

## CEPS Memo

### Key Issues and Action Items Regarding the Proposal to Form a Malibu USD

The following is a summary of the concerns and necessary actions highlighted in the staff report regarding the proposal to form a Malibu Unified School District (USD).

#### **1. Educational Impact**

- Issue: The proposal lacks a clear educational plan for the Malibu USD, failing to specify how it will improve upon the existing Santa Monica-Malibu USD (SMMUSD).
- Action Item: The City of Malibu needs to develop and present a detailed educational plan that outlines specific educational measures and initiatives for the proposed Malibu USD. This plan should address how the new district will:
  - Increase student success.
  - Cure educational deficits (if any) of the SMMUSD.
  - Differ from the high-performing SMMUSD.
  - Offer a range of programs comparable to the current SMMUSD.

#### **2. Declining Student Population**

- Issue: Claims that students would return to a Malibu USD due to dissatisfaction with SMMUSD are unsubstantiated, and planning for a large influx of students is unrealistic.
- Action Item: The City of Malibu should provide realistic enrollment projections and plans to accommodate changes in student population.

#### **3. Community Identity**

- Issue: The claim that Malibu students are excluded from their school district is false, as they are part of the high-performing SMMUSD.
- Action Item: The City of Malibu needs to present compelling reasons beyond a desire for community identity to justify the formation of a new USD.

#### **4. Fiscal Impact and Asset Division**

- Issue: Creating a Malibu USD would financially disadvantage the SMMUSD due to the loss of assessed valuation, parcel tax revenue, and funds available to support Santa Monica students, compared to the funding all students in the SMMUSD currently enjoy. There is no agreement on how to divide assets.

- Action Item:
  - SMMUSD and the City of Malibu must negotiate a financial settlement to address the fiscal impact on SMMUSD.
  - This settlement must include an equitable division of property, including real and personal property, debt, and employee-related obligations (such as retirement).
  - Develop a plan to mitigate the negative fiscal impact on the Santa Monica USD.

## **5. Racial/Ethnic Impact**

- Issue: The formation of a Malibu USD would result in a district with a significantly higher proportion of White students and potentially discriminatory impacts.
- Action Item: The County Committee should consider the potential discriminatory impacts and the lack of ethnic diversity in the proposed Malibu USD.

## **6. State Costs and Facilities**

- Issue: The reorganization's impact on state costs and school facilities costs is uncertain.
- Action Item: Further analysis is needed to determine potential changes in state costs and school facilities costs.

## **7. Overall Recommendation**

- Issue: Based on currently available information, and the lack of any other planning, it appears that overall, a Santa Monica USD district, and more importantly its students, would be harmed by the precipitous drop in revenues caused by the reorganization of Santa Monica Malibu USD to Malibu USD and Santa Monica USD.
- Action Item: The County Committee should carefully weigh the evidence and concerns raised in the report, especially regarding the financial implications and the absence of a negotiated agreement between the parties.