

**STIPULATION REGARDING OUTCOMES 4, 7A and 7B OF THE
CHANDA SMITH CONSENT DECREE**

In accordance with Paragraph 85 of the Modified Consent Decree (MCD), the parties have met and conferred over the impact of laws, regulations, and court decisions on certain outcomes set forth in the MCD. The parties agree that certain outcomes should be modified pursuant to Paragraph 85 as set forth below and request that the Independent Monitor approve such modifications.

The parties hereby stipulate to replacing Outcome 7A and Outcome 7B of the MCD which as currently stated contain two mutually exclusive parts which must be met separately, and instead replace it with the following Outcome measures which shall be the revised Outcome 7 with the following two mutually exclusive parts which shall be met separately:

1. Reduce the number of students with moderate to severe disabilities ages 6-18 at special education centers by a total of 33% over three years, beginning with the 2012-2013 school year. In order for students at co-located schools to count toward achieving this reduction, the percentage of students with disabilities at the co-located school shall not exceed 28% of the school population. The number of general education students used in this calculation shall not be less than the number reflected in California Longitudinal Pupil Achievement Data System (CALPADS) during the initial year in which the co-location of the designated schools occurs; however, for students to count at a co-located school, the number of special education students shall not exceed 35% of the population.
2. Students with moderate to severe disabilities at co-located schools shall participate with their nondisabled peers in general education classes an average of 12% of the instructional day and during lunch, breaks/recess and school-wide activities.

The Parties hereby stipulate that the District has met Outcome 4 of the MCD.

By executing this document, the parties, by and through their legal representatives, stipulate to the foregoing status that Outcome 4 of the MCD has been met and the revised performance measures to be used by the Independent Monitor in assessing the District's performance for Outcome 7 of the MCD.

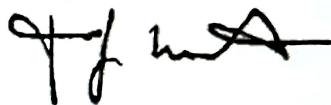
Dated this 14th day of September, 2012

Robert M. Myers
Attorney for Plaintiffs

D. Deneen Cox
Attorney for Defendants LAUSD

Based on the foregoing Stipulation, the Independent Monitor determines that the outcomes shall be modified as set forth above.

Dated this 18th day of September, 2012



FRED WEINTRAUB
Independent Monitor