

High Priority Schools Grant Program Expansion

LEGISLATIVE ANALYST'S OFFICE

Presented To:
Senate Budget and Fiscal Review
Subcommittee No. 1

April 21, 2003





Issues for the Legislature to Consider

- Number of Schools.** 112 schools were invited to apply and 98 applied. The State Department of Education (SDE) disqualified 12 applicants because they already participated in the Immediate Intervention for Underperforming Schools Program, leaving 86 eligible schools.
- Amount of Funding.** Current law provides SDE the option to fund new schools at \$400 per pupil or to prorate funding at \$33.33 per month. (The LAO recommends prorating funding at \$33.33 per month.)
- Carryover Authority.** The *2002-03 Budget Act* required schools funded with a \$20 million augmentation provided in 2002-03 to complete both planning and first year implementation in 2002-03. (The LAO recommends that this language be amended to provide carryover authority if additional schools are funded.)
- Accountability Timeline.** Under current law, schools are accountable after 36 months. New schools would be accountable in 2006.
- Role for Legislature.** The State Board of Education has authority to decide the number of schools to fund and whether to prorate funding. The Legislature could adopt legislation on this topic to give specific direction.



Scenarios for Expansion of High Priority Schools Grant Program (HPSGP)

	Scenario A	Scenario B	Scenario C	Scenario D
Number of schools	86	86	86	—
Funding	Two months in 2002-03	Fully fund starting in 2002-03	Fully fund starting in 2003-04	None
Savings for HPSGP in 2002-03	\$19.7 million	\$1.2 million	\$23.9 million	\$23.9 million
Shortfall for II/USP ^a and HPSGP in 2003-04	\$59.1 million	\$63.7 million	\$58.0 million	\$33.4 million
^a Immediate Intervention for Underperforming Schools Program.				