

# Glossary of Education and Finance Terms

## **Academic Performance Index (API)**

A statewide ranking of schools according to test scores. Most schools have an API, a state ranking (by elementary, middle, or high school), a ranking in comparison to 100 similar schools, and growth targets for the following year.

## **Accountability**

The notion that people (e.g., students or teachers) or an organization (e.g., a school, school district, or state department of education) should be held responsible for improving student achievement and should be rewarded or sanctioned for their success or lack of success in doing so.

## **Adequate Yearly Progress (AYP)**

A goal of the 2001 federal law No Child Left Behind (NCLB) that requires schools and districts to measure and report students' annual progress toward proficiency in English/language arts and mathematics by 2013-14. Progress is based on whether the school or district met its Annual Measurable Objectives and demonstrated 95% participation on standardized tests, achieved its target on the Academic Performance Index and, for high schools, met target graduation rates.

## **Alignment**

The degree to which assessments, curriculum, instruction, textbooks and other instructional materials, teacher preparation and professional development, and systems of accountability all reflect and reinforce the educational program's objectives and standards.

## **Annual Measurable Objective (AMO)**

The annual target for the percentage of students whose test scores must be proficient or above in English/language arts and mathematics. Meeting the AMO is the first step toward demonstrating Adequate Yearly Progress under the federal law No Child Left Behind (NCLB).

## **Apportionments**

Funds that federal or state governments distribute to local education agencies (LEAs) or other governmental units according to certain formulas.

## **Appropriations**

Funds set aside or budgeted by the state or local school district boards for a specific time period and specific

purpose. The state Legislature and local school boards must vote every year on appropriations.

## **Average Class Size**

The number of students in classes divided by the number of classes. When calculating the "filtered" version of average class size, certain counts are excluded such as special education and classes with more than 50 students. Since some teachers have assignments outside regular classrooms or work part-time, the average class size is usually larger than the pupil-teacher ratio.

## **Average Daily Attendance (ADA)**

The total number of days of student attendance divided by the total number of days in the regular school year. A student attending every school day would equal one ADA. Generally, ADA is lower than enrollment due to such factors as transiency, dropouts, and illness. A school district's revenue limit income is based on its ADA. The state collects ADA counts at the district but not the school level.

## **Block Grant**

An allotment of money that is the sum of multiple special-purpose funds combined into one. A block grant tends to have fewer restrictions on how the money is spent than the original, disparate funding streams had; and it often combines funds that have similar purposes.

## **Calif. Achievement Test, 6th Ed Survey (CAT/6)**

A standardized, nationally normed test that replaced SAT-9 in spring 2003 as the state's mandated test for the grade 2-11 Standardized Testing and Reporting (STAR) program. CAT/6 is published by CTB/McGrawHill.

## **California Basic Educational Data System (CBEDS)**

Statistical information about schools, teachers, and students that is collected from each public school in the fall.

## **California High School Exit Exam (CAHSEE)**

A two-day test, linked to academic content standards, that students must pass in order to graduate beginning with the class of 2006. Tenth graders' CAHSEE scores are one indicator for Adequate Yearly Progress under the federal law No Child Left Behind, and CAHSEE scores are 15% of the API for high schools.

**California Standards Tests**

Tests in English/language arts and mathematics in all grades, science in grades 5 and 9-11, and history/social science in grades 8, 10 and 11 based on California's academic content standards.

**CalWORKs**

The students (ages 5-17) whose families receive payments from CalWORKs (California Work Opportunity and Responsibility to Kids). This program replaced Aid to Families with Dependent Children (AFDC) in 1997 in response to federal welfare reform.

**Capital Outlay**

Expenditure for major renovation or reconstruction, new buildings, or certain new equipment.

**Categorical Aid**

Funds from the state or federal government granted to qualifying school districts for children with special needs, such as disabilities; for special programs, such as the School Improvement Program; or for special purposes, such as Economic Impact Aid or Transportation. Expenditure of most categorical aid is restricted to its particular purpose. The funds are granted to districts in addition to their revenue limit income.

**Certificated (Credentialed) Employees**

School employees who are required by the state to hold teaching credentials, including full-time, part-time, substitute, or temporary teachers and most administrators. A teacher who has not yet acquired a credential but has an emergency permit or a waiver to teach in the classroom is included in the count.

**Charter Schools**

Publicly funded schools that are exempt from many state laws and regulations governing school districts. They may be new or converted from an existing public school and frequently have a specific mission. The charter is granted for up to five years by a school district, county office or education, or the State Board of Education and may be renewed for periods of five years. In 2003-04 California had more than 400 charter schools serving about 155,000 students (2.5% of the statewide enrollment). They are subject to the state's STAR program and to the provisions of the federal law, No Child Left Behind.

**Class Size Reduction**

A state-funded program for kindergarten through third grade classes with no more than twenty students per teacher. On a given day a class may have more than 20 children, but the average in each class must be lower than 20.4 over the school year to ensure funding.

Virtually all 1st and 2nd graders and nearly all kindergarten and 3rd grade students are in the smaller classes. A separate program supports some smaller classes for core subjects in 9th grade.

**Classified Employees**

School employees who are not required to hold teaching credentials, such as secretaries, custodians, bus drivers, instructional aides, and some management personnel.

**Cost-of-Living Adjustment (COLA)**

An increase in funding for revenue limits or categorical programs based on various indices of inflation. In tight budget years the Legislature has appropriated only a portion of the amount required by law.

**Deferred Maintenance**

Major repairs or replacement of buildings and equipment. Some matching state funds are available to district with a deferred maintenance program for these repairs.

**Deficit Factor**

The percentage by which an expected allocation of funds to a school district or county office of education is reduced. The state may apply deficit factors to revenue limits and categorical programs when the appropriation is insufficient based on the funding formulas specified by law.

**Developer Fees**

A charge per square foot on residential and commercial construction. Developer fees are levied by a school district, with the maximum amount set by law and adjusted for inflation every two years. Proceeds may be used for building or renovating schools and for portable classrooms.

**Economic Impact Aid (EIA)**

State categorical funds for districts with concentrations of children who are transient, from low-income families, or need to learn English.

**Education Code**

The body of law that regulates education in California. Additional regulations affecting education are contained in the California Administrative Code, Titles 5 and 8, the Government Code, and general statutes.

**Encroachment**

The expenditure of a local education agency's general-purpose funds for mandated special-purpose programs in which the cost of providing the programs exceeds the state or federal funding provided.

**English Learner (EL)**

A student who is not sufficiently proficient in the English language to succeed in the school's regular instructional programs. The former designation was Limited English Proficient (LEP).

**Enrollment**

A count of the students enrolled in each school and district on a given day in October. This is different from average daily attendance (ADA), which is the average number of students who attended school over the course of the year. The number of pupils enrolled in the school is usually larger than the ADA due to transiency, dropouts, and illnesses. Enrollment data is available at the school, district, county and state levels. Enrollment and ADA are both used for funding purposes.

**Fiscal Crisis and Management Assistance Team (FCMAT)**

A state-funded organization that assists schools and districts to improve financial and management accountability.

**Free/Reduced Price Meals**

A program to provide food for students from low-income families.

**General Fund**

Accounting term used by the state and school districts to differentiate general revenues and expenditures from those placed in separate budget Funds for specific uses, such as a Cafeteria Fund.

**General Obligation Bond (GO Bond)**

Bonds for capital outlay, financed through taxes. Local school bonds require approval by either a 55% (with conditions) or a two-thirds vote; state measures need only a majority vote.

**High School Exit Exam**

See California High School Exit Exam ([CAHSEE](#)).

**No Child Left Behind (NCLB)**

The 2001 reauthorization of the federal Elementary and Secondary Education Act (ESEA) that places comprehensive accountability requirements on all states, with increasing sanctions for schools and districts that do not make adequate yearly progress toward proficiency in English/language arts and mathematics or fail to test 95% of all students and all significant subgroups. In California, those sanctions currently apply only to schools and districts that accept Title I funding.

**Program Improvement (PI)**

A plan with a series of steps to improve the performance of students in a school that did not make adequate yearly progress (AYP) under No Child Left Behind (NCLB) for two years in a row. Only schools that receive federal Title I funds may be entered in Program Improvement. The steps in PI could include a revised school plan, professional development, tutoring for some students, transfer to another school with free transportation, and, at the end of five years, significant restructuring.

**Proposition 13**

An initiative amendment to the California Constitution passed in June 1978. Tax rates on secured property are restricted to no more than 1% of "full cash value." Proposition 13 also defines assessed value and requires a two-thirds vote to change existing or levy new taxes.

**Propositions 98 and 111**

Voter-approved initiatives that amended the California constitution in 1988 and 1990 to guarantee a minimum amount of funding for K-14 education each year. The propositions included formulas for calculating the guarantee under different economic conditions. Proposition 98 also mandated School Accountability Report Cards.

**Public Employees Retirement System (PERS)**

Public Employees' Retirement System. Unless exempted by state law, classified employees, their district, and the state contribute to this retirement fund.

**Revenue Limit**

The specific combination of state and local property taxes a school district may receive per pupil (ADA) for its general education program. Categorical aid is granted in addition to revenue limit income.

**School Improvement Program (SIP)**

State funds for qualifying schools (K-6 and 7-12) to carry out a plan developed by a school site council for improving the school environment, organization, instruction and/or services.

**Socioeconomically Disadvantaged**

Students whose parents do not have a high school diploma or who participate in the free/reduced price lunch program because of low family income.

**Special Education**

Programs to identify and meet the educational needs of children with emotional, learning, or physical disabilities. Federal law requires that all children with disabilities be provided a free and appropriate education

according to an Individual Education Plan (IEP) from infancy until 21 years of age.

### **Standardized Testing and Reporting program (STAR)**

Three tests mandated for grades 2 through 11:

1. California Standards Tests (CSTs) based on California academic content standards in English/language arts and mathematics in all grades, science in 5 and 9-11, and history/social science in 8, 10 and 11;
2. a standardized national test (CAT/6 replaced SAT-9 in spring 2003); and
3. a test for Spanish-speaking students who have been in a California school for a year or less (SABE-2).

### **Stanford-9 (SAT-9)**

The Stanford Achievement Test, Form 9. This nationally normed, standardized test was part of the state's STAR program until the California Achievement Test, 6th Edition, Survey (CAT/6) replaced it in spring 2003.

### **State Teachers Retirement System (STRS)**

State law requires all certificated employees, school districts, and the state to contribute to this retirement fund.

### **Title I, Title VI**

Funds from the federal Educational Consolidation and Improvement Act. Title I is for educationally disadvantaged children; Title VI is for innovative education program strategies. In California, schools and districts receiving Title I funds are placed in Program Improvement if they fail to make Adequate Yearly Progress under NCLB.

### **Total v. Funded ADA**

The actual (total) ADA for the current year versus the greater (funded) of current or prior year ADA. Funded ADA is the number used for allocating state aid, in part to cushion the impact of declining enrollments.

### **Types of Districts**

An elementary district is generally kindergarten through 8th grade, high school is generally grades 9 through 12, and unified is kindergarten through 12th grade.

*Definitions from the California Department of Education and EdSource.*

## **Organizations & Acronyms**

**ACSA:** Association of California School Administrators

**CSBA:** California School Boards Association

**CSEA:** California School Employees Association

**CTA:** California Teachers Association

**NEA:** National Education Association

**PERS:** Public Employees Retirement System

**STRS:** State Teachers Retirement System

**PERB:** Public Employment Relations Board

**LAO:** Office of the Legislative Analyst

**OCDE:** Orange County Department of Education

**SPI:** Superintendent of Public Instruction

**CDE:** California Department of Education

**SAB:** State Allocations Board

**IEP:** Individualized Educational Plan

**SELPA:** Special Education Local Plan Area

**RSP:** Resource Specialist Program

**FAPE:** Free and Appropriate Public Education

**IDEA:** Individuals with Disabilities Education Act

**ELL:** English Language Learner

**GATE:** Gifted and Talented Education

**LEA:** Local Education Agency

**SARB:** School Attendance Review Board

**NAEP:** National Assessment of Educational Progress

**SARC:** School Accountability Report Card