

Measure J323

INSTRUCTIONS:

Please carefully read the following description of a ballot measure that was written by a disinterested expert. Feel free to take notes or outline passages as you read.

This should take approximately 5 minutes.

BALLOT MEASURE J323

BACKGROUND

California's 994 public school districts receive funds from federal, state, and local sources to provide kindergarten through twelfth grade (K-12) education. In the 1996-97 fiscal year, K-12 public schools spent about \$34 billion from all sources.

Each year, school districts provide information on how they spend their funds to the State Department of Education--including amounts spent on administrative costs. In general, districts determine what portion of their funds will be spend on administration.

PROPOSAL

The proposition has two main provisions. First, it limits the amount each school district can spend on administrative costs. Second, it establishes new performance budgeting requirements.

Limit on Administrative Costs. The proposition requires each school district, beginning in 1999-2000, to limit certain administrative costs to 5 percent of all funds received. These funds include all federal, state, and local support. The remaining funds, which would be at least 95 percent of the total, must be spent on "direct services." The proposition defines these terms as follows:

- **Administrative Costs.** Activities involving central school district management--such as general district administration and central data collection.
- **Direct Services.** Services that directly serve students, school site employees, and school facilities--such as salaries of classroom teachers.

Some expenses are easy to classify according to the proposition's definitions. For example, the salaries of classroom teachers would always be considered a direct service, and school board and superintendent expenses would be considered administrative costs.

Other expenses are harder to classify. For instance, printing and duplication expenses would be considered an administrative cost if a district duplicates or prints materials for a school site at a central location. However, if the same materials were duplicated or printed at a school site, the expense would be considered a direct service.

Performance Budgeting. This measure also requires each school district, beginning in 1998-99, to link its annual budget to specific outcome objectives related to improving student performance. The measure does not detail how this performance budgeting would work in school districts. Districts would be required to obtain an independent evaluation of the impact of performance budgeting every five years beginning in 2004-05.

Penalty for Noncompliance. Any school district that fails to comply with the administrative expenditure limit or performance budgeting requirements would be fined by the State Board of Education. Based on the provisions in the measure, the penalty would be about \$175 per student.



STOP!

Please go to the online survey, enter the 4-character code for this ballot measure (printed at the top and bottom of this page) and answer the survey questions.