appendix Figure 3.3.6 - Estimate of NUSD District Office Compensation Costs

	Estimated Salary	10.73%	11.85%	1.45%	0.05%	3.01%	Health Benefits				3.53%	Total Compensation
		Statutory Benefits					Medical (1)	Dental	Vision	Allocated OPEB (2)		
		STRS	PERS	Medicare	SUI	Worker's Comp						
Superintendent's Office												
Superintendent	250,000	26,825		3,625	125	7,525	12,000	1,600	200		8,825	310,725
Executive Assistant	90,000	9,657		1,305	45	2,709	12,000	1,600	200		3,177	120,693
Receptionist	45,000		5,331	653	23	1,355	12,000	1,600	200		1,589	67,749
Human Resources												
Asst. Superintendent, HR	150,000	16,095		2,175	75	4,515	12,000	1,600	200		5,295	191,955
Benefits Administrator	80,000	8,584		1,160	40	2,408	12,000	1,600	200		2,824	108,816
HR Admin. Asst.	65,000		7,701	943	33	1,957	12,000	1,600	200		2,295	91,727
Business and Operations												
Chief Business Officer	175,000	18,778		2,538	88	5,268	12,000	1,600	200		6,178	221,648
Accounting Supervisor	100,000	10,730		1,450	50	3,010	12,000	1,600	200		3,530	132,570
Payroll Administrator	80,000	8,584		1,160	40	2,408	12,000	1,600	200		2,824	108,816
Accounts Payable	55,000		6,516	798	28	1,656	12,000	1,600	200		1,942	79,738
Accounting Clerk	55,000		6,516	798	28	1,656	12,000	1,600	200		1,942	79,738
Technology Services												
Chief Technology Officer	155,000	16,632		2,248	78	4,666	12,000	1,600	200		5,472	197,894
Network Administrator	75,000	8,048		1,088	38	2,258	12,000	1,600	200		2,648	102,878
Data Administrator	70,000	7,511		1,015	35	2,107	12,000	1,600	200		2,471	96,939
Instructional Tech Integration Specialist	100,000	10,730		1,450	50	3,010	12,000	1,600	200		3,530	132,570
Help Desk Asst.	70,000	7,511		1,015	35	2,107	12,000	1,600	200		2,471	96,939
Technology Admin. Asst.	65,000		7,701	943	33	1,957	12,000	1,600	200		2,295	91,727
Instruction and Assessment												
Asst Superintendent, Instruction	155,000	16,632		2,248	78	4,666	12,000	1,600	200		5,472	197,894
Coordinator, Instructional Services	110,000	11,803		1,595	55	3,311	12,000	1,600	200		3,883	144,447
Admin Asst. Instruction	65,000		7,701	943	33	1,957	12,000	1,600	200		2,295	91,727
Special Education												
Director, Special Education	145,000	15,559		2,103	73	4,365	12,000	1,600	200		5,119	186,017
Special Education Program Coordinator	110,000	11,803		1,595	55	3,311	12,000	1,600	200		3,883	144,447
Special Education Admin Asst.	65,000		7,701	943	33	1,957	12,000	1,600	200		2,295	91,727
Student Services												
Director, Student Services	145,000	15,559		2,103	73	4,365	12,000	1,600	200		5,119	186,017
Food Services Supervisor	95,000	10,194		1,378	48	2,860	12,000	1,600	200		3,354	126,632
Student Services Admin Asst.	65,000		7,701	943	33	1,957	12,000	1,600	200		2,295	91,727
Facilities												
Director, Maintenance & Construction	95,000	10,194		1,378	48	2,860	12,000	1,600	200		3,354	126,632
Maint. & Const. Admin Asst.	60,000		7,108	870	30	1,806	12,000	1,600	200		2,118	85,732
Maintenance Worker	65,000		7,701	943	33	1,957	12,000	1,600	200		2,295	91,727
Maintenance & Warehouse	55,000		6,516	798	28	1,656	12,000	1,600	200		1,942	79,738
Landscape Maintenance	60,000		7,108	870	30	1,806	12,000	1,600	200		2,118	85,732
TOTAL COMPENSATION COSTS	2,970,000	241,425	85,298	43,065	1,485	89,397	372,000	49,600	6,200		104,841	3,963,311
TOTAL COMPENSATION COSTS (excl. Special Ed)	2,650,000	214,064	77,598	38,425	1,325	79,765	336,000	44,800	5,600		93,545	3,541,121
Certificated Payroll	1,995,000											
Classified Payroll	655,000											

(1) Estimated blended medical benefit paid by the District for each employee.

(2) Consistent with Allocated OPEB percentage charged to the five Northgate schools in 2015-16.

Appendix Figure 3.3.7 Estimate of NUSD 2015-16 Special Education Expenses

Below is a “bottoms-up” calculation of estimated professional services costs that NUSD would need to serve students in special education, based on the *current* special education population, as detailed by MDUSD.

	No. of Spec Ed Students	Cost Estimate
Program Costs		
Special Ed Costs by Program Type (1)		
Autism - 4 levels	27	1,000,000
Related Service Level Program	30	180,000
Resource Program	151	604,000
Special Day Class - 3 levels	27	634,000
Home & Hospital/Independent Study	9	90,000
Deaf Hard of Hearing	1	45,000
Mental Health	5	160,000
Intensive Speech Pre-School	2	16,000
Non Public/Private School Students	28	744,000
County Office of Education Programs	3	141,000
Sub-Total	283	3,614,000
Other Special Ed Program Costs		
Additional special ed students (2)	35	525,000
Additional 1:1 assistants (3)		600,000
Additional Costs (4)		395,000
Sub-Total		1,520,000
Total Program Classroom Costs		5,134,000
Other Estimated Special Ed Costs		
Specialist Costs (5)		1,068,350
Special Ed Staff at District Office (6)		422,190
Other Fees (7)		500,000
Sub-Total		1,990,540
Total Estimated NUSD Special Ed Costs	318	\$ 7,124,540
Comparative Spend per Special Ed Student		
NUSD - 2015-16 estimate (direct costs only)		\$ 22,404
MDUSD - 2014-15 direct and indirect costs (8)		\$ 22,483
County Average - 2014-15 direct and indirect costs (8)		\$ 16,981

1. “Important Information for Families in the Northgate Feeder Pattern”, reported by MDUSD as an attachment to the December 12, 2016 Board of Education meeting.
2. Estimated number of special ed students from Highlands Elementary who would attend NUSD Elementary Schools.
3. Two additional assistants at each school (\$60K per assistant).
4. Additional costs for 79 students currently serviced elsewhere in MDUSD (estimated \$5K incremental cost per student)
5. Comprised of 3 speech therapists, 2 psychologists, and 3 other therapists.
6. Comprised of one Special Education Director, one Program Coordinator and an Admin. Assistant.
7. Includes estimated legal fees, County/SELPA costs and other miscellaneous expenses.
8. Obtained from Contra Costa County Office of Education 2014-15 Annual Financial Report (cost information) and CDE DataQuest website (number of special ed students).

Appendix Figure 3.3.8 – Categorization of Estimated Special Education Expenses

Below is a translation of estimated costs for special education services, using 2015-16 estimated expenses from Figure 3.3.7 above, into typical expense categories.

	Actual 2015-16 Special Ed Costs Charged to School Site						Additional Estimated Special Ed Costs						Total Special Ed Costs
	Bancroft	Valle Verde	Walnut Acres	Foothill	Northgate	Total	Highlands Students	Additional Site Staff	District Specialists	District Office Staff	Special Schools	Legal and Fees	
Certificated Employees	97,940	175,938	251,376	363,262	519,123	1,407,638	150,000	-	805,000	255,000	-	-	2,617,638
Classified Employees	40,278	165,806	211,989	195,171	224,094	837,338	250,000	250,000	-	65,000	-	-	1,402,338
Substitutes	1,646	278	-	12,688	5,981	20,593	-	-	-	-	-	-	20,593
Total Payroll	139,864	342,022	463,365	571,122	749,198	2,265,570	400,000	250,000	805,000	320,000	-	-	4,040,570
Medical	10,225	63,438	111,082	95,020	148,682	428,447	84,000	60,000	96,000	36,000	-	-	704,447
Dental	4,317	13,945	19,262	23,180	26,627	87,332	11,200	8,000	12,800	4,800	-	-	124,132
Vision	437	1,376	1,898	2,275	2,577	8,563	1,400	1,000	1,600	600	-	-	13,163
Other Benefits - OPEB	9,840	24,688	31,786	37,870	37,438	141,621	14,120	8,825	28,417	11,296	-	-	204,279
Total Health Benefits	24,820	103,447	164,029	158,344	215,324	665,963	110,720	77,825	138,817	52,696	-	-	1,046,021
STRS	10,500	18,844	20,474	40,576	55,792	146,186	16,095	-	86,377	27,362	-	-	276,019
PERS	4,310	18,061	29,886	20,547	26,933	99,737	29,618	29,618	-	7,701	-	-	166,673
PARS	162	116	205	254	17	754	-	-	-	-	-	-	754
Social Security/Medicare	4,531	13,865	20,953	17,572	22,784	79,705	5,800	3,625	11,673	4,640	-	-	105,442
SUI	70	157	213	264	351	1,055	200	125	403	160	-	-	1,942
Worker's Comp	4,213	9,564	12,861	16,044	21,154	63,835	12,040	7,525	24,231	9,632	-	-	117,263
Total Statutory Benefits	23,788	60,605	84,592	95,257	127,030	391,272	63,753	40,893	122,682	49,495	-	-	668,094
Books/Instructional Materials	-	211	-	98	-	309	-	-	-	-	-	-	309
Materials and Supplies	153	608	765	874	1,153	3,552	-	-	-	-	-	-	3,552
Custodial Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Furniture/Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
Food Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Supplies	153	819	765	971	1,153	3,861	-	-	-	-	-	-	3,861
Travel and Conferences	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues and fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Building Rent	-	-	-	-	-	-	-	-	-	-	-	-	-
Equipment Rental	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance/Repairs/Landscaping	-	-	-	-	-	-	-	-	-	-	-	-	-
Pupil Transportation (excluding athletics)	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal/Audit	-	-	-	-	-	-	-	-	-	-	-	500,000	500,000
Accounting/Payroll	-	-	-	-	-	-	-	-	-	-	-	-	-
Instructional Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Instructional Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-
Communication Costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Recruiting/marketing/website support	-	-	-	-	-	-	-	-	-	-	-	-	-
Athletics	-	-	-	-	-	-	-	-	-	-	-	-	-
New Swimming Pool Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Special Ed Expenses	-	-	-	-	-	-	-	-	-	885,000	-	-	885,000
Field Trip Admissions	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	-	90	1	-	91	-	-	-	-	-	-	91
Total Operating Services	-	-	90	1	-	91	-	-	-	885,000	500,000	-	1,385,091
Debt Service on Credit Line	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Outlays	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	188,624	506,893	712,840	825,695	1,092,704	3,326,756	574,473	368,718	1,066,499	422,191	885,000	500,000	7,143,636

Appendix Figure 3.3.9 – Estimate of NUSD 2015-16 Special Education Specialist Costs

The following specialist costs are based on estimates provided by special education administration professionals with experience in MDUSD and other districts in the region.

Specialty	No.	Avg. Salary	Benefits	Total Comp.	Total Costs
Speech Therapist	3	95,000	31,850	126,850	380,550
Psychologist	2	125,000	37,550	162,550	325,100
Other Therapists	3	90,000	30,900	120,900	<u>362,700</u>
Total Specialist Costs					1,068,350

Appendix Figure 3.3.10 – Comparison of Special Education Expenses Among Key Contra Costa County School Districts

The chart below shows how much higher MDUSD expenses for special education were in 2014-15, compared with other districts in the County, including WCCUSD and SRVUSD, the other two large districts that also operate their own SELPA. We expect NUSD’s special education expenses, as a percent of total expenditures, to fall into the middle range of districts. This is an important factor for the district’s overall budget, since only a portion of special education expenses is covered by state and federal reimbursements.

Type of School District	Name of School District	2014-15 ADA Enrollment	Total Spec Ed Expenses (\$M)	% of Total Expenditures	Spec Ed Spend per District Student	2014-15 Spec Ed Students (1)	% of Spec Ed Students	Spend per Spec Ed Student
Elementary	Lafayette	3,427	6.2	18.4%	\$1,816	378	11.0%	\$16,467
	Moraga	1,820	3.0	15.8%	\$1,638	176	9.7%	\$16,941
	Orinda	2,479	3.6	12.8%	\$1,438	236	9.5%	\$15,100
	Walnut Creek	3,493	5.3	17.6%	\$1,509	387	11.1%	\$13,622
High School	Acalanes	5,187	10.2	16.2%	\$1,963	562	10.8%	\$18,120
Unified	Antioch	17,053	42.9	25.1%	\$2,516	2,312	13.6%	\$18,560
	John Swett	1,600	3.7	24.1%	\$2,331	233	14.6%	\$16,010
	Martinez	4,053	8.1	20.9%	\$2,009	437	10.8%	\$18,631
	> Mt. Diablo	30,448	84.9	29.2%	\$2,787	3,775	12.4%	\$22,483
	Pittsburgh	10,461	17.4	16.0%	\$1,667	1,068	10.2%	\$16,328
	San Ramon	31,086	48.8	17.7%	\$1,571	2,361	7.6%	\$20,686
	West Contra Costa	27,741	72.0	23.8%	\$2,596	4,152	15.0%	\$17,344
	Total Unified				23.1%			
Total	County-Wide	161,694	338.0	22.0%	\$2,090	19,906	12.3%	\$16,981
Unified	> NUSD (Proposed)	4,177	7.1	19.8%	\$1,710	318	7.6%	\$22,464

Source: Reported in Contra Costa County Office of Education *2014-15 Annual Financial Report*.

1) Per California Department of Education DataQuest Website (District of Service Special Ed Students).

Appendix 4 – Transition Planning

Appendix 4.1 – Outreach Campaign

Northgate CAPS began researching the options for district reorganization in 2013 and began its outreach campaign in 2014. The first meetings were designed to frame the proposal for a new district and assess support for it within the community. We met with the widest possible variety of stakeholders, including parents of current MDUSD students, parents of prior MDUSD students, residents without school-age students, current teachers, retired teachers, residents who had worked at other school districts, current and former administrators at MDUSD, local political representatives from the Cities of Concord and Walnut Creek, elected representatives and staff at county and state levels, local business people, and other groups representing local residents in a variety of matters. Here is just a selection of those meetings.

- 2014 meeting with Superintendent Nellie Meyer, Board President Cheryl Hansen, Board Member Barbara Oaks.
 - 3-mo. Follow-up “Workshop” with the MDUSD board.
 - One-on-one meetings with board member Brian Lawrence and board candidate Debra Mason.
- 2014 Informational meetings with all five school PFCs/PTA and the board of Eagle Peak Montessori charter school.
 - Teachers represented at each meeting and most also attended by administrators.
- 2014 One-on-One meetings:
 - LCFF and Spec Ed experts, MDEA leadership, individual teachers.
- 2014-15 – Presentations and discussions with the Walnut Creek City Council, Mayor of Concord, WC City Education Committee, WC Chamber of Commerce, Pleasant Hill Education Commission.
- 2014-16 almost bi-monthly neighborhood meetings in Northgate, Crystyl Ranch, Carriage Square, YV Library, Rancho San Miguel, Woodlands, and area homes.
 - Promoted via email & social media, with teachers in attendance.
- Spring 2015 – Presentation to Contra Costa County Office of Education Board
 - presentation and discussion of Nine Criteria regulations.
- Continuing updates on our website, Facebook page, Twitter, Nextdoor
- Summer 2016 – Discussion of district data and campaign progress with Superintendent Meyer and senior MDUSD staff; meetings with Contra Costa County Superintendent of Schools and Office of Education senior staff.
- Fall 2016 – Flyer distribution to Walnut Country, Lime Ridge, Sunset Park, Bancroft Village.
- Dec. 2016 – Letter to all teachers and staff at the five Northgate area schools.

Appendix 4.2 – Letter to Northgate Educators

On December 7, 2016, we sent a letter to all teachers, staff, and administrators in the five Northgate schools, who were in our database, outlining the purpose and goals of our campaign. (All letters were identical, except for the salutation, which was adapted for each school. Below is the version sent to educators at Northgate High School.)

Dear Northgate HS Educator,

We are writing to you directly because of the critical role that you have in the education of the students in our community. As you may already be aware, our organization, Northgate CAPS (Community Advocacy for our Public Schools), is circulating a petition to begin a process that would create a new Northgate Unified School District (NUSD) for residents of the assigned attendance areas of the five Northgate schools (Northgate HS, Foothill MS, Valle Verde, Walnut Acres and Bancroft Elementary Schools) as of April 24, 2016. As we approach our signature collection goal, with solid support from all corners of the Northgate community, we are preparing to present our case to the County and State authorities who will decide whether there will be an election to create the new school district. We want you to understand why this campaign is underway and why we believe you will benefit from it.

Our Goal

Our goal is to create a smaller district that is more aware of, and responsive to, the needs of our educators and our students – a district that is less bureaucratic, more collaborative with teachers and site administrators, more willing to invest in the professional development and compensation of our educators, and more focused on improving the learning environment for everyone in our schools. Given the misinformation that is circulating about what this would mean for Northgate teachers, school staffs, and our community, we believe that you deserve to hear about this plan from the people who are proposing it.

A Smooth Transition

We know it is important to minimize disruption for the educators and students in our schools while creating NUSD and transitioning to the new district. We seek to retain all of the personnel working in our Northgate schools, and we would like all students to be able to continue attending their current school. We do not control all of the individual and MDUSD decisions that would achieve those objectives, but that is our goal. To that end, we are committing to the County and State authorities who will review our proposal that NUSD will retain the seniority of MDUSD personnel who transition to NUSD and that NUSD will honor all labor agreements then in effect, for a minimum of two years after NUSD begins operation. Future labor agreements would then be negotiated between the NUSD administration chosen by the publicly elected NUSD school board and the bargaining units chosen by NUSD personnel.

We expect the NUSD school board would seek to retain all current curriculum offerings that are required by state law and/or that are considered effective by the site-level educators who deliver the instruction. These would include the innovative programs that our local educators have taken great care to create. Students with special needs would continue to have access to all necessary services through

the County Office of Education as coordinated by the Contra Costa SELPA, which is already responsible for students with IEPs in all but the three largest school districts in the County.

Practical Considerations

Northgate residents and educators have legitimate questions about how NUSD would operate. The district would be governed by a five-member elected school board and funded primarily through California's Local Control Funding Formula (LCFF) and other sources that already fund our schools. As you may already know, LCFF funding is determined by the specific student population being funded, and it would not vary for those students, regardless of whether they attend MDUSD or NUSD. Those who have suggested that MDUSD can use its supplementary funds intended for specific less-advantaged student populations (English Language Learners, students in poverty or in foster care) to fund general district needs in Northgate are incorrect. Such general uses are not permitted under state law, and unless [MDUSD is violating that law](#), that money is largely unavailable to fund our schools in Northgate.

Our proposal does not depend on any new funding sources in the form of parcel taxes or new bonds. We would note that Northgate residents have a long track record of supporting our local schools, and it will be entirely up to local voters to decide whether to increase their support with new taxes.

The transition to NUSD after the election will take place over a year or more, as the newly elected board hires a superintendent and fills a small number of key district-level positions. During that time, MDUSD would continue to manage Northgate schools. We envision a far smaller central office, similar in size to what one finds in the districts serving Walnut Creek and the Lamorinda area. We have noted the many fine educators who have left MDUSD for neighboring districts, and we believe there is much to learn from how those districts develop their teachers, reward them, and collaborate with them to improve instruction.

We Value Your Work and Your Input

We believe that our local educators have tremendous talents and creativity that deserve wider recognition and a bigger role in our schools than you have had in MDUSD. We want NUSD to encourage greater input into curriculum decisions from the site-level teachers and administrators who best understand the needs of our local students. That input, we hope, will also involve greater collaboration among elementary, middle school, and high school educators to ensure that students experience more seamless transitions between schools and that they are fully prepared for each new challenge in their academic journey.

Our site-level educators have been an under-appreciated resource in MDUSD, and we believe you can also play a greater role in determining the working and learning environment in your school. In the nearby districts that practice that philosophy, we see higher rates of satisfaction and personal fulfillment than we typically see in MDUSD. Indeed, we want to be the kind of district that attracts and retains the most talented people in education, not the district that sends so many promising educators elsewhere. From that perspective, as we move through the process to create NUSD, we hope you will reach out to us with your comments and suggestions.

To Learn More

We urge you to learn more about the campaign for NUSD by visiting our website, NorthgateCAPS.org, where you can view a PowerPoint [overview](#) of our proposal, as well as post questions (publicly or anonymously) and participate in our blog. Many current and former educators have already offered their support to this campaign, because they understand how much better our Northgate schools can be for our students and for the committed educators who work so hard to help them succeed.

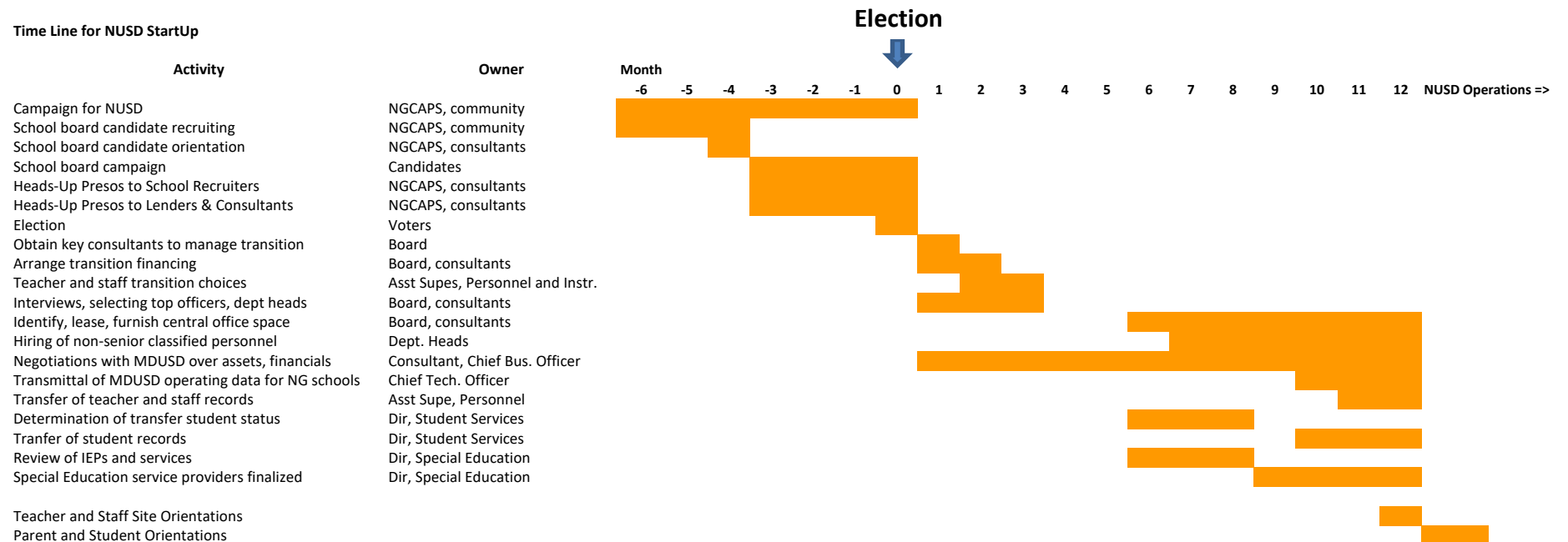
Thank you for reading,

Your neighbors at Northgate CAPS

Appendix 4.3 – Transition Timeline

Once the proposal for NUSD is approved to go before the voters, the County Office of Education will choose a date for the election on that question, as well as the election of five school board members. In all likelihood, the date will be timed for the next major election, to minimize costs incurred by the County. The timeline below assumes an election at “Time 0” and a minimum transition period of 12 months before the new district begins operation. During that 12-month period, the new district board will hire key district-level personnel, hold discussions with representatives of teachers and staff, and participate in discussions with MDUSD regarding transition of relevant assets, real property, records, and other items to the new district.

The timeline begins 6 months before the election, because we believe that is a key step in the transition – not just for campaigning to the electorate, but also for more detailed outreach to all stakeholders regarding the plans for the new district and its potential for improving our local schools for students and teachers.



This proposal assumes a five-member board of education, all elected at large, for four-year terms. To ensure staggered terms (which avoids complete turnover of all board seats to new, inexperienced members in any single election), we propose that the initial election be for two seats with a four-year term and three seats with an *initial* two-year term. Upon the results of the initial election, the two candidates receiving the most votes would be elected for four-year terms. The next three candidates, in terms of votes received, would be elected for just two-year initial terms. After the expiration of their initial two-year term, the holders of those three seats would face re-elections every four years.

Appendix 4.4 – Retention planning

A major goal of the campaign for NUSD is to minimize disruption for the students, families, teachers, school staff, and site administrators who make up the education community in our schools. The educators and staff in particular represent the largest force for positive accomplishments in any public school district. After the election to create the new district, board members and the new administrators should hold regular, interactive, onsite meetings with educators and staff at all five schools to discuss the potential of the new district to create improved working environments for employees and improved learning environments for students. These transition meetings will introduce the new administration to school-site employees and form the initial basis for prioritization of key goals for meeting short-term needs, as well as beginning the process of long-term strategic planning for NUSD.

To reduce uncertainty for educators and school staff, this proposal includes the “Notice of the rights of the employees in the affected districts for continued employment” in Appendix I, as required by the Contra Costa Office of Education. No personnel will be discriminated against, in any way, in the transition to the new district.

Appendix 4.5 – State Guidance on Employee Policies Under Reorganization

The following is excerpted from Chapter 9, “The Effects of School District Organization”, of the *District Organization Handbook*, published by the California Department of Education. NOTE: The guidance in this handbook is not binding on local educational agencies or other entities. Except for statutes, regulations, and court decisions that are referenced herein, the handbook is exemplary, and compliance with it is not mandatory (see California Education Code Section 33308.5).

1. Classified Employees

Any reorganization of a school district shall not affect the rights of persons employed in positions not requiring certification to retain the salary, leaves, and other benefits that they would have enjoyed, had the reorganization not occurred. (EC 35556, 45121) In a reorganization, the following general rules apply:

- a. An employee of an original district that is included in a new district shall become an employee of the new district. (EC 35556[a])
- b. Employees of a district regularly assigned to the territory being lost to another district shall become employees of the new district. Those whose assignments pertain to that territory, but who are

not actually sited there, may elect to either remain with the original district or become employees of the new district. (EC 35556[b])

c. If a district's territory is completely absorbed into two or more districts, regular employees will become employees of the district acquiring the respective territory. Employees not assigned to specific territory within the original district will join the district of their choice. (EC 35556[d])

d. Employees regularly assigned to a particular school shall be employees of the district in which the school is located unless the employee elects to remain with the original district. (EC 35556[e]) Certain conditions apply to the employee's ability to remain with the original district. (EC 35556[c]), 44035]

e. In a new unified district, non-certificated employees shall continue in employment for not less than two years. (EC 45121)

f. As used in this section and in the subsequent section on certificated employees, "the school or other place in which any such employee is employed" and all references thereto, includes but is not limited to, the school services or school program that as a result of any reorganization of a school district will be provided by another district, regardless of whether any particular building or buildings in which such schoolwork or school program was conducted is physically located in the new district, and regardless of whether any new district resulting from such reorganization elects to provide for the education of its pupils by contracting with another school district until such time as the new district constructs its own facilities.

g. Except as stipulated earlier, nothing in the above section shall deprive the governing board of the acquiring district from making reasonable assignments of duties.

2. Certificated Employees

The reorganization of school districts shall not affect the classification of certificated employees already employed by any affected school district. (EC 35555) The new district shall offer employment as follows:

a. Permanent employees assigned to a building located within the new district shall remain at the school or facility to which they had been previously assigned, unless they elect to remain with the original district. (EC 35555, 44035)

b. Probationary employees assigned to a building located within the new district shall be employed by the new district unless the probationary employee is terminated by such a district prior to May 15. If employment continues, the probationary status shall remain unchanged. (EC 44803, 44949, 44955)

c. Permanent employees must select the district in which they choose to work before February 1 of the year in which the reorganization becomes effective for all purposes. The request may be made to either the board of the new district or the board of the original district. (EC 35555)

d. If permanent employees elect to stay with the remainder of the original district in such numbers that the district does not have sufficient positions to accommodate all the employees, then the surplus employees may be dismissed in reverse order of their seniority. (*EC 44955*)

Should the anticipated attrition of staff in the original district be approximately offset by the decline in enrollment in that district, including the loss of transferred students, this aspect may be used to diminish the number of offers of employment extended by the receiving district. (*EC 44955*)

Appendix 5 – Special Education

NUSD, like all public school districts in California, must adhere to the Individuals with Disabilities Education Act (IDEA) as well as other applicable state statutes for students with disabilities. Below is a (non-comprehensive) summary of the rights of students who receive, or may need, special education services.

- **Free and Appropriate Public Education (FAPE)**
 - Provided at no cost to parents.
 - Meets the individual needs of the student in the least restrictive environment (LRE).
- **Appropriate Evaluation**
 - Uses knowledgeable and trained evaluators.
 - Employs a variety of instruments and procedures to gather information about the student.
 - Selects and administers evaluation instruments that are non-discriminatory.
- **Individualized Education Program (IEP)**

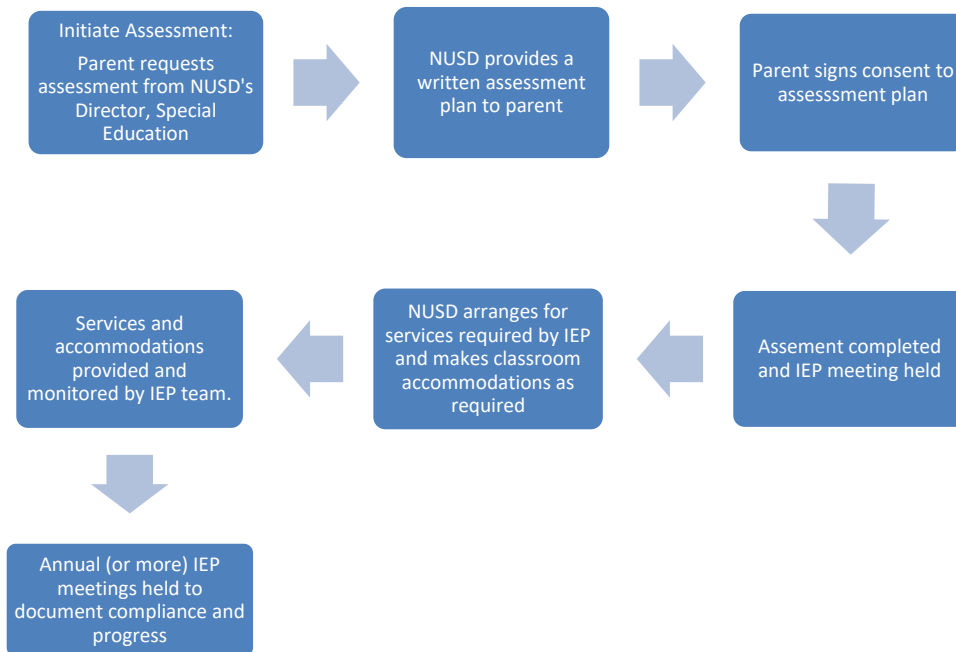
An IEP is a written statement that details the education program for a particular child. The IEP team consists of the student’s parents and relevant school personnel, and the team develops an IEP that includes the following components:

 - Description of the student’s current level of functioning.
 - Objectives for the year.
 - Services that the student will receive. Location where the student will receive services.
- **Parent and Student Participation in Decision-Making**
 - Parents and students have the right to meaningful participation in the IEP process.
 - Parents and students have the right to have all the materials presented at an IEP meeting explained to them in a way that they can understand.
 - Parents and students have the right to have the information presented at the IEP meeting translated into their primary language.
- **Least Restrictive Environment (LRE)**
 - IDEA has a strong predisposition for the education of students with disabilities with their non-disabled peers, in general education classrooms, whenever possible.
 - Students should be provided with the services, supports, and accommodations that enable them to succeed in these settings.
 - Decisions about the most suitable environment for each student are made by the IEP team.
 - Self-contained classrooms, separate schools, and/or homebound or hospital services continue to be available when the nature or severity of a student’s disability is such that a less restrictive placement cannot be achieved satisfactorily, even with the assistance of special education, related services, modifications, and accommodations.
- **Procedural Due Process**
 - School districts must obtain parental consent before conducting an initial evaluation of a student, or before exiting a student from special education.

- School districts must provide written notice to parents before initiating, changing, or refusing to change the identification, evaluation, or educational placement of a student.
- School districts must provide parents, upon request by parents, with information about independent educational evaluations, including where they can be obtained. School districts must consider any independent educational evaluation presented by a parent at an IEP meeting.
- Parental consent is required before an IEP can be implemented. Parents have the right to file Compliance Complaints when school districts do not provide services and supports as agreed to in an IEP, or otherwise violate IDEA.
- Parents have a right to a formal legal process, the Due Process Hearing, to resolve disputes about IEP eligibility, supports, and services or placement.

Source: Disability Rights Education and Defense Fund, *Guide for Parents*

Below is a (simplified) process chart showing how a parent/guardian would obtain special education services from NUSD for a student and monitor compliance with an IEP. Naturally, at each stage of the process, the parent/guardian would have access to complaint and dispute resolution processes provided by California and federal law.



As a Local Education Authority, the Northgate Unified School District and its Department of Special Education would work with the Contra Costa SELPA and the Contra Costa County Office of Education to ensure that all students with IEPs receive appropriate services. Transitioning students with IEPs in Northgate-area schools from services provided by MDUSD through its own SELPA (Special Education Local Planning Area) to services provided by the Contra Costa Office of Education in conjunction with the Contra Costa SELPA should not in any way adversely impact those students. We have found no unusual practices or level of problems with students receiving services through those providers. The Contra Costa SELPA serves the following sixteen Local Education Authorities (school districts) in Contra Costa County: Acalanes, Antioch, Brentwood, Byron, Canyon, Contra Costa County Office of Education, John Swett, Knightsen, Lafayette, Liberty, Martinez, Moraga, Oakley, Orinda, Pittsburg, and Walnut Creek.

The Contra Costa Office of Education is the largest provider of special education services in the County, and serves all students in the County with IEPs, except those in the largest districts, which are allowed by the state to have their own SELPAs. Some of the services provided by the County Office of Education include:

- **Programs for Students With Autism**, birth through age 22
- **Community-Based Instruction and Transition Programs**
 - Including assessment, training, and placement for young adults with severe disabilities
- **Early Start and Preschool Programs** for children 0-3
- **Counseling and Education Programs** for students with emotional and behavioral challenges, at the Floyd Marchus School in Concord
- **Severely Handicapped Program** for students ages 3-22
- **Program for Students With Severe and Multiple Disabilities** at the Mauzy School in Alamo, where supports include: speech therapists, nurses, psychologists, occupational therapists, augmentative communication specialists, teachers certificated in teaching students with hearing or visual impairments, and specialists in medical therapy from the California Dept. of Children's Services.
- **Workability** Transition Program, a collaboration of County and State services for students ages 16-22, who wish to complete their secondary education while obtaining marketable job skills.

Precedent for Transferring Students from A District-Operated SELPA to the County SELPA

We note that in the September 12, 2005 meeting of the Contra Costa Office of Education Committee on School District Organization, where it was to make its final decision on whether or not to approve the petition to transfer territory from the West Contra County Unified School District to the John Swett Unified School District there was a relevant exchange, described on page 3 of the minutes. In that exchange, Committee member David Krapf asked Dr. Michael Winters, the Committee's consultant who produced the Committee's Nine Criteria Report, about Dr. Winters' Criterion 6 conclusion and whether or not he factored into his recommendation any movement of Special Education students from the West Contra Costa SELPA to the Contra Costa SELPA in terms of the services each student would receive. Dr. Winters responded that he did not judge the quality of the educational services that each of the Special Education programs provides, but, rather he assumed that each district and the County Office of Education would strive to provide the highest quality services to children as possible; therefore, he did not question that aspect. The transfer ultimately was not approved due to other criteria, but the

transfer of services for students with IEPs was not an issue, because the consultant evidently assumed that all districts would adhere to the law and provide students with appropriate services.

We believe that if the County's own consultant did not view the transfer of student supports from a district-run SELPA to the Contra Costa SELPA as having a negative impact on the proposed transfer, then a similar transfer, from MDUSD SELPA to the same Contra Costa County Office of Education support services should not be questioned in this case.

Appendix 6 – Eagle Peak Charter School

The Eagle Peak Montessori School is a district-chartered public charter school that has operated since August, 2001, within the Mount Diablo Unified School District. As summarized in Figure 6.1, the school has approximately 248 students in grades 1-8 and is located at 800 Hutchinson Rd in Walnut Creek, within the boundaries of the proposed NUSD. As an MDUSD owned and chartered school, Eagle Peak would become an “island” with the NUSD territory, and therefore not generally permitted under the CDE Education Code. Although we could not find any precedent of a new school district being created “around” an existing charter, it appears that resolution of that status could include either of the following options:

1. Rechartering the school with NUSD, which would allow the school to remain within NUSD, at its current campus.
2. Rechartering with the County Office of Education, which would allow the school to be located anywhere in the County, including remaining at its current location. (Another County Charter, the Contra Costa School of the Performing Arts, is already located within the proposed NUSD territory, in the Shadelands Office Park, and it is unaffected by the proposal for NUSD.)
3. Retaining the charter with MDUSD, but relocating to another facility within the boundaries of MDUSD.
 - a. As a side note, the Education Code in section 47605(a) (1) (B) (5) provides that a charter school that is unable to locate within the jurisdiction of the chartering school district (MDUSD in this case) may establish one site outside the boundaries of the school district, but within the county in which that school district is located (Contra Costa County), if the school district within the jurisdiction of which the charter school proposes to operate is notified in advance of the charter petition approval, the county superintendent of schools and the Superintendent are notified of the location of the charter school before it commences operations, and either of the following circumstances exists:
 - i. The school has attempted to locate a single site or facility to house the entire program, but a site or facility is unavailable in the area in which the school chooses to locate.
 - ii. The site is needed for temporary use during a construction or expansion project.

Although options #1 and 2 may involve a certain amount of paperwork and administrative processes, we do not believe either NUSD or Contra Costa Office of Education would hesitate to approve a charter for a popular and successful charter school like Eagle Peak, with its established record of serving students. Moreover, it appears feasible for Eagle Peak to remain at its current site (outside MDUSD but within NUSD and Contra Costa County) *without changing their charter*, if they can make a credible representation that they have tried to find a site within MDUSD, but that such a site is unavailable.

Eagle Peak is a well-regarded school and a popular option for area families, with an extensive waiting list. Northgate CAPS views the charter school as a valuable educational asset in our community, and to that end, we would urge NUSD’s board to take all reasonable steps to help the school remain at its current location, if that is their wish. That would include taking expeditious steps to approve a new

charter with NUSD, satisfying Prop 39 requirements, and ensuring that the charter’s enrollment policies could allow it to continue to pursue a diverse population of students from throughout the region.

Appendix Figure 6.1 – Eagle Peak Montessori 2015-16 Enrollment by Ethnicity

Currently, Eagle Peak has a somewhat more diverse student population than the Northgate-area schools generally (50.8% White/Non-Hispanic in Eagle Peak vs 56.8% in the Northgate schools).

	Number of Students	Percentage of Students
Hispanic or Latino of Any Race	34	14.0%
American Indian or Alaska Native, Not Hispanic	1	0.4%
Asian, Not Hispanic	29	12.0%
Pacific Islander, Not Hispanic	0	0.0%
Filipino, Not Hispanic	9	3.7%
African American, Not Hispanic	9	3.7%
White, Not Hispanic	123	50.8%
Two or More Races, Not Hispanic	<u>37</u>	<u>15.3%</u>
Total (1)	242	100.0%

(1) Excludes 6 students who did not report their race.

Source: CA Department of Education DataQuest website

Appendix 7 – History of School Separation Efforts in California

Many communities throughout California have shared the frustrations of our Northgate community with an unresponsive central school district administration and have sought to create smaller districts more oriented towards the needs of their communities. Below is a list of some of the notable examples.

1948 – Torrance, CA successfully broke away from the Los Angeles Unified School District, the largest in the state.

1951 – San Marino, CA, residents petitioned and received approval from the State Board of Education to hold an election to separate from the South Pasadena district and create a new San Marino Unified School District. Voters approved the measure. The district now has 3,136 students and comprises two elementary schools, one middle school, and one high school (i.e one high school feeder pattern, as proposed for NUSD). Based on recent CAASPP scores and previous years’ API scores, San Marino has been the highest-performing school district in California for the past 12 years.

1977 – Oak Park, CA voters approved a measure to separate from the Simi Valley USD and form their own school district, with three elementary schools, a middle school, and a high school that opened in 1981.

1982 – Yorba Linda, CA voters approved a plan to allowing them to separate their high school students from the Fullerton Joint Unified School District and transform the existing Yorba Linda elementary school district into the K-12 Yorba Linda Unified School District. As approved by the State Board of Education, the plan allowed the election to be limited to Yorba Linda voters only.

1998 – Golden Valley Unified School District separated from the Madera Unified School District. Teachers were allowed to remain at MUSD or transfer to the new district. All teachers in Golden Valley schools transitioned to the new district, and most remained at their existing school sites. There were no reported issues from the teachers, their bargaining units, or the community. Both districts went on to make impressive gains in API, exceeding those in MDUSD in fact, over the same period.

	Golden Valley USD	Madera USD	Mt. Diablo USD
2002 – 2013 API	739 > 837	582 > 740	716 > 794
2002 to 2012 Improvement	13.3%	27.1%	10.9%
Student Enrollment	1,960	20,200	31,955
% FRL/EL Students	38%	88%	47%

Note: 2002 is the first year that CDE reported “District API” results on the Dataquest website. Demographics were as of the 2012-13 school year.

2001 – Lakewood, CA, whose students attend four different school districts, attempted to break away from those districts and form its own unified school district. The State Board of Education rejected the request, maintaining that the proposed new district could not meet four of the state’s Nine Criteria for district reorganization.

2001 – In El Segundo, CA the Wiseburn School District initiated a petition to separate from the Centinela Valley Union High School District, in order to have its own high school and become a separate K-12 unified school district. The Wiseburn district had approximately 2,000 students attending 3 elementary and one middle school, and the Centinela district had 4,600 students, comprising three high schools. The Los Angeles County Committee on School District Organization recommended that the vote to separate go forward, but stipulated that the election should be held in the entire Centinela Valley area, with 54,000 voters, and not just Wiseburn area, with 6,400 voters. That stipulation was overturned at the state level, however, and in 2013 the initiative passed in an election held just in the Wiseburn area, with 92% of voters in favor.

2008 – Camarillo, CA, residents sought to separate from the Oxnard Unified School District to form their own K-12 Camarillo Unified School District. The initiative to separate stemmed from longstanding frustrations within the Camarillo community regarding the Oxnard District's unresponsiveness to their community's needs, resource inequities, and a failure to build a long-promised high school. The somewhat complex proposal called for the reorganization of three separate area school districts, including: 12 elementary and middle schools from the Pleasant Valley School District in Camarillo, a single K-8 school from the Somis School District in unincorporated Somis, and the Oxnard Union High School District's Rio Mesa High School. The proposed Camarillo Unified School District would have had approximately 6,600 students. The initiative passed both the County and State Education board reviews, but the State stipulated that both Camarillo and Oxnard residents vote on the ballot measure. The measure was narrowly defeated by a 48% to 51% vote. The Oxnard School District subsequently built the new high school, Rancho Campana, which opened in 2015. The 800-student high school is organized around three academies for: arts and entertainment, health sciences, and engineering.

2012-present – Malibu and Santa Monica, CA are negotiating a consensual separation of Malibu schools from the Santa Monica Unified School District. The Malibu City Council voted unanimously to support the effort. The Malibu Unification Negotiations Committee (MUNC), made up of three Santa Monica members and three Malibu members, has engaged in fact gathering with the assistance of legal counsel and an educational consulting firm and is now engaged in negotiating the specific terms of the separation. According to all reports, the process remains consensual and collaborative between the existing and new district.

2014 – Alpine, CA, in an effort to have its own high school for its five-school Alpine Union School District (AUSD) feeder pattern, has sought to separate from the 22,000-student Grossmont Unified School District (GUSD) to create its own unified school district. The San Diego County Board of Education unanimously approved the petition, but the State Board of Education has not yet acted. The campaign is complicated by a suit by AUSD against GUSD attempting to force the district to build the long-promised high school.

2015-present – San Clemente, CA residents are seeking to separate from the Capistrano Unified School District (CUSD). CUSD has over 53,000 students, 4,000 employees, 57 traditional schools, and 5 charter schools. San Clemente would have 10 schools, with approximately 9,700 students. The City appears to be leading the effort, with substantial support from local parent and teacher groups.

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