

REPORT OF THE
OFFICE OF THE AUDITOR GENERAL
TO THE
JOINT LEGISLATIVE AUDIT COMMITTEE

033

IMPROVED ADMINISTRATION
AND ATTENDANCE ACCOUNTING NEEDED
IN INDEPENDENT STUDY PROGRAMS

APRIL 1981



California Legislature

Joint Legislative Audit Committee

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April 8, 1981

033

The Honorable Speaker of the Assembly
The Honorable President pro Tempore of the Senate
The Honorable Members of the Senate and the
Assembly of the Legislature of California

Members of the Legislature:

Your Joint Legislative Audit Committee respectfully submits the Auditor General's report concerning the need for improved administration and monitoring of independent study programs by the State Department of Education and the governing boards of school districts.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Walter M. Ingalls", written over a horizontal line.

WALTER M. INGALLS
Chairman, Joint Legislative
Audit Committee

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SUMMARY

Independent study, authorized by statute in 1976, is an alternative to regular classroom instruction available to students in grades kindergarten through twelve. Students engaged in independent study programs complete course work geared to their educational needs and interests. Their instructional programs are set down in written agreements. Unlike students in the regular classroom, these students are not required to be directly supervised by teachers but may be supervised by paraprofessionals or volunteers with special skills. Our review indicated that nearly 14,000 students were enrolled in independent study programs at the end of the 1979-80 school year. This figure represents a 239 percent increase in enrollment since the 1977-78 school year. Additionally, at least 419 of the 1,102 school districts and county offices of education now offer these programs.

During our review of independent study programs, we found that the State Department of Education has provided limited guidance to school districts and has not developed comprehensive guidelines for administering independent study programs. In addition, the department has not instituted district reporting requirements that would allow it to effectively monitor these programs.

The department's limited monitoring and guidance has contributed to problems in the direct administration of independent study agreements. That is, school districts are not administering independent study programs as prescribed by law. For example, 39 percent of the student case files we reviewed in twelve independent study programs contained written agreements with students that were not properly completed. Frequently, these agreements did not include a clear statement of objectives, an adequate evaluation of the student's accomplishments, or the written approval of a student's parent or guardian.

Further, our review of 12 independent study programs showed that districts have claimed average daily attendance (ADA) for students who did not fulfill minimum day requirements for school attendance. In fact, school districts had overclaimed ADA in 69 percent of the case files we reviewed because they did not adhere to minimum day requirements. As a result of this noncompliance, districts are receiving reimbursements from the State School Fund for which they did not qualify.

Based on these findings, we recommend that the State Department of Education provide more guidance to school districts to improve the administration of independent study programs. We also recommend that the department develop

sufficient reporting requirements for school districts so that independent study can be monitored more effectively. In addition, we recommend that the governing boards of school districts and the county offices of education review their independent study programs to ensure compliance with existing laws and regulations. To address the problem of school districts overclaiming ADA for students in independent study programs, we recommend that the department develop specific regulations for attendance accounting and present them to the State Board of Education for adoption.*

We also requested a Legislative Counsel opinion regarding the statutes applicable to computing average daily attendance for students in independent study programs. In view of this opinion, the Legislature may wish to consider altering attendance accounting requirements for independent study programs.

Finally, we gathered information on the range of opportunities available to students in the 12 independent study programs we reviewed as well as data on the impact and cost of these programs. We found that many of the students

* In its written response to our report the department states that it does not feel that it should monitor independent study programs. The department did not comment on the problem of school districts overclaiming ADA for students in independent study.

participating in these programs had a history of truancy or had previously dropped out of school. In the 1979-80 school year, these students completed 64 percent of their written agreements. In addition, more than one-fifth of the students enrolled either graduated from high school, passed the General Education Diploma or the California High School Proficiency Exam, or transferred to another educational program within their district.

INTRODUCTION

In response to a request of the Joint Legislative Audit Committee, we have reviewed the State Department of Education's monitoring of independent study programs as well as school districts' administration of these programs. This review was conducted under the authority vested in the Auditor General by Sections 10527 and 10528 of the Government Code.

Background

Independent study, an alternative to regular classroom instruction available to students in grades kindergarten through twelve, was initially authorized in 1976. Students involved in independent study programs complete course work specifically geared to their educational needs and interests. Accordingly, these programs permit students to draw from learning options on and off school campuses. Additionally, unlike students in the regular classroom, independent study students are not required to be under the direct supervision of teachers. Instead, students are under the general supervision of teachers and may be supervised by paraprofessionals or volunteers with special skills. Many students participating in programs we visited had a history of truancy or had previously dropped out of school.

School districts provide independent study programs in various ways. For example, some operate these programs separate from the regular classroom while other districts offer independent study as a supplement to regular classroom subjects. One district we visited operated an independent study program for high school students apart from the regular high school campus. A student enrolled in this program typically met with an independent study supervisor once a week for one hour. During this meeting, the supervisor would both review the student's work and assign work for the upcoming week. In another district we reviewed, students supplemented course work at the high school campus with independent study. One student attended classes on the high school campus but also enrolled in special courses through independent study.

Before a district may offer an independent study program, its governing board must adopt written policies and procedures. In addition, each student's program of independent study must be based upon a written agreement signed by the student, by a parent or legal guardian of a minor student, and by any person other than school staff members who will be assisting the student. These written agreements are intended to define the nature and scope of a student's educational program, the manner in which the work will be performed, and the measure of the student's success. They also provide a basis for evaluating and documenting student performance.

To identify the number of school districts offering independent study programs and the number of students enrolled in such programs, we conducted a statewide survey of school districts and county offices of education. We found that at least 419 school districts and county offices of education currently offer independent study programs to their students. Additionally, we found that enrollment in independent study programs has increased significantly since the 1977-78 school year. Table 1 below illustrates this increase in the number of students enrolled in independent study programs from the 1977-78 to the 1979-80 school year.

TABLE 1

Student Enrollment in
Independent Study Programs^a
from the 1977-78 to the 1979-80 School Year^b

| <u>School Year</u> | <u>Number of Students</u> | <u>Percentage Increase from 1977-78</u> |
|--------------------|---------------------------|---|
| 1977-78 | 4,118 | -- |
| 1978-79 | 6,831 | 66 |
| 1979-80 | 13,956 | 239 |

^a Based on the responses from 888 of the 1,102 school districts and county offices of education in the State. This table shows statistics for (1) students enrolled in independent study programs administered apart from the regular classroom and (2) students whose independent study programs supplemented their work in the regular classroom.

^b Based on enrollment in independent study programs at the end of the school year.

As depicted in Table 1, nearly 14,000 students were enrolled in independent study programs at the end of the 1979-80 school year; this figure represents a 239 percent increase in enrollment since the 1977-78 school year.

Scope of Review

We conducted case studies of 12 independent study programs geographically distributed throughout the State. (Appendix A lists the independent study programs we examined.) Our case studies included a review of (1) descriptive information about program composition and operation, (2) attendance accounting procedures and records, (3) financial information, and (4) a sample of student case files. As noted previously, we also conducted a statewide survey of school districts and county offices of education to gather information on independent study programs. The last section of the report includes information gathered during our review of the 12 independent study programs.

AUDIT RESULTS

NEED FOR IMPROVED GUIDANCE AND ADMINISTRATION OF INDEPENDENT STUDY PROGRAMS

The State Department of Education has provided limited guidance to school districts administering independent study programs. Specifically, the department has not developed and issued comprehensive guidelines for administering these programs. Neither has the department instituted district reporting requirements that would allow the department to more effectively monitor independent study programs.

The department's limited monitoring and guidance has contributed to school districts' problems in administering independent study agreements with students. In our review of twelve programs, we found that 39 percent of the student case files examined contained agreements that were not properly completed. For example, we noted that some study agreements did not include student objectives, adequate evaluations, or written parental approval for student participation. As a result of these omissions, there is no assurance that school districts are administering independent study programs in the manner prescribed by law.

Department Has Provided Limited Guidance

The State Department of Education, under the direction of the Superintendent of Public Instruction, has the general responsibility for administering the laws under the jurisdiction of the State Board of Education. This general responsibility includes administering laws relating to independent study programs. Yet despite this responsibility, the department has not developed sufficient guidelines and reporting requirements for the administration of independent study programs. Further, current audit guidelines do not include an adequate review of these programs.

In carrying out its administrative responsibility, the State Department of Education is authorized to revise and update guidelines and conduct workshops and conferences to train school district and county office of education personnel regarding budgetary and accounting matters. In addition, the department is required to cooperate with the Auditor General and the Department of Finance in prescribing audit guidelines to be used in auditing school districts.

Since the inception of independent study, the department has carried out its general administrative responsibility in various ways. Initially, the department developed regulations for independent study programs which were adopted by the State Board of Education. In 1977, the

department provided training sessions for departmental employees and conducted regional workshops regarding independent study programs. More recently, the department established the Task Force on Independent Study and Attendance Problems and sponsored statewide conferences which dealt with developing and operating independent study programs. In addition, the department's Curriculum and Support Services Division and Field Management Services Bureau have, upon request, supplied certain school districts with information regarding the administration of independent study programs.

Even though the department has undertaken these activities, it has neither developed comprehensive guidelines for the administration of independent study nor issued them to all school districts and county offices of education. The only guidelines that the department has provided to school districts and county offices of education are suggested attendance accounting guidelines that were developed in June 1980. These guidelines have been provided only to districts requesting them; consequently, they have not been distributed to all school districts and county offices of education.

Further, the department has not developed sufficient reporting requirements enabling it to gather information on students involved in independent study. Under present reporting requirements, school districts include independent

study students in their counts of regular classroom students when reporting attendance to the department. Therefore, the department does not know which school districts are offering independent study programs nor how many students are participating in the programs. Without this information, the department is unable to effectively monitor independent study programs. This information could be collected on the J-18 and J-19 attendance reporting forms school districts now use to report attendance to the department.

Finally, the current audit guidelines for school districts, which are published by the Department of Finance in cooperation with the State Department of Education, do not identify specific audit objectives for independent study programs. Consequently, the department has no assurance that independent study programs are thoroughly reviewed during the audits of school districts.

As detailed in the following section, the department's limited guidance and monitoring of school districts has contributed to problems in directly administering independent study agreements.

School Districts Have Not Adequately Administered Independent Study Agreements

Our examination of 12 independent study programs disclosed that school districts are failing to properly administer written agreements with independent study students. Overall, 117 of the 300 student case files we reviewed (39 percent) contained written agreements that were not properly completed. And, in four of these programs, written agreements found in at least 60 percent of the student files omitted required information. Specifically, we noted that agreements did not include a statement of objectives, an adequate evaluation of the student's accomplishments, or the written approval of a parent or guardian.

School districts' requirements for developing and administering independent study agreements are delineated in both the Education Code and the California Administrative Code. Section 51746 of the Education Code requires that a school district or county board of education ensure that the independent study program for each student is written. Title 5 of the California Administrative Code more specifically stipulates that independent study written agreements be signed by the student, a parent or legal guardian for a minor student,

and the student's independent study supervisor. In addition, Title 5 states that, at a minimum, these agreements must include this information:

- A statement of objectives;
- The manner in which these objectives will be evaluated;
- The duration of the independent study contract;
- The manner, time, and place of reporting progress; and
- The signature of any person other than school staff members who will be assisting students.

During our review, we found that independent study supervisors do not always supply an adequate statement of objectives on a student's written agreement. On some written agreements we reviewed, supervisors noted written objectives, but they did not adequately define the purpose and scope of a student's independent study. These problems could lead to students' misperceptions about their educational objectives as well as administrative difficulties in evaluating student performance and awarding credits for completed course work.

The Education Code states that objectives in instructional programs should detail an accomplishment that can be verified within a given time and under specifiable conditions. A written agreement with specific objectives clearly stipulates what is expected of the student, thus preventing misunderstandings between the independent study supervisor and the student.

In many instances, we found that independent study supervisors are not specifically defining student objectives. For example, some objectives merely instructed students to improve skills, to obtain basic skills in the area of general science, or to work on classes toward high school graduation. None of these examples illustrates a detailed, verifiable statement of educational objectives.

By failing to list precise objectives on the agreements, independent study supervisors are creating potential educational and administrative problems. Incomplete or vague objectives can distort the student's and the independent study supervisor's perceptions of what course work should be accomplished. Likewise, if independent study supervisors do not specify the amount of work a student is expected to complete, problems in awarding credits for course work could result.

Additionally, we found that the independent study supervisor did not always adequately evaluate a student's performance. One district we visited had developed a form with a space provided for the evaluation of the student's performance. Yet the independent study supervisors sometimes did not complete the evaluation or certify the number of credits toward graduation a student should receive for performing the specified course work. As a result of these oversights, school districts cannot assure that a student is performing the course work originally agreed upon or that supervisors are certifying a student's accomplishments.

In addition to omissions of both specific objectives and evaluations of those objectives, we also noted that agreements did not include signatures of a student's parent or legal guardian. As previously discussed, the California Administrative Code requires that a parent or legal guardian sign the independent study agreement for a minor student. However, in 9 of the 12 independent study programs reviewed, we found written agreements without proper signatures.

Personnel who administered independent study programs gave various explanations for not obtaining the required signatures. In one program, they pointed to the difficulties in obtaining signatures when students had limited parental contact. In another program, parents were described as

unconcerned with the education of their children. An administrator in one independent study program also stated that sometimes they did not insist upon parents' signatures to avoid alienating students.

CONCLUSION

The State Department of Education has not adequately directed school districts in administering independent study programs. It has neither developed nor issued sufficient guidelines for these programs. In addition, the department has not established sufficient reporting requirements for school districts that would allow for more effective departmental monitoring of independent study programs. This limited direction and monitoring has contributed to school districts' problems in administering independent study agreements. Specifically, districts have not defined students' objectives, adequately identified students' accomplishments, or obtained parental signatures approving students' participation in these programs. As a result, the department cannot assure that school districts are administering independent study programs in the manner prescribed by law.

RECOMMENDATION

We recommend that the governing boards of school districts and county offices of education review their independent study programs to ensure that they comply with the Education Code and with Title 5 of the California Administrative Code.

We also recommend that the State Department of Education provide additional guidance to school districts administering independent study, especially direction in developing and completing written agreements with students.

Further, we recommend that the department develop sufficient reporting requirements for school districts so that it can monitor independent study programs more effectively. Specifically, the department should

- Require school districts to separately report attendance for students in independent study on the J-18 and J-19 reporting forms;

- Cooperate with the Department of Finance in developing financial and compliance audit objectives for independent study programs to be applied in the audits of school districts.

CORRECTIVE ACTION TAKEN

During our review, the department, in cooperation with the California Consortium for Independent Study, developed a manual of operational procedures and curriculum guidelines for independent study programs. The manual was made available for purchase through the Consortium at its statewide conference held March 26-27, 1981.

SCHOOL DISTRICTS ARE OVERCLAIMING
AVERAGE DAILY ATTENDANCE FOR STUDENTS
ENROLLED IN INDEPENDENT STUDY PROGRAMS

Our review of independent study programs in 12 school districts indicated that districts have overclaimed average daily attendance (ADA) for students enrolled in independent study programs. School districts compute ADA for students in these programs based on requirements specifying a minimum school day. Yet we found that districts were claiming ADA for students who did not fulfill the minimum day requirements for school attendance. In fact, school districts overclaimed ADA in 69 percent of the cases we reviewed. And for eight of the twelve programs, districts overclaimed ADA in more than 60 percent of the cases. Districts often overclaimed ADA because they did not adhere to minimum day requirements. For example, program supervisors sometimes based ADA claims on the days a student was enrolled in the program rather than on the hours the student worked. Other programs simply applied an erroneous standard of hours. As a result of this misapplication of the law, school districts are receiving inflated reimbursements from the State School Fund.

Requirements for Claiming
Average Daily Attendance

To receive apportionments from the State School Fund, California school districts submit to the State Department of Education reports indicating the number of units of average

daily attendance they have generated. The basis for computing ADA for independent study students differs from that used for students in the regular classroom. That is, school districts compute ADA for students in the regular classroom based upon the number actually in attendance. Added to this count are those students verified as absent for specific allowable reasons, such as illness. But since students in independent study programs often perform their work outside the regular classroom, school districts base ADA claims for these students on the number working on educational activities for the required minimum day. The minimum school day for high school students in regular programs, as defined in Section 46141 of the Education Code, is 240 minutes (4 hours). Section 46144 of the Code provides for a minimum day of 180 minutes (3 hours) for students participating in work experience education programs.

As stated previously, the State Department of Education presented suggested guidelines for attendance accounting in independent study programs in June 1980. These guidelines were made available to interested individuals through workshops sponsored by the department and meetings conducted by the California Consortium for Independent Study. The guidelines stated that for students in independent study programs, ADA should be based upon the hours of work a student

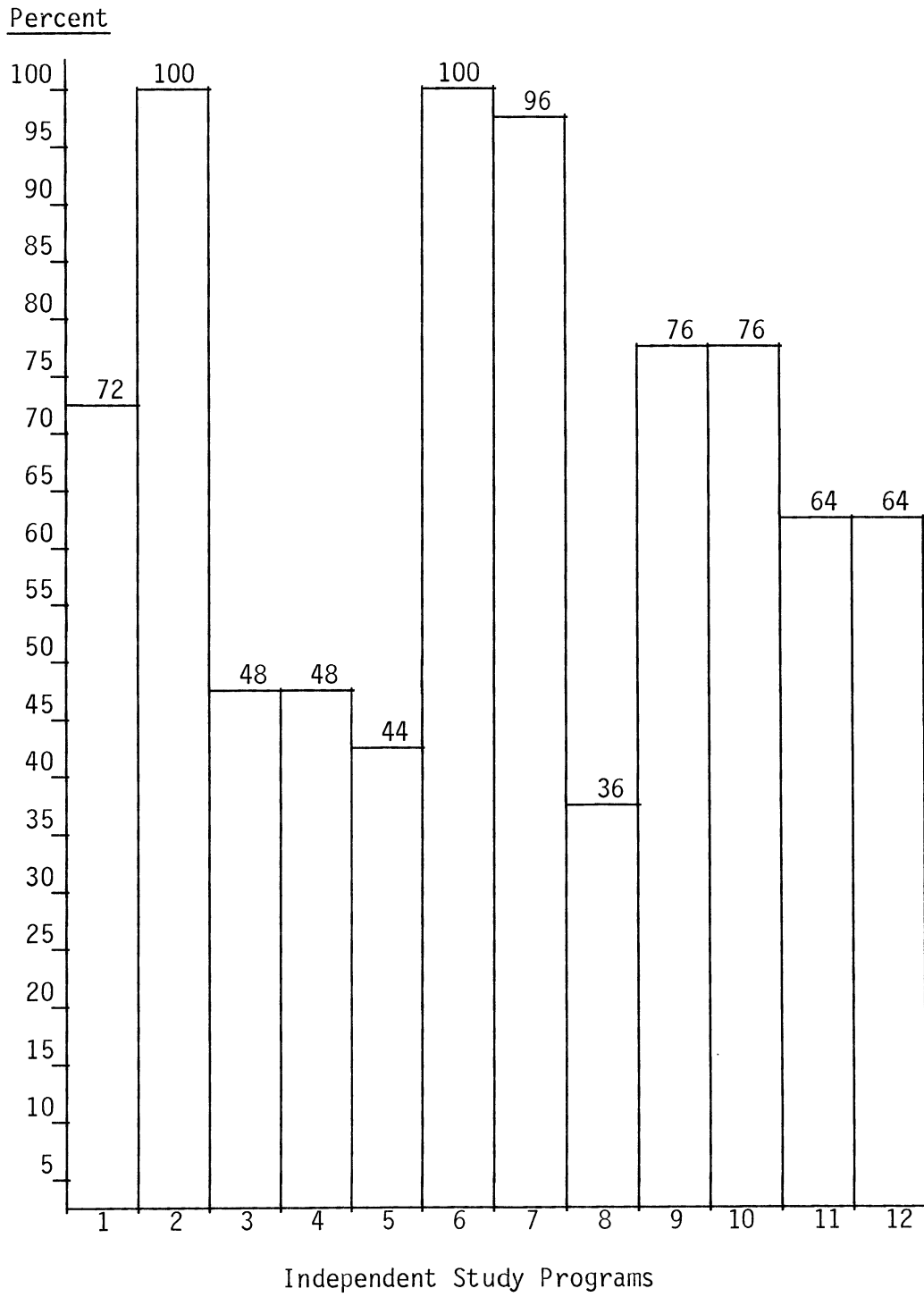
completes toward fulfilling the independent study written agreement. The guidelines also specified that ADA claimed for students in independent study programs must be supported by a valid written agreement including a record of completed activities.

Percentage of Overclaims

Despite the guidelines made available by the department and the requirements stipulated in the Education Code, we found that ADA had been overclaimed for each of the 12 independent study programs we reviewed. For each program, we selected 25 student case files and reviewed the ADA claimed. We also reviewed attendance reports, written agreements with students, and other supporting documentation. In 69 percent of the cases we reviewed, school districts had overclaimed ADA. Also, in eight of the twelve programs, over 60 percent of the selected case files had overclaims. We did not determine the dollar amount of overclaimed ADA because this determination would duplicate audits that the Department of Finance is now conducting. Table 2 summarizes the percentage of cases at each program for which districts had overclaimed average daily attendance.

TABLE 2

PERCENTAGE OF STUDENT CASE FILES
WITH OVERCLAIMED AVERAGE DAILY ATTENDANCE



Failure to Meet
Minimum Day Requirements

During our review, we found that the high incidence of overclaimed ADA resulted because districts did not adhere to minimum day requirements stipulated in the Education Code. Specifically, program supervisors sometimes based ADA claims on the days a student was enrolled in the program instead of the hours the student worked. Other supervisors applied a standard that fell below the minimum number of hours. Because of these oversights, school districts are receiving reimbursements from the State School Fund for which they did not qualify.

One reason why ADA has been overclaimed for students in independent study programs is that school districts have not based ADA claims on the actual hours students worked to complete their independent study written agreements. Instead, we found that supervisors in 10 of the 12 programs we reviewed claimed ADA based on the days a student was enrolled in an independent study program. As a result, ADA was claimed for students who were not completing a sufficient number of hours of work to satisfy minimum day requirements.

This problem sometimes occurred when students completed their independent study course work before the end of the semester or when time elapsed between the completion and initiation of agreements. For example, if a student's written

agreement for a semester included four subjects, each requiring one hour of work per school day, these hours would fulfill the minimum school day requirements. However, we found instances in which students completed work on one or more subjects before the end of a semester. If the supervisor did not assign more work, that student would not be completing 240 minutes of work per school day. Thus, average daily attendance was often overclaimed for this student who did not meet minimum day requirements.

In similar cases, ADA was commonly overclaimed when there were delays in initiating written agreements with students. Once a student completes a written agreement during a semester, program supervisors should initiate a new written agreement if ADA is to be claimed for a student. Yet we found that in some cases there were time delays prior to initiating another written agreement. Moreover, we noted that during this interval, ADA was claimed for the student who was performing no course work. In these instances, ADA was not earned and should not have been claimed.

Secondly, we found that ADA was overclaimed because supervisors erroneously assigned a standard that fell below the minimum day requirements. Specifically, one program required independent study students to meet the standard applicable to a continuation school while other programs allowed students

participating in work experience to complete less than the minimum standard. In other cases, we noted that the credits students attempted were not equivalent to the hours of course work necessary to fulfill minimum day requirements.

Two of the twelve programs we reviewed had erroneously based their independent study programs on a 180 minute minimum day instead of the required 240 minute minimum standard. To illustrate, one program was located on the same campus as a continuation school but was administered separately. This program mistakenly used the 180 minute minimum day which was applicable to the continuation school but not to the independent study program. Administrators of another program based the ADA on a 180 minute minimum day because they misinterpreted information provided by a consultant of the State Department of Education. Both of these programs overstated their ADA by at least 25 percent. These overclaims amounted to approximately \$64,600 in one program and \$8,500 in the other.

Likewise, 7 of the 12 programs we reviewed failed to observe the minimum day requirements for students participating in both independent study and work experience programs. These students are required by law to complete 180 minute minimum days. We found students in each of these programs who were participating less than the required 180 minutes per day.

Moreover, one of these programs required only that students participate in work experience, not that they complete any course work.

Other programs failed to properly apply minimum day requirements. Six of the twelve programs used a standard number of hours to equal one credit toward graduation. For example, a student in one program might earn one credit toward the 220 credits required for high school graduation by working fifteen hours on an independent study assignment. We found numerous instances in which the number of credits a student attempted during a semester did not equate with sufficient hours of work necessary to fulfill minimum day requirements. Thus, programs were overclaiming ADA for these students.

Recent audits conducted by the Department of Finance suggest that overclaims in independent study programs may be sizable in some districts. This evidence indicates that school districts are receiving reimbursements from the State School Fund for which they did not qualify.

The Department of Finance recently completed three audits of independent study programs and is seeking reductions in the amount of ADA claimed by each of the three districts audited. In one program, the department recommended

disallowing approximately 76 percent of the ADA claimed because it was claimed for students who did not meet minimum day requirements. This percentage of ADA represents an inflated reimbursement to the independent study program of about \$52,000.

CONCLUSION

.Based on our review of independent study programs in 12 school districts, we have concluded that school districts are overclaiming ADA for students enrolled in these programs. The overclaims have resulted because districts have not adhered to minimum day requirements stipulated in the Education Code. Specifically, program supervisors sometimes based ADA claims on the days a student was enrolled in the program instead of the days the student worked. Other programs simply applied an incorrect standard number of hours. As a result, school districts are receiving reimbursements from the State School Fund for which they do not qualify.

RECOMMENDATION

To clarify attendance accounting requirements for independent study programs, we recommend that the State Department of Education develop specific regulations and present them to the State Board of Education for adoption. These regulations should describe these items:

- The method to be used in determining students' compliance with minimum day requirements;
- The supporting documentation required;
- The forms required for recording student attendance.

We also recommend that the department assure that the attendance accounting requirements are adequately disseminated.

Further, we recommend that the governing boards of school districts and the county offices of education review their independent study programs to ensure that any existing or subsequently adopted attendance accounting requirements, particularly those relating to the minimum day, are satisfied.

MATTERS FOR CONSIDERATION
BY THE LEGISLATURE

LIMITATIONS ON COMPUTING AVERAGE
DAILY ATTENDANCE IN INDEPENDENT
STUDY PROGRAMS

To clarify attendance accounting requirements for students in independent study programs, we requested an opinion from the Legislative Counsel. This opinion states that the Education Code limits the methods school districts may use in computing average daily attendance in independent study programs.

The Legislative Counsel's opinion reads in part:

Junior high school and high school pupils enrolled exclusively in independent study programs may accumulate the number of hours worked per day fulfilling independent study agreements in any 10 consecutive school days, but in no day less than three hours, for the purpose of computing the average daily attendance of a school district. Other pupils enrolled in independent study programs may not accumulate the number of hours worked per day.

Appendix B to this report gives the Legislative Counsel's opinion in its entirety.

To paraphrase, this opinion states that although school districts can accumulate hours worked by independent study students over a period of 10 consecutive school days, the

districts may count only those days in which the student has worked at least three hours. In addition, this method of attendance accounting applies only to students in junior and senior high school. These constraints could significantly limit the degree of flexibility that school districts exercise in designing their independent study programs.

Since independent study programs are designed to encourage educational alternatives for students, the Legislature may wish to consider altering the statutory limitations on the methods school districts can use for computing average daily attendance to make the requirements consistent with the intent of independent study programs.

OTHER PERTINENT INFORMATION

During our review, we gathered details on the composition and operation of the 12 independent study programs we visited. This information focuses on the range of opportunities available to students through independent study programs and how school districts are implementing these programs. Specifically, the information is arranged according to these areas:

- Educational Needs Served by Independent Study Programs
- Independent Study Course Offerings
- The Impact of Independent Study Programs
- The costs of Independent Study Programs.

Educational Needs Served by Independent Study Programs

We found that each of the 12 independent study programs we visited primarily served students who had a history of truancy or who had dropped out of school. Thus, many students in independent study have educational needs which may not be satisfied through the traditional high school program. Some students were prevented from attending the traditional high school because of economic situations or personal problems. In other cases, students sought to complete specialized course work that was not available in the regular classroom. Lastly, these programs allowed a few students to complete course work under special circumstances.

In each of the 12 programs visited, we found that some students entered the independent study program because it enabled them to work. For example, in one program we visited, apprentice students in commercial fishing completed independent study course work while on three-month fishing trips. In other programs, students were working in their parents' businesses learning a trade.

Programs in some districts included students with medical or psychological problems. Students with medical problems could thus avoid negative peer pressure which they experienced on campus. Other districts reported that pregnant

students participated in their programs. Another district we visited is using its program to acclimate some elementary school students to a classroom environment.

Students attended special courses offered in independent study programs to work toward high school graduation. In one district, ballet students received their high school education through intense, small group teaching for a short time each day at a ballet school. Students at other sites were taking one or two courses required for graduation which they could not fit into their schedule at the high school. Also, several programs we visited used independent study to provide course work not otherwise available in the regular high school.

Finally, independent study programs allowed students to complete course work under special circumstances. Several of the programs we reviewed offered independent study to students on extended trips. Another district used independent study for students living in isolated regions who otherwise would be forced to take long bus trips to attend high school. The same district used its programs to provide an educational alternative to students from a particular religious group that objected to certain aspects of public schooling.

Independent Study Course Offerings

The independent study programs we reviewed offered both basic and elective course work at the high school level. In some programs students used textbooks, while in others, they worked on individual packaged modules. Because independent study is often a reading-based program, some supervisors reported that students with poor reading skills have encountered difficulties completing their programs.

The independent study programs we reviewed offered basic education courses in mathematics, English, and other academic disciplines. The mathematics courses ranged from general and consumer math to algebra and trigonometry. English courses included reading, grammar, and composition. Frequently these basic courses focused on tutoring students for the California High School Proficiency Exam (CHSPE) or General Education Diploma (GED). Courses in United States history and government were frequently offered. Several districts we visited also offered science courses.

The students in the programs we reviewed took a wide variety of elective courses. The programs frequently offered credit for activities in which students already were involved, such as auto repair, child care, cooking, and sewing. Some programs gave physical education credit for sports such as

jogging, bicycling, and swimming. In addition, students pursuing special athletic training such as training for the Olympics received physical education credit.

Supervisors in the 12 districts reviewed secured various kinds of materials for their programs. Some used standard texts and others developed special modules which divided subject matter into smaller units. One program developed individual course modules that were equal to one credit. Another program developed modules that were designed to be the equivalent of a week's work.

Independent study supervisors reported that students without basic reading skills have difficulty with independent study because it is frequently a reading-based program. Yet only 3 of the 12 programs visited required students to show minimum levels of competency in reading skills before enrolling in the program. These supervisors also reported difficulty in developing course work appropriate for the reading levels of their students.

The Impact of Independent Study Programs

To assess the effectiveness of independent study programs, we developed several indicators of program success in independent study: student completion of work, number of

graduations, and recovery rates of students separated from educational programs. We found that in school year 1979-80, students in these programs fully or partially completed 77 percent of their written agreements. Yet we also found that over 65 percent of all students had left their programs by the close of the school year.

During our review, we found that the programs operating during the 1979-80 school year prepared 7,812 written agreements for 3,194 students. Table 3 on the next page summarizes the number of agreements written and completed and the number of credits attempted and completed in the 12 programs we visited.*

* Only 11 of the 12 districts visited had programs in operation during the 1979-80 school year.

TABLE 3

COMPLETION RATES OF AGREEMENTS WRITTEN
AND UNITS ATTEMPTED FOR 1979-80 SCHOOL YEAR

| <u>Agreements</u> | <u>Number</u> | <u>Percentage</u> |
|--------------------------|---------------|-------------------|
| Completed | 4,972 | 64 |
| Partially Completed | 1,034 | 13 |
| With No Work Done | <u>1,806</u> | <u>23</u> |
| Total Agreements Written | <u>7,812</u> | <u>100</u> |

| <u>Units</u> | <u>Number</u> | <u>Percentage</u> |
|-----------------------|---------------|-------------------|
| Completed | 20,478 | 67 |
| Not Completed | <u>9,967</u> | <u>33</u> |
| Total Units Attempted | <u>30,445</u> | <u>100</u> |

As shown in Table 3, students completed 64 percent of these agreements and partially completed 13 percent of the remaining written agreements. However, students did not complete any work on 23 percent of the written agreements in the programs reviewed in the 1979-80 school year. Table 3 also indicates that 67 percent of the total units attempted were awarded to students.

In addition, we noted that more than 65 percent of the total students in the eleven 1979-80 programs visited left their independent study programs by the end of the school year, primarily because they did not complete the course work outlined in their written agreements. Table 4 presents the reasons students left these programs during the 1979-80 school year.

TABLE 4
REASONS STUDENTS LEFT INDEPENDENT
STUDY PROGRAMS DURING 1979-80 SCHOOL YEAR

| | <u>Number of</u> <u>Students</u> | <u>Percentage of</u> <u>Students</u> |
|-----------------------------------|-------------------------------------|---|
| Did Not Fulfill Written Agreement | 1,000 | 31.3 |
| Graduated | 342 | 10.7 |
| Transferred within District | 295 | 9.2 |
| Found Full-Time Employment | 101 | 3.2 |
| Transferred outside District | 83 | 2.6 |
| Passed GED/CHSPE | 58 | 1.8 |
| Other ^a | <u>214</u> | <u>6.7</u> |
| Total Students Leaving | <u>2,093</u> | <u>65.5</u> |
| Enrolled at End of Year | <u>1,101</u> | <u>34.5</u> |
| Total Number of Students | <u>3,194</u> | <u>100.0</u> |

^a "Other" includes students who transferred to correctional institutions, became pregnant, were married, ran away, enlisted in the military, or left for unknown reasons.

It is important to note that many students enrolled in the independent study programs reviewed were students who had been excessively truant or who had already dropped out of school. However, over one-fifth of the students enrolled in independent study in the 1979-80 school year either graduated from high school, passed the General Education Diploma or the California High School Proficiency Exam, or transferred to another educational program within their districts.

The Costs of Independent Study Programs

During our review, we collected information on the costs of independent study programs. In addition, we collected information on the ADA claimed for apportionment of revenue from the State School Fund. This data showed that most independent study programs generated revenues in excess of the costs they attributed to independent study. However, some school districts did not charge some independent study programs certain direct and indirect costs.

Table 5 compares revenues and expenditures for the 11 programs operating in the 1979-80 school year.

TABLE 5

COMPARISON OF REVENUES WITH EXPENDITURES FOR
1979-80 SCHOOL YEAR IN INDEPENDENT STUDY PROGRAMS REVIEWED
(Unaudited)

| <u>District</u> | <u>Revenues^a</u> | <u>Expenditures^b</u> | <u>Difference</u> |
|-----------------|-----------------------------|---------------------------------|-------------------|
| 1 | \$ 46,728 | \$ 36,842 | \$ 9,886 |
| 2 | 258,320 | 152,386 | 105,934 |
| 3 | 68,345 | 30,962 | 36,386 |
| 4 | 159,141 | 142,835 | 16,306 |
| 5 | 53,529 | 50,522 | 3,007 |
| 6 | 33,704 | 33,252 | 452 |
| 7 | 1,064,867 | 172,531 | 892,336 |
| 8 | 62,219 | 40,475 | 28,744 |
| 9 | 129,231 | 134,906 | (5,675) |
| 10 | 10,700 | 20,485 | (9,875) |
| 11 | 288,653 ^c | 37,380 ^d | 251,273 |

^a Revenues computed based on the ADA submitted to the State Department of Education multiplied by the revenue limit for the district.

^b Only districts 2, 4, and 10 had facility overhead charged to the program expenditures.

^c This is an estimate based on program coordinator's formula used for budget projections of full and half ADA for the 1978-79 school year.

^d This figure represents only the hourly pay of teachers.

Table 5 illustrates that the revenues generated exceeded reported expenditures in 9 of the 11 programs operating during the 1979-80 school year. However, school

districts did not charge facility overhead in eight of the programs reviewed. In one program, a church donated office space. In several other programs, school districts provided facilities at no charge. In others, school districts did not charge indirect costs because the expenditures for independent study were not separately accounted for.

Table 6 compares the student-teacher ratios throughout the district with the student-teacher ratios for the independent study programs. These ratios are based upon a full-time equivalent of credentialed teachers.

TABLE 6
COMPARISON OF DISTRICT-WIDE AND INDEPENDENT STUDY
STUDENT-TEACHER RATIOS FOR 1980-81 SCHOOL YEAR

| <u>District</u> | <u>Students per Teacher District-Wide</u> | <u>Students per Teacher in Independent Study^{a, b}</u> | <u>Students per Teacher Difference</u> |
|-----------------|---|---|--|
| 1 | 36.0 | 30.0 | (6.0) |
| 2 | 32.0 | 45.4 | 13.4 |
| 3 | 28.1 | 100.0 | 71.9 |
| 4 | 29.5 | 15.3 | (14.2) |
| 5 | 28.0 | 28.0 | 0.0 |
| 6 | 29.7 | 26.0 | (3.7) |
| 7 | 27.7 | 270.9 | 243.2 |
| 8 | 30.0 | 31.5 | 1.5 |
| 9 | 30.0 | 37.3 | 7.3 |
| 10 | 24.0 | 30.0 | 6.0 |
| 11 | 27.5 | 23.3 | (4.2) |
| 12 | 35.5 | 39.9 | 4.4 |

^a Districts 2, 3, 5, and 10 use teachers' aides in addition to credentialed teaching staff.

^b Districts 7 and 12 hired teachers in independent study on an hourly basis.

In 7 out of 12 districts, the ratio of students to teachers in independent study programs were higher than the student-teacher ratios throughout the district. One district's student-teacher ratio for its independent study program exceeded its district-wide ratio more than nine times. Another had a ratio which was over three times larger than its district-wide ratio.

Although the contact time between teachers and students varied, teachers frequently scheduled one hour of teaching time per week for students in programs we visited. The time teachers spent with students varied from a telephone call to a student's employer once per week to required attendance at the school site for several hours each week. In 2 of the 12 districts we reviewed, teachers' aides instead of credentialed personnel met with students.

Respectfully submitted,


for THOMAS W. HAYES
Auditor General

Date: March 30, 1981

Staff: Harold Turner, Audit Manager
Robert T. O'Neill
Lisa A. Kenyon
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STATE OF CALIFORNIA
DEPARTMENT OF EDUCATION
STATE EDUCATION BUILDING, 721 CAPITOL MALL, SACRAMENTO 95814

March 23, 1981

Mr. Thomas W. Hayes
Auditor General
Office of the Auditor General
925 L Street, Suite 750
Sacramento, California 95814

SUBJECT: Report 033 - Improved Administration and Attendance Accounting
Needed in Independent Study Programs

Dear Mr. Hayes:

The Department of Education has reviewed the draft copy of Report 033 and we appreciate an opportunity to include our comments in the final document.

The Department finds the report inconsistent and internally contradictory.^{1/} As an example, the recommendations charge the Department to issue guidelines, yet there's narrative which details regulations and guidelines already put forward by us. The issue doesn't appear to be more guidelines and directions from the state but a question of monitoring by the state agency. In this regard the only recommendation with which we concur relates to stronger audit requirements for local auditors in the audit guide issued by the Department of Finance.

The Independent Study legislation was especially designed for maximum local control and implementation by school districts and county superintendents of schools. The statute is fairly specific and administration regulations seem quite clear. The Department of Education did not receive any funds to administer the program. The development of regulations and guidelines, and participation in workshops, conferences and other means of assisting program administrators has been at the expense of other Department responsibilities. However, the Report (033) makes it appear as if the Department was charged with a specific responsibility which we failed to carry out. As an example, the Report contends we should monitor the quality of program objectives between the student and the program. This activity would certainly be an extension of legislative intent for the Independent Study Program which was designed to give alternatives and maximum flexibility to students and districts.

^{1/} Auditor's Note: The apparent "inconsistency" refers to the fact that while we identified a lack of guidance we also noted that the department has taken some corrective action. It should be noted, however, that dissemination of these guidelines may be difficult because the department has no system to identify districts that offer independent study programs.

If the Legislature agrees with the statutory changes recommended in the report, and if they also agree with the recommended monitoring role for the Department of Education, then we will request an augmentation of state staff to carry out those responsibilities. In the absence of any legislative change, we will continue to assist program administrators, work with organizations interested in Independent Study Programs, and assist the Department of Finance in clarification of audit instructions for local auditors.

Sincerely,



William D. Whiteneck
Deputy Superintendent for Administration
(916) 445-8950

WDW:ds

LISTING OF INDEPENDENT STUDY PROGRAMS REVIEWED*

| <u>School District</u> | <u>Program Name</u> |
|--------------------------------|--|
| Campbell Union | ACE - Alternative Contractual Education |
| Delano Joint Union High School | Outreach - The Center for Independent High School Study |
| Elk Grove Unified | Learning Center for Independent Study |
| Fullerton Union High School | New Start |
| Los Angeles Unified | Project Furlough |
| McFarland Unified | F.I.N.D. - Filling Individual Needs through Discovery Contract Independent Study |
| Nevada Joint Union High School | Educational Insight Independent Study |
| Palm Springs Unified | Alternative Study Program |
| San Diego Unified | Project Oracle |
| San Juan Unified | Center for Independent Study |
| San Ramon Valley Unified | Venture Program |
| Santa Clara Unified | Phoenix Independent Study Program |

* This listing does not correspond to the numbers given districts in the report.

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BION M. GREGORY

Sacramento, California
March 6, 1981

Mr. Thomas W. Hayes
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Computation of Average Daily Attendance:
Independent Study - #2174

Dear Mr. Hayes:

You have asked two questions regarding the computation of average daily attendance relative to pupils participating in authorized independent study programs.

QUESTION NO. 1

May the number of hours worked per day by pupils fulfilling independent study agreements be used in the computation of the average daily attendance of a school district?

OPINION NO. 1

The number of hours worked per day by pupils fulfilling independent study agreements may be used in the computation of the average daily attendance of a school district.

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ANALYSIS NO. 1

The governing board of a school district which maintains an elementary or secondary school, or an opportunity school or program, or a continuation high school, may adopt rules and regulations which authorize any pupil enrolled in the elementary school, secondary school, opportunity school or program, or continuation high school, to enroll in an independent study program of the district (Sec. 51745, Ed. C.). The school district is required to set out the components of an individual study program in writing (Sec. 51746, Ed. C.).

In computing the average daily attendance of a school district, Section 46300 of the Education Code* reads, in pertinent part:

"46300. * * *

"(e) In computing the average daily attendance of a school district, there shall also be included the attendance of pupils participating in an independent study program conducted pursuant to Article 5.5 (commencing with Section 51745) of Chapter 5 of Part 28.

"A pupil enrolled in an independent study program shall not be credited with more than one day of attendance per calendar day."

Subdivision (e) of Section 46300 thus provides for the inclusion of pupils participating in an independent study program in the computation of the average daily attendance of a school district.

For a school district to receive average daily attendance credit for a day of attendance of a pupil, the pupil must be in attendance for the minimum school day (Sec. 46010). The minimum school day is defined, for the various elementary and secondary grade levels, in terms of specified numbers of minutes in attendance (Secs. 46112, 46113, and 46141).

* Unless otherwise noted, all statutory references are to the Education Code.

The issue is whether the minimum school day, relative to the average daily attendance of pupils enrolled in independent study programs, may be computed by using the number of hours worked by pupils fulfilling independent study agreements, instead of attendance in minutes.

It is well established that statutes are to be given a reasonable and common sense construction in accord with the apparent intent and purpose of the Legislature (Rose v. State of California, 19 Cal. 2d 713, 723). In addition, it is a rule of statutory construction that statutes relating to the same subject matter should be construed together in light of each other (City of National City v. Fritz, 33 Cal. 2d 635, 637).

Applying these rules of statutory construction, the Legislature has expressly provided for the inclusion of pupils participating in independent study programs in the computation of the average daily attendance of a school district. While the minimum school day is defined in terms of minutes in attendance per day, we think the time spent per day by pupils fulfilling independent study agreements, whether calculated by hours or minutes, is an alternative method of complying with that requirement for the purpose of computing the average daily attendance of a school district.

Thus, it is our opinion that the number of hours worked per day by pupils fulfilling independent study agreements may be used in the computation of the average daily attendance of a school district.

QUESTION NO. 2

May pupils enrolled exclusively in independent study programs accumulate the number of hours worked per day fulfilling independent study agreements which exceed the minimum school day requirement for the purpose of computing the average daily attendance of a school district?

OPINION NO. 2

Junior high school and high school pupils enrolled exclusively in independent study programs may accumulate the number of hours worked per day fulfilling independent study agreements in any 10 consecutive school days, but in no day less than three hours, for the purpose of computing the average daily attendance of a school district. Other pupils enrolled in independent study programs may not accumulate the number of hours worked per day.

ANALYSIS NO. 2

As discussed in Analysis No. 1, the number of hours worked per day by pupils fulfilling independent study agreements may be used to comply with the minimum school day requirement for the purpose of computing the average daily attendance of a school district.

For pupils enrolled exclusively in independent study programs, the number of hours worked per day by the pupils fulfilling independent study agreements may be less than, or may exceed, the minimum school day requirement. Thus, the issue is whether those pupils may accumulate the number of hours worked per day fulfilling independent study agreements, which hours exceeded the minimum day requirement, to compensate for the days on which the number of hours worked by the pupil were less than the minimum school day requirement.

As a general rule, a school district is prohibited from crediting more than one day of attendance per calendar day for a pupil enrolled in an independent study program (subd. (e), Sec. 46300). However, no provision in the Education Code specifically authorizes or precludes the accumulation of the number of hours worked by pupils fulfilling independent study agreements for the purpose of computing the average daily attendance of a school district (see, also, 5 Cal. Adm. Code, Sec. 400 et seq.).

In this regard, the Legislature has recognized instances in junior high schools or high schools in which the number of minutes in attendance in any one school day may be less than the minimum required for the purpose of computing average daily attendance (see Sec. 46142). In those instances, the Legislature has prescribed an alternative method of computing the minimum school day by taking the average number of minutes in attendance in any 10 consecutive school days and comparing the result to the minimum required per day or 240. If the result is equal to or greater than 240, but in no day less than 180, the pupils shall be deemed to have complied with the minimum school day (Sec. 46142).

The fundamental rule of statutory construction is to ascertain the intent of the Legislature so as to effectuate the purpose of the law, and that purpose will not be sacrificed to a literal construction of any part of the act (Select Base Materials v. Bd. of Equalization, 51 Cal. 2d 640, 645).

Moreover, it is assumed that the Legislature, in enacting or amending a statute, knew the existing laws, and that the Legislature intended to maintain a consistent body of rules (Fuentes v. Worker's Compensation Appeals Bd., 16 Cal. 3d 1, 7). Furthermore, courts construe a statute with reference to the whole system of law of which it is a part, so that all may be harmonized and have effect (Clean Air Constituency v. Calif. State Air Resources Bd., 11 Cal. 3d 801, 814).

The alternative method of computing average daily attendance prescribed by Section 46142 was enacted in 1972 (Ch. 480, Stats. 1972). The Legislature subsequently, in 1975, provided for the inclusion of pupils participating in independent study programs in the computation of average daily attendance (see Chs. 408 and 1253, Stats 1975).

In accord with the flexibility intended by the Legislature for independent study programs, the local school districts are given wide latitude in the nature, manner of conducting, and location of those programs (see Art. 5.5 (commencing with Section 51745), Ch. 5, Pt. 28; see, also, 5 Cal. Adm. Code, Secs. 11700-11703). Similarly, school districts should be afforded flexibility in the manner of computing the average daily attendance of pupils participating in independent study programs, but only to the extent provided by existing statutory exceptions to the minimum school day requirement (see City of National City v. Fritz, supra, at p. 636).

In view of the above, we think the alternative method prescribed by Section 46142 would be applicable to the computation of the average daily attendance of the pupils enrolled exclusively in independent study programs.

Thus, it is our opinion that junior high school and high school pupils enrolled exclusively in independent study programs may accumulate the number of hours worked per day fulfilling independent study agreements in any 10 consecutive school days, but in no day less than three hours, for the purpose of computing the average daily attendance of a school district. Other pupils enrolled in independent study programs may not accumulate the number of hours worked per day.

Very truly yours,

Bion M. Gregory
Legislative Counsel

By
B-5 Jerry J. Ruiz
Deputy Legislative Counsel

JJR:nes

cc: Walter M. Ingalls, Chairman Joint Legislative Audit Committee

cc: Members of the Legislature
Office of the Governor
Office of the Lieutenant Governor
Secretary of State
State Controller
State Treasurer
Legislative Analyst
Director of Finance
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
California State Department Heads
Capitol Press Corps