



July 23, 2014

**ORANGE COUNTY  
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Honorable Glenda Sanders  
Presiding Judge  
Orange County Superior Court  
700 Civic Center Drive West  
Santa Ana, California 92701

**Re: Orange County Department of Education's Response to 2013-2014  
Orange County Grand Jury Report, "Orange County School Districts:  
Dire Financial Futures"**

To the Honorable Glenda Sanders:

In accordance with California Penal Code section 933.05, the Orange County Grand Jury has requested that the Orange County Department of Education (OCDE) respond to Findings 1-5 and Recommendations 1-2. In the 2013-2014 Orange County Grand Jury Report entitled, "Orange County School Districts: Dire Financial Futures."

**Finding 1** – School districts in Orange County and throughout the state have endured at least five years of severe budget cuts from the state.

**Response:** The Orange County Superintendent of Schools agrees with this finding.

**Finding 2** – School districts have exhausted traditional methods for reduced spending and are now driven to seek more expensive borrowing repayments from taxpayers.

**Response:** The Orange County Superintendent of Schools disagrees with this finding. The finding confuses capital funding which may involve borrowing in the form of bond issuances that are approved by taxpayers. Such borrowing is for capital expenses and not operational expenses. Therefore, the Orange County Superintendent of Schools would not agree with this finding.

**Finding 5** – The Superintendent of Schools/Orange County Department of Education has the responsibility and resources to conduct a comprehensive study as to ways to decrease the costs of school administration in Orange County. The study should determine the cost savings, the potential increase in revenue and the improvement in the efficiency of school districts operations.

**Response:** The Orange County Superintendent of Schools disagrees with the finding. The Orange County Superintendent of Schools and the Orange County Department of Education do not have the responsibility nor the resources to conduct a comprehensive study as to ways to decrease the costs of school administration in Orange County.

**Recommendation 1** – Conduct a comprehensive study as to ways to decrease the costs of school administration in Orange County including whether the unification of non-unified high school districts (Anaheim USD, Fullerton JUHSD, and Huntington Beach UHSD) with respective elementary school districts would result in cost savings as well as an increase in revenue, and an improvement in the efficiency of the administration of these respective schools.

**Response:** The recommendation will not be implemented because it is not warranted or is not reasonable. The Orange County Department of Education does not have the responsibility nor the resources to conduct a comprehensive study as to ways to decrease the costs of school administration in Orange County. The 27 school districts in Orange County are independent entities with unique needs. The Orange County Superintendent of Schools would have to divert existing resources from student programs since there is no state funding for such a comprehensive study nor does state law authorize the Orange County Superintendent of Schools to conduct such a study.

However, it should be noted that the Grand Jury Report failed to consider that unification of elementary districts with the high school district will require a single salary schedule and health and welfare benefits. Generally the salaries and health and welfare benefits of elementary school districts are lower than those of a high school district. Unification may result in increased costs for teacher and classified employee salaries and benefits to bring all elementary school district employees up to the level of the high school district. It should be noted also that under the Local Control Funding Formula (LCFF) there is no funding or financial incentives for unification. Therefore, it is unlikely that there will be a savings to taxpayers if unification takes place.

**Recommendation 2** – Consult and confer with the County Committee on School District Organization about the feasibility of preparing a study proposal on the unification of the non-unified high schools in the County with their respective elementary school districts.

**Response:** The recommendation will not be implemented because it is not warranted or is not reasonable. As stated on page six of the Grand Jury Report, the County Superintendent of Schools is not a member of the County Committee and has no authority over the decisions of the County Committee on School District Organization and must remain neutral on issues under its consideration. In addition, the County Committee on School District Organization does not have the resources to conduct a unification study and there is no state funding for such a study.

Orange County Department of Education's Response to 2013-2014 Orange County Grand Jury  
Report, "Orange County School Districts: Dire Financial Futures"

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If you have any further questions or need any additional information, please contact our office.

Very truly yours,



Wendy Benkert, Ed.D.  
Associate Superintendent  
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WB:vld

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