SIERRA SANDS UNIFIED SCHOOL DISTRICT

Board of Education
Special Concurrent Meeting

NOVEMBER 21, 2013
Ridgecrest City Council Chambers
100 West California Avenue
www.ssusdschools.org

A G E N D A

CALL TO ORDER AND PLEDGE TO THE FLAG 7:00 P.M.

Amy Castillo-Covert
Judy Dietrichson
Bill Farris, President
Tom Pearl
Kurt Rockwell, Vice President/Clerk
Michael Scott

Joanna Rummer, Superintendent

1. ADOPTION OF AGENDA

6. EDUCATIONAL ADMINISTRATION

6.5 Ridgecrest Charter School: Receipt of Charter Renewal Petition

7. ADJOURNMENT

SIERRA SANDS UNIFIED SCHOOL DISTRICT November 21, 2013

6. EDUCATIONAL ADMINISTRATION

6.5 Ridgecrest Charter School: Receipt of Charter Renewal Petition

BACKGROUND INFORMATION: On or about October 1, 2013, petitioners for the Ridgecrest Charter School delivered a charter renewal petition ("Petition") to the Sierra Sands Unified School District's ("District") offices seeking to renew its charter for the term July 1, 2014 through June 30, 2019. At its October 17, 2013 board meeting the District's governing board received the Petition.

CURRENT CONSIDERATIONS: Education Code section 47607 provides that charter renewals are governed by the standards and criteria in Education Code section 47605. Education Code section 47605(b) sets forth the process for the consideration of a charter school petition and provides that within 30 days of the governing board's receipt of a charter petition, the board must hold a public hearing on the provisions of the charter proposal, at which time the board shall consider the level of support for the petition by the teachers employed by the district, other employees of the district, and parents. The statute further provides that the governing board must make a determination whether to grant or deny the charter petition within 60 days of its receipt of the petition.

In accordance with the requirements of Education Code section 47605(b), the District held a public hearing on the provisions of the Ridgecrest Charter School Charter Renewal Petition on October 30, 2013, at which time the Board of Education considered the level of support for the petition by the teachers employed by the Sierra Sands Unified School District, other employees of the District, and parents.

In accordance with Education Code section 47605(b), the Board will consider whether to grant or deny the Ridgecrest Charter School Charter Renewal Petition and make the requisite findings in support of its determination. The Superintendent of the Sierra Sands Unified School District convened an expert panel that included representatives of the district's business department, curriculum and instruction department, human resources department, special education and pupil services department, and the district's legal counsel. The panel's task was to review and develop a recommendation for the Board whether to grant or deny the renewal petition received from the Ridgecrest Charter School. The panel reviewed the application, supporting documents submitted with the proposal, information provided by the California Department of Education, information obtained from independent sources or its own review, and reports from Ridgecrest community members.

The findings of the panel include exhibits as well as legal and financial opinions from experts that were instrumental in guiding the committee's investigation into the

proposal for renewal. Each major department reviewed the information contained in the charter proposal and developed the following findings:

1) The petitioners are demonstrably unlikely to successfully implement the program described in the Petition including, but not limited to, the following reasons:
   a. Failure to Meet Renewal Conditions Required by Its Current Authorizer;
   b. Failure to Pursue and Attain Pupil Outcomes and Other Program Goals;
   c. Unsatisfactory Governance and Administrative Services;
   d. Inadequate Financial/Operational Plan;
   e. Demonstrated Inability to Follow Charter Terms; and

2) The Petition does not contain reasonably comprehensive descriptions of many required elements of a charter petition. The detailed factual basis supporting the findings is included in the Staff Report.

FINANCIAL IMPLICATIONS: None at this time.

SUPERINTENDENT'S RECOMMENDATION: The Superintendent recommends that the Board deny the Ridgecrest Charter School Charter Renewal Petition on the grounds that petitioners are demonstrably unlikely to successfully implement the program and the petition does not provide reasonably comprehensive descriptions of many of the required elements. The Superintendent further recommends the Board adopt the District Staff Report as the written findings in support of its determination at its November 21, 2013 meeting, in conformity with Education Code section 47605.

SIERRA SANDS UNIFIED SCHOOL DISTRICT

STAFF REPORT
RIDGECREST CHARTER SCHOOL
RENEWAL PETITION

November 21, 2013

BACKGROUND

The Governing Board ("Board") of the Sierra Sands Unified School District ("District") received the Ridgecrest Charter School ("RCS" or "Charter School") charter renewal petition ("Petition") at its regular meeting held on October 17, 2013. The Petition was submitted by Tina Ellingsworth, the Director of RCS ("Petitioner(s)"), on behalf of the Charter School and the California nonprofit public benefit corporation bearing the same name as the school itself.

The Charter School has operated within District boundaries since September 2001 under the oversight of the State Board of Education. Although the District does not serve as the Charter School's authorizing agency, pursuant to Education Code section 47605(k)(3), Petitioners must submit their charter renewal petition to the District for initial consideration. In the instant Petition, the Charter School seeks to renew its charter for the term July 1, 2014 through June 30, 2019.

Pursuant to Education Code section 47607, charter renewal petitions are governed by the same standards and criteria applied to petitions to establish a charter school as set forth in Education Code section 47605. Within 30 days of receiving a petition, the Board must "hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the district, other employees of the district, and parents." (Ed. Code, § 47605(b).) A public hearing on the charter was held on October 30, 2013.

The Board must "either grant or deny the charter within 60 days of receipt of the petition." (Ed. Code, § 47605 (b).) Because RCS is required pursuant to a Memorandum of Understanding to submit its renewal petition to the State Board of Education ("SBE") and the California Department of Education ("CDE") by December 1, 2013, the District accommodated the Charter School's accelerated schedule and agreed to act on the Petition to afford RCS to meet its deadline. Accordingly, the Board will act on the Petition on or before **December 1, 2013**.

Charter schools are established and renewed through submission of a petition by proponents of the charter school to the governing board of a public educational agency and approval of the petition by that agency. The governing board must approve the petition "if it is satisfied that granting the charter is consistent with sound educational practice." (Ed. Code, § 47605, subd. (b).) Nevertheless, a governing board may deny a petition, including a renewal petition, if it finds that the particular petition fails to meet enumerated statutory criteria and it adopts written findings in support of its decision to deny the charter. (*Ibid.*) If the Board grants the Petition, RCS will be renewed for a five year term from July 1, 2014 through June 30, 2019, and the District will serve as the oversight agency for the Charter School. If the Board denies the renewal petition, the Charter School may petition SBE to renew its charter. (Ed. Code, § 47605(k)(3).)

REVIEW OF THE PETITION

Pursuant to Education Code section 47607, charter renewal petitions are governed by the same standards and criteria applied to petitions to establish a charter school as set forth in Education Code section 47605. Education Code section 47605, subdivision (b), sets forth the following guidelines for governing boards to consider in reviewing charter petitions:

- The chartering authority shall be guided by the intent of the Legislature that charter schools are, and should become an integral part of the California educational system and that establishment of charter schools should be encouraged.

- A school district governing board shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice.

- The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:

  (1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.

  (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.

  (3) The petition does not contain the number of signatures required by statute.

  (4) The petition does not contain an affirmation of each of the conditions required by statute.

  (5) The petition does not contain reasonably comprehensive descriptions of the required elements of a charter petition.

For renewal petitions, the Education Code requires the Charter School to meet at least one of the following criteria to become eligible for charter renewal: (1) attained its Academic Performance Index ("API") growth target in the prior year or in two of the last three years both schoolwide and for all groups of pupils served by the charter school; (2) ranked in deciles 4 to 10, inclusive, on the API in the prior year or in two of the last three years; (3) ranked in deciles 4 to 10, inclusive, on the API for a demographically comparable school in the prior year or in two of the last three years; or (4) the entity that granted the charter determines that the academic performance of the charter school is at least equal to the academic performance of the public schools that the charter school pupils would otherwise have been required to attend, as well as the academic performance of the schools in the school district in which the charter school is located, taking into account the composition of the pupil population that is served at the charter school. (Ed. Code, § 47607(b).) Petitioners must submit documentation that the charter school has met at least one of these criteria. (Cal. Code Regs., tit. 5, § 11966.4, subd. (a)(1).) Additionally, when considering a petition for renewal, the District must consider the past performance of the school's academics,

finances, and operation in evaluating the likelihood of future success, along with future plans for improvement if any. (Cal. Code Regs., tit. 5, § 11966.4, subd. (b)(1).)

Petitioners submitted documentation, via the 2012-2013 School Quality Snapshot Report (Exh. 4), reflecting that RCS attained its API growth target schoolwide (864) and for its numerically significant pupil subgroups (white and socioeconomically disadvantaged), attained an API rank of 7, and attained an API rank of 10 for demographically comparable schools. Accordingly, Petitioners have met at least one of the threshold criteria set forth in Education Code section 47607(b), and the Charter School is eligible for renewal and further evaluation. Specifically, the Petition must be further evaluated pursuant to the guidelines under section 47605(b) and the past performance of the Charter School's academics, finances, and operation must be further evaluated to determine the likelihood of future success. However, and as discussed below, Petitioners provide no information or documentation to demonstrate they have met the pupil outcome promised in the charter, and look exclusively to API to establish accountability to its charter.

District staff, with the assistance of legal counsel, conducted a thorough review of the Petition guided by the statutory requirements of sections 47605 and 47607, the regulations governing charter renewal (Cal. Code Regs., tit. 5, § 11966.4) and by the regulations promulgated for SBE's evaluation of its own charter petition submissions (Cal. Code Regs., tit. 5, § 11967.5.1.) ("Regulations"). Although these Regulations are not binding on a school district's review of charter petitions, they are helpful guidance.

STAFF RECOMMENDATION

Based upon its comprehensive review and analysis of the Petition, Staff recommends that the Petition be **DENIED**. Staff findings with respect to each identified deficiency appear in numbered paragraphs in Section A, below. This Staff Report also contains Staff's analysis of the Petition, and the written findings supporting Staff's recommendation of denial.

Staff recommends that the Petition be denied for the following reasons:

- **The Petitioners are demonstrably unlikely to successfully implement the program presented in the Petition; and**
- **The Petition fails to provide a reasonably comprehensive description of all required elements of a charter petition.**

More specific findings with regard to each basis for denial are described in numbered paragraphs below.

FINDINGS IN SUPPORT OF DENIAL

Staff's review and analysis of the Petition resulted in the following findings:

A. The Petition Reflects That Petitioners Are Demonstrably Unlikely To Successfully Implement The Program Pursuant To Education Code Section 47605(b)(2)

The Education Code requires Petitioners to show they are demonstrably likely to successfully implement the program set forth in the Petition. (Ed. Code, § 47605, subd. (b)(2).) In determining whether Petitioners are demonstrably unlikely to succeed, the Regulations require consideration of, among other things, petitioners past history of involvement in

charter schools or other education agencies (public or private) and whether or not that venture was successful.

Under section 11967.5.1(c)(3)(B), an unrealistic financial and operational plan for the proposed charter exists when the charter or supporting documents do not adequately include: a) At a minimum, the first year operational budget, start-up costs, and cash flow, and financial projections for the first three years; b) include in the operational budget reasonable estimates of all anticipated revenues and expenditures necessary to operate the school including, but not limited to, special education, based, when possible, on historical data from schools or school districts of similar type, size, and location; c) include budget notes that clearly describe assumptions on revenue estimates, including, but not limited to, the basis for average daily attendance estimates and staffing levels; and d) present a budget that in its totality appears viable and over a period of no less than two years of operations provides for the amassing of a reserve equivalent to that required by law for a school district of similar size to the proposed charter school. Education Code section 47605, subdivision (g), and Regulations, section 11967.5.1(c)(3)(B) also require Petitioners "to provide financial statements that include a proposed first year operational budget, including start-up costs, and cash flow, and financial projections for the first three years of operation."

Based on the following enumerated findings, staff concludes Petitioners are demonstrably unlikely to successfully implement the program set forth in the Petition:

1. Annual Goals and Actions to Achieve State Priorities

The Petition identifies annual goals and describes various actions the Charter School will take or implement to meet eight specific state priorities. These state priorities focus on (1) the appropriate assignment and credentialing of teachers, pupil access to standards-aligned instructional materials, and school facilities; (2) the implementation of the Common Core State Standards; (3) parental involvement; (4) pupil achievement; (5) pupil engagement; (6) school climate; (7) pupil access to and enrollment in a broad course of study; and (8) pupil outcomes in the subject areas of a broad course of study. (p. 24-26; Exh. 3)

However, Staff finds that the Charter School, due to a lack of adequate planning, lack of data and information, and prior history and performance, will be unlikely to successfully achieve many of its annual goals in furtherance of the above-listed state priorities, as further enumerated and described below. Accordingly, staff concludes that RCS will be unable to successfully implement the program as set forth in the Petition:

- State Priority #1: The Petition indicates that "RCS will hire and maintain a highly qualified faculty." (p.24) However, current and future staffing projections do not support the Charter School's educational program. For example, although RCS has two teachers qualified to teach special education, one of those teachers also instructs second grade regular education. Assuming the Charter School maintains a 10.2% disabled student population rate in the 2013-2014 school year (Exh. 14), with its 400-student enrollment, the Charter School would have approximately 41 special education students and students with disabilities. However, the caseload requirement for the teacher teaching special education would exceed the state mandate of 28 students. Therefore, according to current staffing, RCS does not have sufficient qualified staff to serve the entirety of this population.

- Additionally, despite its promise to establish a second language program during the prior charter term, RCS has not offered any foreign language courses, and indicates

in the Petition that it does not currently have a second language program. (p. 22) Though the Petition indicates that the Charter School is currently considering curriculum and funding options for the program, the Petition does not reflect any plans for hiring qualified teachers to instruct foreign language. Moreover, if visual and performing arts, applied arts, or career technical education is being offered by the Charter School, the Petition does not indicate whether such courses are being taught by highly qualified teachers.

- State Priority #2: RCS must implement the Common Core State Standards and describe how EL students will be enabled to gain academic content knowledge and English language proficiency. (p.24) However, the Petition provides no data or information describing how the Charter School will support its EL students, except to generally state that "all RCS curriculum will be designed to support ELs and other struggling student subgroups." The Petition provides no curriculum maps or lesson plans regarding EL instruction or program implementation, and none of the instructional materials identified in the Petition focus on or integrate EL instruction. Additionally, the Petition does not provide any further details regarding its intervention plan for English learners. While the Petition states that RCS will use the California English Language Development Test ("CELDT") to assess and re-designate EL students, the Petition provides no data to demonstrate improved student achievement or re-designation for these students. No data was provided regarding the Student Oral Language Observation Matrix, which is used to measure an EL student's progress in comprehension, fluency, vocabulary, pronunciation, and grammar usage. Currently, the Charter School has an EL student population of 1%, compared to the District's 8% for grades K-8. Thus, the lack of planning and data calls into question the Charter School's ability to adequately serve its current English learners and to accommodate an EL student population similar in size to the District's EL demographic as required by Education Code section 47605 (b)(5)(g).

  As explained further below, RCS provided no data to demonstrate compliance with the obligation to serve a student population reflective of the general population residing within the District's boundaries. Information available on CDE's website demonstrates the school does not serve a racial and ethnic balance of students comparable to the District's demographic. Moreover, the Petition does not commit to meeting this requirement. Instead it states it will "strive" to meet the requirement which is inconsistent with law.

- State Priority #4: The Petition indicates that all students will become proficient in English, math, science, and social science, as measured by all of the following: statewide assessments, API, University of California/California State University entrance requirements, percentage of ELs who make progress toward English language proficiency as measured by the CELDT, and EL reclassification rate. (p. 25) The Petition also states that the Charter School will develop curriculum maps designed to support EL students and struggling students. Additionally, to achieve this state priority, the Petition states that 90% of EL students will make progress toward EL proficiency as measured by the CELDT and that 75% of EL students will be reclassified as measured by the CELDT. (p. 38) However, the Petition provides no data in prior years to indicate that adequate EL instruction is being implemented and that such students are achieving success at the level expected by the Charter School. The lack of information calls into question the Charter School's likelihood in achieving its goals regarding this state priority in the future, especially in light of the fact that the Charter School has not provided, and the Petition does not currently

provide, any curriculum maps, lesson plans, or instructional materials to support EL instruction or program implementation.

Additionally, despite the fact that the Charter School met at least one of the academic performance threshold criteria set forth in Education Code section 47607(b) for renewal eligibility (Exh. 4), the Petition reflects other concerning areas of deficiencies regarding the Charter School's past academic performance. During the 2011-2012 school year, the Charter School failed to make Adequate Yearly Progress ("AYP"), meeting 11 of 13 criteria. As a result, the Charter School was required to submit a Student Achievement Plan to the CDE, which requires the Charter School to establish specific goals and actions the school will take to improve student academic achievement. Despite having a Student Achievement Plan in the 2011-2012 and 2012-2013 school years, in the 2012-2013 school year, the Charter School again failed to make AYP, having met 14 out of the 17 criteria. (Exh. 3) Upon closer evaluation, the Charter School failed to meet its proficiency targets in English-Language Arts schoolwide and for the Hispanic/Latino and White subgroups.

However, the Charter School's plan to improve pupil achievement appears inadequate to address this failure. (Exh. 3) For example, the Petition vaguely states that the Charter School will implement "standards based and aligned curriculum." This is inadequate to evaluate whether there is a plan for improvement or to later determine if the Charter School has met the promised pupil outcomes. Additionally, regular benchmark assessments will be given at least three times per year, but the Petition does not further describe the type of assessments to be used. Also, the Petition states that the Charter School will provide "extensive student support structures (remediation courses, tutoring, differentiated instruction)" without describing exactly how the Charter School will provide these services or providing any evidence that it has done so successfully in the past. The Petition also states that the Charter School will use Standardized Testing and Reporting ("STAR") and California Standards Test ("CST") testing to measure pupil progress, despite the fact that these assessments will no longer be valid going forward. These deficiencies call into question the Charter School's ability to adequately meet its goal that all students will become proficient in core subject areas and renders the goal of meeting AYP in all criteria and for all subgroups inapplicable.

The Petition also states that the Charter School will meet its targeted API growth rate and indicates that RCS used the online API calculator to disaggregate the data to make an "apples to apples" comparison with District schools. (p. 11) However, a meaningful comparison cannot be properly made until RCS compares its scores to the scores from District schools disaggregated by pupil subgroup. Without providing adequately disaggregated data, the District cannot make a meaningful assessment of the Charter School's likelihood of success in academic performance.

It has been our experience that students promoting from RCS to District schools have a lower average GPA than District students.

- State Priority #5: The Petition indicates that RCS will make pupil engagement a priority, as measured by attendance rates, absenteeism rates, and dropout rates, and promises that "students [will] attend school regularly, consistently, and on time." (p.25) However, the Charter School fails to describe a specific plan or action to achieve this goal. Rather, the Charter School's proposed plan of action is vaguely stated, such as "social-emotional learning in all courses; Individualized Learning Plans' Extensive support structures, including early intervention plans; and Extensive

community building via orientation, and morning meeting." This is concerning in light of the fact that in the 2011-2012 school year, three students at RCS in grades 7-8 were listed as dropping out. Additionally the goal does not provide an objectively measureable outcome.

The Petition also states that RCS seeks to "provide targeted instruction and support services to accelerate growth among students under-prepared for high school success, and (as a consequence) prepare them for college." (p. 16) However, it appears that RCS has shown some difficulty retaining and promoting students who enroll in its program:

- In 2001-02, RCS enrolled 18 in grade K and had 22 in grade 8 in 2009-10 (Increase of 18%)
- In 2002-03, RCS enrolled 35 in K and had 19 in grade 8 in 2010-11 (Loss of 45%)
- In 2003-04, RCS enrolled 36 in grade K and had 25 in grade 8 in 2011-12 (Loss of 30%)
- In 2004-05, RCS enrolled 40 in grade K and had 23 in grade 8 in 2012-13 (Loss of 42%)
- In 2005-06, RCS enrolled 28 in grade K and had 26 in grade 8 in 2013-14 (Loss of 7%)

As enrollment increases, RCS should expect the number of students continuing to enroll and continuing on in its program to also increase. However, the above figures do not reflect continual pupil enrollment or sustained enrollment in the program.

Additionally, the Petition indicates that "students transferring to RCS are students who are below grade level and failing at the District. Students who are excelling do not transfer schools." (Exh. 3) However, mobility rate data indicates that RCS has a higher mobility rate than the District, which reflects that a greater percentage of students are transitioning from RCS than from the District. Mobility data as reported on STAR indicates that RCS has mobility rates of 89%, 91% and 92% from 2010 to 2013, while the District has a rate of 95% for these same years.

- State Priority #7: The Petition states that RCS will focus on pupil access to and enrollment in a broad course of study, including programs and services developed and provided to unduplicated students and students with exceptional needs. "Broad courses of study" include English, mathematics, social sciences, science, visual and performing arts, health, and physical education for grades 1-6, and English, social sciences, foreign language, physical education, science, mathematics, visual and performing arts, applied arts, and career technical education for grades 7-8. (p.26)

  Aside from the core academic subjects, the Petition provides no evidence that students have access to or are enrolled in a broad course of study in grades 7-8. For example, the Petition promises a second language program and states that students will work with the fundamentals of language structure, pronunciations, grammar, vocabulary, idioms and phrases in Spanish to develop competency in oral and written Spanish, and will work with Spanish texts to develop an understanding and appreciation of various Spanish-speaking cultures. (p. 22) However, the Petition fails to identify or describe any instructional materials, textbooks, course mapping, lesson plans, budget allocation, or professional development activities to indicate that foreign language courses are currently being implemented or being planned for the future.

Additionally, the Charter School's course offerings do not include any visual and performing arts, applied arts, or career technical education courses in grades 6-8. (p. 21-22) While an art history textbook is identified in the Instructional Materials List (Exh. 7), the Petition fails to identify or describe other critical elements for this course of study, such as curriculum maps, budget allocation, and staff development activities, to indicate that this course is being taught or will be taught in the future. If this course is part of the Academic Intervention Model, it is not stated as such and would not be considered a foundational course.

The Petition indicates that the Charter School will offer new classes in the 2013-2014 school year, including Life Skills, Current Events, Study Skills, and Art History. (p. 22; Exh. 3) However, the Petition again provides no curriculum maps or lesson plans that further describe any of these courses. If these courses are part of the Academic Intervention Model, they are not stated as such and would not be considered foundational courses.

- State Priority #8: The Petition states that RCS will achieve pupil outcomes in the subject areas identified in State Priority #7. (Exh. 3) However, all of the measurable outcomes and methods of measurement, whether through STAR testing, Common Core assessments, benchmark assessments, or a passing grade of C or above in the relevant course, apply only to English, reading, mathematics, science, and social science. The Petition provides no indication of any measurable outcomes for any of the other courses of study listed in State Priority #7 or the additional courses that the Charter School seeks to implement. Additionally, the Petition indicates that a yearly audit of curriculum and lesson plans by school leadership show that 95% of curriculum maps are aligned to the Common Core and ELD standards and have supports for ELs and struggling students. (p. 41) However, only the Kindergarten curriculum map and lesson plan were included in the Petition for review. No other curriculum maps or lesson plans for any of the other subject areas identified in State Priority #7 were included in the Petition for review, nor were any plans for ELD instruction.

2. Special Education

Staff finds that Petitioners are unlikely to successfully implement its special education program. The Petition indicates that the Charter School currently has an enrollment of 400 students but provides no information regarding the number or percentage of special education students or students with disabilities for the 2013-2014 school year, or the nature and type of disabilities that they have, which is critical in determining which specific services to provide. (p. 16)

The Charter School has also not demonstrated that it is adequately staffed to serve needs of its special education and students with disabilities population. It should be noted that approximately 13% of the Charter School's enrollment in the 2011-2012 school year were students with disabilities who were qualified to take standardized tests, which, out of an enrollment of 212 students taking the test, would equate to approximately 28 students. (p. 17) In the 2011-2012 school year, according to the 2011-2012 School Accountability Report Card ("SARC"), the Charter School had a special education and students with disabilities population of 10.2% schoolwide, which, out of an enrollment of 323 students, would equate to approximately 33 students. (Exh. 14) If the Charter School has maintained this 10.2% rate into the 2013-2014 school year with its 400-student enrollment, then the Charter School would currently have approximately 41 disabled students.

However, the Petition's staffing projections are inadequate to fully support this population estimate. The budget indicates that there are two full-time special education teachers and three paraprofessionals to serve approximately 41 students. However, given that one teacher, who is highly qualified to teach special education, also teaches second grade, the Charter School is only left with four individuals who can meet the needs of students of nine grade levels. Significantly, if the Charter School does in fact have 41 special education students and/or students with disabilities at RCS, the caseload requirement for the teacher teaching special education would exceed the state mandate of 28 students. The Petition also states that RCS will be responsible for hiring, training, and employment of site staff necessary to provide special education services to its students. (p. 32) However, the Petition fails to provide any evidence for this training.

Additionally, the Petition's budgetary documents reflect inconsistent staffing projections for the special education program. The Multi-Year Strategic Fiscal Plan states, "Beginning in 2013-14 the special education teaching staff assignment is 2.0 FTE (full-time equivalent), an increase of 1.0 FTW from 2012-2013…These increases are based upon enrollment growth plus a projected need for additional services." (Exh. 21, Multi-Year Strategic Fiscal Plan, p. 20). However, the teacher credentials for the staff identified by the Charter School reflect that RCS has two special education credentialed teachers, one of whom is assigned to teach second grade.

The demographic data also reflects that the Charter School is serving fewer disabled students, rather than moving toward a population of disabled students that is comparable to that of the District. Currently, the District has a students with disabilities population of 13%. Despite the fact that in the 2011-2012 school year, the Charter School had approximately 33 students with disabilities out of an enrollment of 323 students, in the 2012-2013 school year, according to the School Quality Snapshot Report, the Charter School had a special education and students with disabilities population of 7% schoolwide, which, out of and enrollment of 350 students, would equate to approximately 24.5 students. (Exh. 4). Thus, in the 2012-2013 school year, the Charter School experienced a loss of 8 students in this critical pupil subgroup, even though total enrollment increased by 27 students.

The Petition also does not indicate which disabilities its special education and students with disabilities population exhibits or their grade levels, making it impossible for the District to determine if the educational program offered is sufficient to meet the needs of the Charter School's special-needs students. Indeed, the District has reason to question the accuracy of the Charter School's reported special education and students with disabilities rate. For example, if the Charter School's special education students were evenly distributed among its nine grade levels, approximately 4 to 5 students in each grade level would be classified as a special education student/student with disability. However, among the students who enrolled in Burroughs High School after promotion from RCS in 2013-2014, only one was a special education student.

Even assuming that the Charter School is comparable with the District in special education enrollment and type of disability, the Charter School is responsible for providing a full continuum of services to students with disabilities. A full continuum of services as required by law would include the least restrictive environment, resource specialist program ("RSP") services within the general education classroom, special day class for students who require a more restrictive environment, home hospital instruction, and non-public school program. However, the Petition provides no evidence of such a continuum of services provided for RCS students.

The Petition states that RCS will provide a free and appropriate public education, but makes no mention of how it will be provided. Nor does the Petition explain how services are rendered to students except to say that all students are mainstreamed. "Mainstreaming" is not appropriate for all special needs students. The Petition should, but does not demonstrate the requisite knowledge and ability to develop an appropriate Individualized Education Plan ("IEP"). Instead the Petition reflects "boilerplate" language with little or no application to RCS. The Petition also fails to discuss what kinds of accommodations are being made for students with special needs, and does not describe any mental health services provided by RCS. Additionally, the Petition does not describe the structure of the program or the number of minutes students receive through special education services. The Petition states that RCS participates in child-find, but makes no mention of how this is accomplished, and provides no evidence that it advertises, such as through news articles and posters. While the Parent-Student Handbook states that parents of school age children who suspect their child may have a disability and who may need special education services should contact the Special Education Administrator (Exh. 5), the Petition fails to provide a contact name or phone number for this individual.

The Petition also offers no evidence that RCS is offering extended school year services to all students with an IEP who, as determined by the IEP team, would lose instructional or behavioral progress that they have made in the school year and would not regroup that progress in a reasonable amount of time. Despite the fact that the Petition states that RCS will offer extended school year services, the Petition does not identify the staff or money set aside to successfully implement such services, which calls into question any assurances that the Charter School will do so as RCS is already encroaching $53,623.

The Petition also does not provide complete information regarding its disabled student population and does not provide disaggregated data that speaks to their academic performance, which makes it impossible to determine the success of the services provided to these students. For example, the Student Achievement Plan indicates that 15 students with disabilities in English-Language Arts and 16 students with disabilities in math were rated as proficient for the purposes of AYP out of 26 total students with disabilities tested, but the Petition provides no other disaggregated data for these pupils. (Exh. 3) Additionally, the Petition provides no data to demonstrate it has met the promised pupil outcome that students grow one month for one month's instruction. (p. 20)

3. Day Care

The Petition states that "a goal during this fourth charter term will be to expand the program to include before and after school day care" (p. 7). Much like the Charter School's promise to offer extended school year services, the Petition does not provide any description or evidence to support its plan to offer a day care program, including staffing projections and funding allocation. Accordingly, Petitioners are demonstrably unlikely to successfully implement its proposed day care program.

4. Response to Educational Reform

The Petitions lacks a systematic approach for RCS to respond and transition to the significant educational reform measures facing education in the coming years. The Petition provides no evidence to reflect that RCS will be ready to successfully transition to the Local Control Funding Formula ("LCFF") from the prior funding method and the accountability measures required in the Local Control Accountability Plan ("LCAP"). Additionally, the Petition provides no evidence to reflect plans to transition from Standardized Testing and

Reporting ("STAR") and the California Standards Test ("CST"), which will no longer constitute valid assessment going forward, to the Smarter Balanced Assessment Consortium ("SBAC") and the Common Core State Standards. While RCS may be implementing some strategies, the Petition does not reflect a strategic plan to demonstrate how these critical transitions will take place.

Although the Petition indicates that RCS is transitioning to the Common Core by bridging some instructional materials and benchmarks assessments, such transitioning appears inadequate given the extensive nature of the change to the state's educational standards. For example, the Petition states that RCS plans to develop a comprehensive technology plan, adapt to emerging technology, and use technology competently (p. 18, 23), and that all teachers participated in technology in-services training prior to school beginning. (p. 23) However, the budget neither reflects nor supports this endeavor. Moreover, the 2013-2014 professional development plan lists only one training activity relating to this subject titled, "Technology Integration—Are you CC Ready?" (Exh. 11) Given that the new Common Core assessments will begin next year, the Petition must describe how RCS plans to meet the needs of staff and students with regard to the skills needed to administer the test for teachers and the skills needed to perform the functions on the test for students. In light of the fact that the transition to the Common Core will encompass the use of technology not only in the classroom but also for statewide testing, the Charter School's plan to prepare for the transition to the Common Core is inadequate.

Additionally, aside from an excerpt copied from the Ed-Data website, the Petition makes no mention of the LCAP, which requires the Charter School to be accountable for monies provided based on the LCFF. This omission is significant as the LCAP reflects that funding will be expended based upon the school's plan to improve student performance. The Petition must reflect an understanding of the requirements of LCFF, including the development of an LCAP. The Petition must include a clear statement of accountability measures and demonstrate the ability to meet these requirements. For these reasons, the Charter School appears inadequately prepared to transition to the Common Core and the LCFF.

5. Second Language Program

Although a full curriculum driven second language program was one of the key elements of the Charter School's original petition, RCS has yet to implement the program after nearly 15 years of operation. In the instant renewal petition, RCS indicates that it seeks to implement the program over the renewal term beginning the 2014-2015 school year and is "currently considering curriculum and funding options for the program." (p. 22) However, RCS provides no evidence or documentation supporting its plan to implement the second language program. Nothing is referenced in the list of instructional materials, professional development activities, curricular mapping, or budget to reflect the Charter School's plan to implement the second language program. Moreover, it is unclear from the Multi-Year Budget Projection how the second language program will be funded. The Petition does not offer measurable pupil outcomes for a second language program. Without adequate and demonstrated instructional and fiscal planning for this program, Petitioners will be unlikely to successfully implement the second language program for at least the second charter term in a row.

6. English Learner Students

The Petition states that the use of achievement data will drive the instruction and professional development as it relates to English Learners, that RCS is committed to training

teachers in EL strategies, and that teachers will be trained to use Specially Designed Academic Instruction in English ("SDAIE") techniques to meet the needs of English Learners. (p.28-29) However, no training for SDAIE or for any EL teaching strategies are identified among the list of activities in the Charter School's professional development plan (Exh. 11) Furthermore, the Petition provides no evidence regarding how RCS is meeting the needs of its EL students, or any evidence of improved student achievement in the Charter School's EL population. Without adequate data or evidence reflecting EL academic achievement, the Petition does not reflect that the Charter School can successfully implement the ELD component of its educational program going forward.

7. Financial and Operational Plan

ADA v. Enrollment Assumptions

Conflicting and/or unrealistic Average Daily Attendance ("ADA") and enrollment figures call into question the accuracy of the Charter School's budgetary figures. For example, the Petition states that RCS projects to reach 560 students in grades K-8 over the next charter term. (p. 6) However, the Multi-Year Budget Summary indicates that RCS will project an enrollment of only 537 students, with an ADA of 510 students, for the 2017-2018 school year. (Exh. 21, Multi-Year Budget Summary, p. 2) Additionally, in calculating the budget, RCS also assumes both school enrollment and ADA to be 350 students for the 2012-2013 school year, which is an unrealistic projection of ADA based on enrollment. (Exh. 21, Multi-Year Strategic Fiscal Plan, p. 29). Indeed, some of the figures provided by the budget are irreconcilable. For example, the Summary ADA Projection Factors by Grade Span found in the Multi-Year Strategic Fiscal Plan reflect projected ADA to exceed enrollment by a ratio of 101.2% for the 2012-2013 school year. (Exh. 21, Multi-Year Strategic Fiscal Plan, p. 10) Accordingly, these deficiencies reflect an unrealistic financial and operational plan. Because of the school's small size, a small change in ADA will significantly impact the school's budget.

Under section 11967.5.1, subdivision (c)(3)(C), the Regulations require, in the area of insurance, for the charter and supporting documents to adequately provide for the acquisition of and budgeting for general liability, workers compensation, and other necessary insurance of the type and in the amounts required for an enterprise of similar purpose and circumstance. The Petition provides no information about the levels of coverage. The Petition is also unclear as to additional insured status for the District because while it agrees that the Authorizer will be an additional insured, on p. 55, it provides only additional insured status as required by the State Board of Education which does not include the District. Because there is no information in the Petition to establish necessary coverage levels, the budget does not reflect adequate information to demonstrate proper expenditures for insurance.

Multi-Year Budget / Multi-Year Strategic Fiscal Plan

The Multi-Year Budget and Multi-Year Strategic Fiscal Plan (Exh. 21) contain various deficiencies and omissions which materially and adversely affect the Charter School's financial operations. The budget and related documents reflect an unrealistic financial and operational plan, undermining, accordingly, Petitioners' ability to successfully implement the program, as further described below:

- The Multi-Year Budget fails to include a balance sheet, which is a critical financial accounting document reflecting the strength or weakness of the Charter School's financial condition.

- The Multi-Year Budget reflects that Title I revenues are projected to remain at the same level over the five-year term of the charter, even though Federal sequestration has been in effect. (Exh. 21, Multi-Year Budget Summary, p. 3) Additionally, the Budget neither explains nor provides documentation to support the assumption that Title I revenue will be maintained at the levels indicated in the Multi-Year Budget Summary. Accordingly, the Charter School's projected revenues may be overstated. Additionally, the Title I Program Budget and Reconciliation Worksheet reflects continuing encroachments. (Exh. 21, Budget Summary, p. 13) However, the Petition does not provide any plan to remedy the encroachment.

- The Charter School's projections for reserves are unsupported. For example, the amounts designated for economic uncertainty in the Multi-Year Budget Summary do not reflect 5% of total expenses, but rather reflect 4%. (Exh. 21, Budget Summary, p. 4) This directly contrasts with the Multi-Year Strategic Fiscal Plan, which indicates that "RCS' reserves at all times continue to exceed 5%" (Exh. 21, Multi-Year Strategic Fiscal Plan, p.2), and calls into question the reliability of these projections. Additionally, the Budget does not describe or provide any documentation supporting the $1,000,000 designated reserve for facility costs, which is essential in light of the fact that no previous financial data regarding this reserve was provided. (Exh. 21, Budget Summary, p. 4)

- According to the Petition, commencing with the 2013-2014 school year, the Charter School will offer a lunch program by participating in the National School Lunch Program ("NSLP"). However, the Multi-Year Strategic Fiscal Plan states "neither revenues nor expenses for the lunch program are included in the Budget Plan." (Exh. 21, Multi-Year Strategic Fiscal Plan, p. 12) Currently, the NSLP Budget and Reconciliation Worksheet reflects a deficit for the program over the term of the renewal, which indicates that the Charter School's food service program will encroach upon its general funds. (Exh. 21, Budget Summary, p. 13) However, the Petition does not provide any plan to remedy the encroachment and it is unclear how adding the lunch program will impact this program further. Additionally, the budget only accounts for one Food Service Worker to support this program (Exh. 21, Budget Summary, p. 6) and the budget narrative does not describe who will be responsible for implementing, enforcing, and monitoring the considerable compliance requirements for NSLP. These deficiencies call into question the Charter School's ability to successfully implement the proposed lunch program.

- Despite the fact that RCS is currently in deficit spending, the Charter School seeks to obtain a 15-year loan for $2.5 million in the 2014-2015 school year to build a Multi-Purpose Room. (Exh. 21, Budget Summary, p. 12) The District is concerned about the Charter School's ability to obtain a 15-year loan in this economic climate, especially as the renewal term, if granted, will last only 5 years.

- Although the Multi-Year Strategic Fiscal Plan provides a Teacher Staffing Plan (Exh. 21, Multi-Year Strategic Fiscal Plan, p. 20), the plan does not include an outline for incorporating the second language program in the curriculum as stated in the Petition (p. 22) In light of the fact that RCS has been unable to create a second language program, despite striving to do so during the Charter School's prior term, the lack of a plan to incorporate a second language program into the Teacher Staffing Plan casts doubt on the second language program becoming a reality.

- The 2012-2013 Unaudited Actuals reflected in the Multi-Year Budget Summary differ in several areas from the Unaudited Actuals presented to the RCS Board in September 2013.

- Excessive debt places the Charter School as well as the oversight agency at risk. (Ed. Code, § 47604 (c).)

In the process of evaluating the Charter School's prior history of compliance and past performance, the District asked CDE staff members responsible for overseeing the Charter School, regarding any deficiencies by the Charter School in complying with the terms of its charter and/or any fiscal areas of concern. Carrie Lopes, CDE consultant, indicated that "under the current [Memorandum of Understanding] Ridgecrest is operating appropriately and within the terms of the charter." However, Ms. Lopes would not elaborate on the history of the Charter School's performance. Instead, she referred the District to the Charter School for further information. Kylie Kwok, CDE Fiscal Services Assistant, indicated that "there is no plan to approve [Ridgecrest's deficit spending] based on the deficit spending on 2013-14 projected budget and later years upon the review of Charter Renewal Petition submitted to the Sierra Sands USD for the term July 1, 2014 through June 30, 2019."

CDE staff members did not provide any further information to allow the District staff to analyze the Charter School's past operational or fiscal performance as necessary in considering charter renewal. (Cal. Code Regs., tit. 5, § 11966.4(b)(1) ["When considering a petition for renewal, the district governing board shall consider the past performance of the school's academics, finances, and operation in evaluating the likelihood of future success, along with future plans for improvement if any."]. Staff notes that the District did not receive an endorsement of successful history from CDE and understood Ms. Kwok's comment as CDE's statement that they do not approve of the Charter School's budget as it pertains to planned deficit spending. Nonetheless, in light of the foregoing deficiencies and the fact that the Charter School projects to be in deficit spending at least for the 2013-2014 school year, Staff finds Petitioners demonstrably unlikely to successful implement the program.

B. <u>The Descriptions Of Numerous Charter Elements Are Not Reasonably Comprehensive As Required By Education Code Section 47605(b)(5)</u>

Education Code section 47605, subdivision (b)(5)(A-P), requires a charter petition to include reasonably comprehensive descriptions of numerous elements of the proposed charter school. The Regulations require the "reasonably comprehensive" descriptions required by Education Code section 47605(b)(5) to include, but not be limited to, information that:

1. Is substantive and is not, for example, a listing of topics with little elaboration.
2. For elements that have multiple aspects, addresses essentially all aspects the elements, not just selected aspects.
3. Is specific to the charter petition being proposed, not to charter schools or charter petitions generally.
4. Describes, as applicable among the different elements, how the charter school will:
   a. Improve pupil learning.
   b. Increase learning opportunities for its pupils, particularly pupils who have been identified as academically low achieving.
   c. Provide parents, guardians, and pupils with expanded educational opportunities.
   d. Hold itself accountable for measurable, performance-based pupil outcomes.

e. Provide vigorous competition with other public school options available to parents, guardians, and students.

(Regulations, § 11967.5.1, subd. (g).) Staff finds that the Petition does not provide reasonably comprehensive descriptions of many of the required elements as described below.

Element 1 – Educational Program

The Education Code and Regulations provide various factors for considering whether a charter petition provides a reasonably comprehensive description of the educational program of the school, including, but not limited to, a description of the following: the charter school's target student population, including, at a minimum, grade levels, approximate numbers of pupils, and specific educational interests, backgrounds, or challenges; the charter school's mission statement with which all elements and programs of the school are in alignment and which conveys the petitioners' definition of an educated person in the 21st century, belief of how learning best occurs, and goals consistent with enabling pupils to become or remain self-motivated, competent, and lifelong learners; the instructional approach of the charter school; the basic learning environment or environments; the curriculum and teaching methods that will enable the school's students to meet state standards; how the charter school will identify and respond to the needs of pupils who are not achieving at or above expected levels; how the charter school will meet the needs of student with disabilities, English learners, students achieving substantially above or below grade level expectations; and, the charter school's special education plan, to include the means by which the charter school will comply with the provisions of Education Code section 47641, the process to be used to identify students who may qualify for special education programs and services, how the school will provide or access special education programs and services, the school's understanding of its responsibilities under law for special education pupils, and how the school intends to meet those responsibilities. (Ed. Code, § 47605, subd. (b)(5)(A); Regulations, § 11967.5.1, subd. (f)(1).)

Based on the following findings, staff concludes the Petition does not adequately describe Petitioners' proposed educational program:

Second Language Program

Although a full curriculum driven second language program was one of the key elements of the Charter School's original petition, RCS has yet to implement the program. According to the Petition, during the instant renewal term, RCS seeks to implement the second language program beginning the 2014-2015 school year. The Petition summarily states that "students will work with the fundamentals of language structure, pronunciations, grammar, vocabulary, idioms and phrases in Spanish to develop competency in oral and written Spanish, and will work with Spanish texts to develop an understanding and appreciation of various Spanish-speaking cultures." (p. 22) However, the Petition fails to describe exactly how students will develop this competency and RCS provides no further evidence or documentation supporting its plan. The Petition neither identifies nor describes any instructional materials, textbooks, course mapping, lesson plans, budget allocation, or professional development activities in support of this program. The Petition does not identify measurable pupil outcomes for this program.

English Learners

The Petition's description of the Charter School's plan to support and serve its EL students is inadequate. The Petition provides no information describing exactly how the Charter School will support its EL students, except to generally and vaguely state that "all RCS curriculum will be designed to support ELs and other struggling student subgroups." (p. 24) The Petition also fails to provide curriculum maps or lesson plans regarding EL instruction, and none of the instructional materials identified in the Petition focus on or integrate EL instruction. Additionally, the Petition does not provide any details regarding its intervention plan for English learners. Moreover, no training for SDAIE or for any EL teaching strategies are identified among the list of activities in the Charter School's professional development plan (Exh. 11)

The Petition also fails to provide data in prior years to indicate that adequate EL instruction is being implemented and that such students are achieving success at the level promised by the Charter School. While the Petition states that RCS will use the CELDT to assess and re-designate EL students, the Petition provides no data to demonstrate improved student achievement or re-designation for these students. No data was provided regarding the Student Oral Language Observation Matrix, which is used to measure an EL student's progress in comprehension, fluency, vocabulary, pronunciation, and grammar usage.

Other Courses

As described above, the Petition also fails to identify or describe such critical elements as curriculum maps, budget allocation, staff development activities, or measurable pupil outcomes for the Charter School's new courses, including Life Skills, Current Events, Study Skills, Art History, and Physical Education. Moreover, none of these courses, with the exception of Physical Education, are included in the Class Size Distribution chart, which also calls into question whether the Charter School will indeed offer and implement these courses. (p. 83) Accordingly, these deficiencies render the Educational Program component of the Petition inadequately described.

Element 2 & 3 – Measurable Pupil Outcomes/Methods of Assessment

The Education Code and Regulations provide for a charter petition to identify the specific skills, knowledge and attitudes that reflect the school's educational objectives and that can be assessed frequently and sufficiently by objective means to determine satisfactory progress and provide for the frequency of the objective means for measuring outcomes to vary by factors such as grade level, subject matter, and previous outcomes. (Ed. Code, § 47605, subd. (b)(5)(B); Regulations, § 11967.5.1, subd. (f)(2).) Pupil outcomes must include outcomes that address increases in pupil academic achievement both schoolwide and for all groups of pupils served by the charter school. (Ed. Code, § 47605, subd. (b)(5)(B).) To be sufficiently detailed, objective means of measuring pupil outcomes must be capable of being used readily to evaluate the effectiveness of, and to modify, instruction for individual students and for groups of students during the school year. (Regulations, § 11967.5.1, subd. (f)(2)(A).)

The Education Code and Regulations also require a charter petition to identify the methods by which pupil progress in meeting pupil outcomes is to be measured. To be sufficiently described, a petition must include a variety of assessment tools appropriate to the skills, knowledge, or attitudes being assessed, include the annual assessment results from the Statewide Testing and Reporting ("STAR") program, and outline a plan for collecting, analyzing, and reporting data on pupil achievement to school staff and to parents and

guardians, and for utilizing the data continuously to monitor and improve the charter school. (Ed. Code, § 47605, subd. (b)(5)(C); Regulations, § 11967.5.1, subd. (f)(3).)

Based on the following findings, staff concludes the Petition does not adequately describe the Charter School's measurable pupil outcomes and methods for measuring pupil progress:

Core Subjects and Courses

Although STAR testing and the CST will no longer constitute valid assessments going forward, a significant portion of the Charter School's measurable outcomes in core academic subjects are tied to achievement and/or improvement on STAR testing or the CST examinations. For example, the Petition states that 70% or more of all students will demonstrate at least one year of growth on the English STAR test, math CST, science CST, and social science CST. Additionally, 75% or more of all students will be proficient or above on the English STAR test, math STAR test, and science STAR test, and 70% will be proficient or above on the social science STAR test. (p. 41) However, these outcomes will no longer be valid. Moreover, these outcomes do not reflect rigor.

While the Petition ties some measurable outcomes to performance on internal RCS assessments, the Petition fails to provide an adequate description of these assessments. For example, the Petition indicates that students will earn a grade of C or higher in core subject courses, and will show growth on their internal benchmarks, without providing any description as to the grading criteria or the internal benchmark assessments themselves. Thus, the Petition fails to provide an adequate description of measurable outcomes and assessing those outcomes that are unrelated to the STAR and the CST. The Petition does not address the fact that there will not be a standardized assessment in the 2013-2014 school year, consequently, does not describe what assessment the Charter School intends to use to measure pupil achievement during this time.

The Petition also does not provide measurable pupil outcomes or adequate methods of assessment for each and every aspect of the Charter School's educational program. For example, RCS intends to provide a physical education course for grades 6-8 commencing the 2013-2014 school year. However, the Petition fails to identify and describe measurable pupil outcomes centered on student physical fitness. Additionally, RCS seeks to introduce courses entitled Study Skills, Life Skills, Current Events, and Art History. Again, the Petition fails to provide measurable outcomes to assess student achievement in these classes.

Outcomes Inadequately Supporting State Priorities

The measurable outcomes indicated in the Charter School's Student Achievement Plan also do not accurately support state priorities. For example, according to the Student Achievement Plan, to satisfy State Priority #7, the Charter School must enroll 100% of students in a broad course of study as an annual goal. (p. 40) To achieve that goal, the Petition indicates that the Charter School will take such actions as implementing "extensive support systems (tutoring, remedial course, RTi, etc.)" and "comprehensive career and college focus 6-8." However, extensive support systems and comprehensive career and college focus are not substitutes for courses constituting "broad course of study," which are defined by the Petition as courses in foreign language, visual and performing arts, applied arts, and career technical education. Additionally, the Petition provides no evidence that any of these courses are being offered. Accordingly, the implementation of extensive support systems and comprehensive career and college focus do not directly address the issue of students receiving a broad course of study, and thus the Petition's stated actions do not meet the stated annual goal.

The Petition also indicates that 95% of students will promote from the 8th grade to support State Priority #7. However, the Petition does not provide, and does not indicate that it will provide, any evidence that the Charter School has met or will meet this goal. This is concerning in light of the fact that, of the 23 students who enrolled in grade 8 at RCS in the 2012-2013 school year, only 18 enrolled at Burroughs High School. The Petition does not provide any drop out data to indicate whether the 5 students who did not move on from RCS to Burroughs High School are currently enrolled elsewhere or otherwise dropped out from the program, making it unclear whether the Charter School has met its objective.

Other measurable outcomes stated in the Petition are inadequately described in that they reflect a lack of understanding of the outcome at issue. For example, the Petition seeks an outcome reflecting 60% of students to be enrolled in honors and/or college preparatory courses following 8th grade promotion from RCS to high school. However, because Burroughs High School does not offer a non-college preparatory English course, every student who enrolls at Burroughs High School must take at least one college preparatory course following 8th grade promotion from RCS. Therefore, this measurable outcome and method of assessment is rendered meaningless and invalid.

Element 4 – Governance

The Education Code and Regulations provide for a charter petition to identify the governance structure including, at a minimum, evidence of the charter school's incorporation as a non-profit public benefit corporation, if applicable, the organizational and technical designs to reflect a seriousness of purposes to ensure that the school will become and remain a viable enterprise; there will be active and effective representation of interested parties; and, the educational program will be successful. (Ed. Code, § 47605, subd. (b)(5)(D); Regulations, § 11967.5.1, subd. (f)(4).) The Education Code and Regulations also provide for evidence that parental involvement is encouraged in various ways. (*bid*.)

Based on the following findings, staff concludes the Petition does not adequately describe the Charter School's governance structure. The Budget indicates that RCS will be hiring a part-time Assistant Executive Director in 2013-2014, who will become a full-time employee in future years, and that the Executive Director's salary will be reduced by approximately 12%. Accordingly, it appears that some of the duties that were previously performed by the Executive Director have been transferred to the Assistant Executive Director. (p. 49) Additionally, the Petition indicates that the position of Chief Operations Officer will expire and a new position of Business Manager will be implemented in November of 2013. (p. 50) These modifications suggest a substantial change in administration of RCS. However, the Petition does not describe how this change will affect the Charter School's operations, or how the leadership of the Charter School will remain as successful as in previous years.

The governance section is also inadequately described as the Charter School did not provide evidence that it is a non-profit public benefit corporation in good standing. The Petition was also submitted without its policies and therefore the Petitioner has not demonstrated that its policies governing employment, students, and governance are appropriate and legally compliant.

The governance section also indicates that parents will be "strongly encouraged to donate at least four (4) hours of service monthly per family." This policy may serve as a barrier to enrollment and interfere with RCS's ability to enroll a demographic consistent with the demographic of the District as required by Education Code section 47605, subd. (b)(5)(G).

As described below, the Charter School has not met the requirement that it serve a student population reflecting the demographic of the District as required by Education Code section 47605, subd. (b)(5)(G).

Staff is aware of significant turnover in the governance and administration of the Charter School. Indeed, the July 2010 through June 2011 Form 990 for RCS, signed by Tina Ellingsworth, reflects that the Charter School only had four (4) governing board members in violation of the RCS Bylaws, which requires that the RCS governing board to have no less than five (5) members. (Exh. 15, Bylaws: Article II, section B.) The District remains concerned that without stable governance and leadership, the ability to transition to LCFF/LCAP and Common Core/SBAC is impaired.

Element 5 – Employee Qualifications

The Education Code and Regulations provide for a charter petition to identify general qualifications for various categories of employees the school anticipates, identify those positions that the charter school regards as key in each category and specify the additional qualifications expected of individuals assigned to those positions, and specify that all employment requirements set forth in applicable provisions of law will be met, including but not limited to credentials as necessary. (Ed. Code, § 47605, subd. (b)(5)(E); Regulations, § 11967.5.1, subd. (f)(5).)

Based on the following findings, staff concludes the Petition does not adequately describe the Charter School's employee qualifications:

Business Manager

The Petition indicates that RCS will hire a Business Manager, who will partially replace the Chief Operations Officer. (p.50) Although the Petition indicates that the position requires a Bachelor of Arts degree, the Petition does not indicate in which field the B.A. must be earned. Moreover, according to the job description, finance or business experience is not required for the position, despite the fact that the Business Manager will be responsible for operations and business services. In addition to the fact that this deficiency calls into question the Charter School's ability to manage its financial operations, the job description for Business Manager is inadequately described.

Additional Course Offerings

The schedule of courses for grades 6-8 do not include visual and performing arts, applied arts, career technical education, and foreign language courses, as required in State Priority #7. If the Charter School intends to offer these courses, the Petition must adequately describe the job description, experience required, and qualifications necessary, including any and all credentialing requirements, for teachers to instruct these classes.

Element 6 – Procedures to Ensure Health and Safety

The Education Code requires the Petition to specify the procedures that the school will follow to ensure the health and safety of pupils and staff. (Ed. Code, § 47605, subd. (b)(5)(F).)

Based on the following findings, staff concludes the Petition does not adequately describe the Charter School's health and safety procedures. The Petition states that RCS uses a triage system for problems which occur that need immediate attention and resolution and

that the custodian performs an early morning inspection to identify problems and reports them. (Exh. 14) However, the procedure does not indicate to whom the report is made, how the problem is fixed, or who fixes the problem. The lack of adequate description regarding the Charter School's response to problems requiring immediate attention may constitute a potential health and safety hazard. The Petition also indicates that regular walkthroughs of school facilities by school leadership will ensure that school facilities are maintained and in good repair. (p. 24, 84) Although the Multi-Year Budget Summary indicates a line item for "Property (repairs)," it is unclear whether this line item was intended to cover any costs arising out of the proposed triage system. (Exh. 21, Multi-Year Budget Summary, p. 10)

Element 7 – Racial and Ethnic Balance

The Education Code provides for the charter petition to identify the means by which the charter school will achieve a racial and ethnic balance among its students that is reflective of the authorizing district's general population. (Ed. Code, § 47605, subd. (b)(5)(G).)

Based on the following findings, staff concludes the Petition does not adequately describe Petitioners' means of ensuring racial and ethnic balance consistent with the District's demographics. As reported in the California Longitudinal Pupil Achievement Data System ("CALPADS"), demographic data for years 2010-2013 indicate that the Charter School's Hispanic population has increased 4.3% and is currently at 24%. Additionally, the Charter School's English Learner population is currently at 0.9% and has only increased by 0.9% since 2010. The Charter School's EL demographic does not mirror that of the District. The District's Hispanic population has increased by 1.8% and is currently at 24.7%, almost equal to that of RCS. However, the District's English Learner population is currently at 7.1%, 6.2% higher than RCS. In light of those figures, the Charter School should have made outreach efforts to recruit the EL demographic.

The Petition states that "RCS will strive" to meet the racial and ethnic balance requirement. (p.114.) However, Petitioners must meet this requirement and "striving" to do so is inadequate. As the data reflects, RCS has not met this requirement in its years of operation and the Petition fails to indentify how it will remedy the deficiency.

The Petition states that RCS engages in outreach efforts and makes presentations via neighborhood groups, community organizations, churches, other leadership organizations, and local preschools. The Petition also states that RCS posts flyers in neighborhoods, distributes flyers at local grocery stores, and/or make TV/radio public service announcements targeted towards diverse population and in various languages to achieve a racially and ethnically diverse student population. (p. 56; Exh. 19) Thus far, there is no evidence that the outreach effort as described in the Petition has been implemented by the Charter School. Accordingly, the Charter School's outreach plan requires additional description and specific information evidencing its efforts to achieve a racial and ethnic balance.

Additionally, the Petition states that parents are "strongly encouraged" to donate service hours (p.46) on a monthly which may be creating a barrier to enrollment of students of a demographic that reflects that of the District. RCS does not address its inability to meet the requirements of the statute or set forth a plan to remedy its lack of representative student body.

Element 8 – Admissions Requirements

As discussed under Element 7, above, the Charter School does not serve a demographic consistent with the demographic of the District. In reviewing the admissions requirements, the District notes that admissions preferences are first provided to siblings of existing students and children of employees which may perpetuate a demographic that does not reflect a racial and ethnic balance consistent with the District's general population.

Additionally, the Petition does not reflect that the Charter School is enrolling and serving the number of students with disabilities that is consistent with the District's students with disabilities demographic. Currently, the District has a students with disabilities population of 13%. However, recent demographic shifts experienced by the Charter School reflect that the Charter School is serving fewer disabled students. As discussed above, in the 2011-2012 school year, the Charter School had approximately 33 students with disabilities out of an enrollment of 323 students, which reflects a students with disabilities rate of 10.2%. However, in the 2012-2013 school year, according to the School Quality Snapshot Report, the Charter School had a students with disabilities population rate of 7% schoolwide, which, out of an enrollment of 350 students, would equate to approximately 24.5 students. (Exh. 4). Accordingly, in the 2012-2013 school year, the Charter School experienced a loss of approximately 8 students in this critical pupil subgroup, even though total enrollment increased by 27 students. Despite this change, the Petition does not provide any further description of how it will address this issue and rectify the demographic discrepancy.

Element 9 – Independent Financial Audit

The Education Code requires the Petition to specify the manner in which annual, independent financial audits will be conducted, and the manner in which audit exceptions and deficiencies will be resolved to the satisfaction of the chartering authority. (Ed. Code, § 47605, subd. (b)(5)(I).) The Regulations require outlining specifying the time line in which audit exceptions will typically be addressed and indicate the process that the charter school will follow to address any audit findings and/or resolve any audit exceptions. Cal. Code Regs., tit. 5, § 11967.5.1, subd. (f)(8).)

Based on the following findings, staff concludes the Petition does not describe the Charter School's plans to conduct an independent financial audit. Although the Petition indicates that RCS will select an independent auditor to conduct an annual independent financial audit of the books and records of the Charter School as required by law, the Petition does not specify who is responsible for contracting and overseeing the independent audit. Additionally, although the Petition indicates that any audit exceptions and deficiencies will be resolved and an anticipated timeline to do so will be submitted to the charter authorizer, the timeline to address any audit findings or exceptions is not specified. (p. 59)

Element 10 – Suspension and Expulsion Procedures

The Education Code and Regulations require a charter petition to specify procedures by which students can be suspended or expelled that provides due process for all pupils. These shall include, at a minimum, identification of a preliminary list of offenses for which students must and may be disciplined, the procedures for suspending and expelling pupils who have committed such offenses, and how parents, guardians and students will be informed of the grounds and their due process rights. (Cal. Code Regs., tit. 5, § 11967.5.1, subd. (f)(10).) A petition must also provide evidence that in preparing the list of offenses and the procedures, the petitioners reviewed the lists of offenses and procedures that apply to students attending non-charter public schools, as well as evidence that petitioners have reviewed their list and believe it provides for adequate safety for students, staff and visitors. (*Ibid.*) The charter petition must also include a description of due process for and

understanding of the rights of students with disabilities with regard to suspensions and expulsion and how discipline policies and procedures will be periodically reviewed and modified. Finally, the petition must outline how detailed policies and procedures regarding suspension and expulsion will be developed and periodically reviewed, including, but not limited to, periodic review and (as necessary) modification of the lists of offenses for which students are subject to suspension or expulsion. (Ed. Code, § 47605, subd. (b)(5)(J); Regulations, § 11967.5.1, subd. (f)(10).)

Staff concludes the Petition does not adequately describe the Charter School's student discipline process. According to the Petition, if a pupil is expelled or leaves the Charter School without graduating or completing the school year for any reason, the Charter School must notify the superintendent of the school district of the pupil's last known address within 30 days. (p. 4) The District is aware that 3 students were listed as dropouts from the Charter School in the 2011-2012 school year. However, the District was not notified of these pupils. Although the 30-day notice requirement is provided for in the Affirmations/Assurances section of the Petition, such requirement is not described in the Suspension and Expulsion Procedures section of the Petition, where it would be most relevant. Accordingly, the Suspension and Expulsion Procedures section of the Petition is inadequately described and Petitioner's historical performance demonstrates it has not complied with the Charter or its legal obligations under Education Code section 47605 (d)(3).

Element 14 – Dispute Resolution Procedure

The Dispute Resolution provision of the Petition is drafted to reflect the State Board of Education as the oversight agency and fails to identify any language reflecting the District's involvement in resolution of complaints regarding the Charter School operations. The Dispute Resolution process identified in the Petition regarding disputes between the authorizer and the Charter School fails to acknowledge that the rights and responsibilities governing revocation are set forth in statute and regulations, and that revocation is not subject to a charter's dispute resolution provision.

Element 16 – Closure Procedures

The regulations state that the Charter School must designate a responsible entity to conduct closure-related activities. (Cal. Code Regs., tit. 5, § 11962(a).) In the Petition, however, rather than identifying the entity or the person responsible for the closure-related activity, the Petition states that the closure of the charter school will be documented by official action of the Board of Directors, and that the official action will identify an entity and person(s) responsible for closure-related activities. (p. 80). This is not adequate to comply with the requirements of the regulations and fails to adequately describe the closure procedures.

Miscellaneous Provisions

Under section 11967.5.1, subdivision (c)(3)(C), the Regulations provide, in the area of insurance, for the charter and supporting documents to adequately provide for the acquisition of and budgeting for general liability, workers compensation, and other necessary insurance of the type and in the amounts required for an enterprise of similar purpose and circumstance. The Petition provides no information about the levels of coverage or provide for the authorizer to be an additional insured under the policies. Because there is no information in the Petition to establish necessary coverage levels, the

budget does not reflect adequate information to demonstrate proper expenditures for insurance.

CONCLUSION

For the reasons stated above, Staff finds that Petitioners are demonstrably unlikely to successfully implement the program as presented in the Petition, and the Petition does not provide a reasonably comprehensive description of several essential charter elements within the meaning of Education Code sections 47605(b)(2) and (5). Accordingly, Staff recommends that the Board deny the Petition and adopt this Staff Report as its written factual findings to support the denial.

Sierra Sands Unified School District
Board Action on Ridgecrest Charter School Charter Renewal Petition

I, Joanna Rummer hereby affirm that on October 30, 2013, the Sierra Sands Unified School District Board held a public hearing regarding the Ridgecrest Charter School charter renewal petition. On November 21, 2013, the Sierra Sands Unified School District Board voted to approve (deny) [circle one] the Ridgecrest Charter School charter renewal petition by a vote of 6 ayes to 0 noes. Board members absent: None.

Joanna Rummer

Secretary of the Board of
the Sierra Sands Unified School District
of Kern County, California

YM&C
LAW OFFICES OF YOUNG, MINNEY & CORR, LLP
SACRAMENTO ▪ LOS ANGELES ▪ SAN DIEGO

DECEMBER 11, 2013

VIA: HAND DELIVERY

Julie Russell, Director
Charter Schools Division
California Department of Education
1430 N Street
Sacramento, CA 92514

Re: Response to Sierra Sands Unified School District Staff Report and Findings of Fact for Denial of the Ridgecrest Charter School Charter Renewal Petition

Dear Ms. Russell:

Our office serves as legal counsel for Ridgecrest Charter School ("RCS" or the "Charter School") in its charter renewal petition appeal to the State Board of Education ("SBE"). We are in receipt of the Sierra Sands Unified School District's ("SSUSD" or the "District") Staff Report ("staff report") on the RCS renewal charter. The purpose of this letter is to respond to the District's staff report and District Board's findings of fact for denial of the charter renewal petition, and to demonstrate that the staff report does not constitute sufficient legal grounds to deny the RCS renewal charter.

Education Code Section 47607(a)(3)(A) states: "[t]he authority that granted the charter shall consider increases in pupil academic achievement for all groups of pupils served by the charter school as the most important factor in determining whether to grant a charter renewal." (Emphasis added.) While arguably SSUSD did not have to comply with this legal requirement because it has never approved the RCS charter, the requirement does affirmatively apply to the SBE.

The Charter School has excelled academically over the past charter term, both schoolwide and in all numerically significant pupil subgroups, and it has, consequently, exceeded three different academic threshold requirements for renewal. **RCS's 2013 API growth score was 864, a 16-point growth over last year (including growth in all numerically significant pupil subgroups); its statewide ranking was a 7; and its similar schools ranking was a 10**. This year, RCS was nominated to apply to be a California Distinguished School. Academic achievement at RCS is higher than it's ever been, and will continuing growing in this positive direction. RCS Charter School has shown strong evidence for charter renewal based on *the most important factor* for renewal: increases in pupil academic achievement.

At the outset, we point out that the Education Code provides specific guidance to governing boards to approve the establishment of charter schools. Education Code Section 47605(b) states: "[i]n reviewing petitions for the establishment of charter schools … the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged." (Emphasis added.)

Education Code Section 47605(b) also provides the legal basis for the denial of a charter petition as follows:

> The governing board of the school district shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice. The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:
>
> (1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.
>
> (2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
>
> (3) The petition does not contain the number of signatures required by subdivision (a) [of Education Code Section 47605].
>
> (4) The petition does not contain an affirmation of each of the conditions described in subdivision (d) [of Education Code Section 47605].
>
> (5) The petition does not contain reasonably comprehensive descriptions of [the 16 required elements]. (Emphasis added.)

Accordingly, the law is written such that the default position is for a school district board of education to approve a charter petition, unless it makes written factual findings to support a denial.

RCS had high hopes, in going into this charter renewal, of creating a partnership with SSUSD to serve local students for the first time in 13 years. The Charter School was quite disappointed that the District eschewed this possibility by basing its staff report on impermissible reasons for denial of the charter renewal petition. The District's staff report, which formed the basis for findings for denial of the charter renewal petition by the District Board, contains findings that do not meet the legal standard for denial of a charter renewal petition. Many of the findings concern resolvable matters that the District could have more appropriately dealt with through minimal communication with the Charter School. Moreover, the findings are based on

incorrect facts, conjecture, or go beyond the requirements set forth in law, and therefore the findings constitute an impermissible basis for denial of the RCS charter.

Below, please find a summary of the District staff's findings from the staff report (in *italicized* text), in the order in which they were presented, immediately followed by the Charter School's response (in plain text). The Charter School assisted in the preparation of the following responses. Responses to the financial findings are included with the charter renewal petition appeal packet.

Demonstrably Unlikely to Successfully Implement the Program

1. Annual Goals and Actions to Achieve State Priorities: "Staff finds that the Charter School, due to a lack of adequate planning, lack of data and information, and prior history and performance, will be unlikely to successfully achieve many of its annual goals in furtherance of the above-listed state priorities, as further enumerated and described below. *State Priority #1: However, current and future staffing projections do not support the Charter School's educational program. For example, although RCS has two teachers qualified to teach special education, one of those teachers also instructs second grade regular education. Assuming the Charter School maintains a 10.2% disabled student population rate in the 2013-2014 school year (Exh. 14), with its 400-student enrollment, the Charter School would have approximately 41 special education students and students with disabilities. However, the caseload requirement for the teacher teaching special education would exceed the state mandate of 28 students. Therefore, according to current staffing, RCS does not have sufficient qualified staff to serve the entirety of this population.*
RCS Response: RCS does have two full time, credentialed special education teachers, as well as an RSP teacher. The Charter School has a full time Resource Specialist Program teacher who can service 28 students in her caseload. RCS contracts for speech and language services with an individual who can take up to 28 students in her caseload. The Charter School has set aside room in the budget to hire a Special Day Class instructor if needed, but has not yet needed to do this. RCS's second grade teacher, who one of the two teachers credentialed to teach special education, prefers right now to teach general education, which is the reason for her assignment. Nothing is improper about teacher credentialing or assignment at the Charter School. The District staff is speculating about eventualities that have been budgeted for, and which will be addressed appropriately at the appropriate time. The District's finding is speculative and not based upon accurate facts. Had the District expressed this concern to RCS, the Charter School would have gladly submitted accurate information. As written, though, the District's finding is both speculative and factually inaccurate. Accordingly, it is an impermissible reason for denial of the charter renewal petition.

State Priority #1: Though the Petition indicates that the Charter School is currently considering curriculum and funding options for the program, the Petition does not reflect any plans for hiring qualified teachers to instruct foreign language. Moreover, if visual and performing arts,

applied arts, or career technical education is being offered by the Charter School, the Petition does not indicate whether such courses are being taught by highly qualified teachers.

RCS Response: There is no legal requirement to provide foreign language courses in a middle school. This is something that that Charter School wants to do, if and when it can reasonably afford to do so. Should RCS offer foreign language courses, it affirms, again, that it will hire teachers who meet applicable credentialing requirements.

The charter renewal petition unambiguously states, in a number of places, that RCS will hire credentialed and highly qualified, or otherwise qualified, teachers. These statements apply with equal weight to all teachers, regardless of subject matter taught. The District here is raising a question which has already been answered. Accordingly, this finding contains no factual or legal basis for denial of the charter renewal petition, and is impermissible.

State Priority #2: RCS must implement the Common Core State Standards and describe how EL students will be enabled to gain academic content knowledge and English language proficiency. (p.24) However, the Petition provides no data or information describing how the Charter School will support its EL students, except to generally state that "all RCS curriculum will be designed to support ELs and other struggling student subgroups." ... No data was provided regarding the Student Oral Language Observation Matrix, which is used to measure an EL student's progress in comprehension, fluency, vocabulary, pronunciation, and grammar usage. Currently, the Charter School has an EL student population of 1%, compared to the District's 8% for grades K-8.

RCS Response: On page 29, the RCS charter renewal petition describes the strategies used for English Learner instruction and intervention. These strategies include utilizing Specially Designed Academic Instruction in English ("SDAIE") techniques and hiring Crosscultural, Language, and Academic Development ("CLAD") (or any California Commission on Teacher Credentialing ("CCTC") equivalent) certified teachers, among others.

There is no legal or District requirement to provide Student Oral Language Observation Matrix data, but the Charter School would have done so gladly, had District staff asked to see it.

The District's finding discounts specific charter language that addresses the alleged deficiency; as such, the finding is an impermissible basis upon which to deny the charter renewal petition because it contains inaccurate facts.

State Priority #2: Thus, the lack of planning and data calls into question the Charter School's ability to adequately serve its current English learners and to accommodate an EL student population similar in size to the District's EL demographic as required by Education Code section 47605 (b)(5)(g) [sic.]. *As explained further below, RCS provided no data to demonstrate compliance with the obligation to serve a student population reflective of the general population residing within the District's boundaries. Information available on CDE's website demonstrates the school does not serve a racial and ethnic balance of students comparable to the District's demographic. Moreover, the Petition does not commit to meeting this requirement. Instead it*

states it will "strive" to meet the requirement which is inconsistent with law.

RCS Response: The District has misinterpreted the legal requirement contained in Education Code Section 47605(b)(5)(G) in several important ways.

First, Section 47605(b)(5)(G) requires a comparison of the Charter School's student population to the general population residing within the territorial jurisdiction of the District. The general population does not mean the District's student population. It means adults and children who reside in the District's boundaries. Census data does not measure "English Learners" in the general population.

Second, Section 47605(b)(5)(G) requires a comparison of racial and ethnic balance. English Learners are not a racial group. English Learners are not an ethnicity. Even if Section 47605(b)(5)(G) called for a comparison of RCS students to District students, such comparison would not necessarily include English Learners.

Third, Section 47605(b)(5)(G) requires that charter petitions contain a reasonably comprehensive description of the means by which the Charter School will achieve a racial and ethnic balance reflective of the general population in the District. There is no legal requirement that RCS's student population reflect that of the general population in the District. In fact, there are a number of laws that prohibit charter schools from discriminating in admissions, even for purposes of affirmative action, including the Charter Schools Act and the California Constitution. RCS has affirmed in the charter renewal petition that it will comply with these laws, and it is, in practice complied.

It is difficult to interpret what the District's actual finding for denial is here. However, it is clear that the finding is an impermissible basis for denial of the charter renewal petition because the District has misinterpreted the legal requirement upon which it makes the finding.

State Priority #4: The Petition indicates that all students will become proficient in English, math, science, and social science, as measured by all of the following: statewide assessments, API, University of California/California State University entrance requirements, percentage of ELs who make progress toward English language proficiency as measured by the CELDT, and EL reclassification rate. (p. 25) The Petition also states that the Charter School will develop curriculum maps designed to support EL students and struggling students. Additionally, to achieve this state priority, the Petition states that 90% of EL students will make progress toward EL proficiency as measured by the CELDT and that 75% of EL students will be reclassified as measured by the CELDT. (p. 38) However, the Petition provides no data in prior years to indicate that adequate EL instruction is being implemented and that such students are achieving success at the level expected by the Charter School. The lack of information calls into question the Charter School's likelihood in achieving its goals regarding this state priority in the future, especially in light of the fact that the Charter School has not provided, and the Petition does not currently provide, any curriculum maps, lesson plans, or instructional materials to support EL instruction or program implementation.

RCS Response: The first statement in the District's finding is factually inaccurate. The RCS

charter on page 25 restates the legal language of State Priority #4. It does not indicate specific measures of proficiency.

The crux of the finding appears to be that because the RCS charter does not contain prior years' data regarding EL instruction and achievement, the stated goals are somehow faulty.

The District's logic belies a lack of understanding of the process of setting goals, especially under a new state-mandated scheme. Due to mid-year changes to the Education Code by the Local Control Funding Formula ("LCFF"), the Charter School was required to describe its annual goals and actions in the new state priorities, as well as to align its outcomes to the state priorities, all before the SBE has approved a format for the Local Control Accountability Plan ("LCAP"). RCS met this new legal requirement.

The new legal requirement is silent on the usage of past data in setting goals, actions, and outcomes. Nevertheless, RCS did take into account the past performance of its students when setting its outcomes. However, there is no legal or District requirement to do so. Indeed, a proposed new charter school, which has to follow the same law as RCS, has no past data to rely on. As such, there could not be a requirement to do so.

Had SSUSD requested data on the past achievement of RCS EL students, the Charter School would have gladly provided it. This finding has no basis in fact or law, and, accordingly, is an impermissible basis for denial of the charter renewal petition.

State Priority #4: However, the Charter School's plan to improve pupil achievement appears inadequate to address this failure. (Exh. 3) For example, the Petition vaguely states that the Charter School will implement "standards based and aligned curriculum." This is inadequate to evaluate whether there is a plan for improvement or to later determine if the Charter School has met the promised pupil outcomes. Additionally, regular benchmark assessments will be given at least three times per year, but the Petition does not further describe the type of assessments to be used. Also, the Petition states that the Charter School will provide "extensive student support structures (remediation courses, tutoring, differentiated instruction)" without describing exactly how the Charter School will provide these services or providing any evidence that it has done so successfully in the past. The Petition also states that the Charter School will use Standardized Testing and Reporting ("STAR") and California Standards Test ("CST") testing to measure pupil progress, despite the fact that these assessments will no longer be valid going forward. These deficiencies call into question the Charter School's ability to adequately meet its goal that all students will become proficient in core subject areas and renders the goal of meeting AYP in all criteria and for all subgroups inapplicable.

RCS Response: The District here sets forth a laundry list of complaints, none of which are permissible bases for denial of the charter renewal petition.

The RCS charter contains a discussion of its curriculum on page 20; there is plenty of information here for the District to evaluate (indeed, the District found this section of the charter to be reasonably comprehensive). The Charter School is fastidious in the use of benchmark assessments. It did not list the specific assessments in the charter, because they may need to

change with the implementation of the Common Core State Standards ("CCSS") and Smarter Balanced Assessment Consortium ("SBAC") tests. Some past examples of benchmark assessments include: assessments that come from curriculum series, including, but not limited to, Houghton Mifflin, Glencoe McGraw Hill, and Renaissance Place Accelerated Math and Reader; and RCS has designed Response to Intervention benchmarks for students who have Student Success Team plans. Students with disabilities also take individually designed benchmark assessments. RCS describes its supports for academically low-achieving students on pages 26 and 27. Finally, the District criticizes the Charter School's mention of STAR and CST reports, but does not mention the fact that the renewal charter was submitted prior to the passage of SB 484, which eliminated these tests.

Because this finding contains inaccurate facts, it is an impermissible basis for denial of the charter renewal petition.

State Priority #4: The Petition also states that the Charter School will meet its targeted API growth rate and indicates that RCS used the online API calculator to disaggregate the data to make an "apples to apples" comparison with District schools. (p. 11) However, a meaningful comparison cannot be properly made until RCS compares its scores to the scores from District schools disaggregated by pupil subgroup. Without providing adequately disaggregated data, the District cannot make a meaningful assessment of the Charter School's likelihood of success in academic performance. It has been our experience that students promoting from RCS to District schools have a lower average GPA than District students.

RCS Response: The District here misunderstands the Charter School's plain statement. On page 11, the charter states: "The API above is a great comparison; however, it is not an 'apples to apples' comparison. Using the online API calculator, we have disaggregated the data to compare our elementary scores to the district elementary scores as well as our middle school scores." (Emphasis added.) RCS was simply stating that it disaggregated its own data to compare its elementary students' scores with the District's elementary schools, and its middle school students' scores with the District's middle schools.

The Charter School would be glad to compare its data, disaggregated by pupil subgroup, to the District's data, disaggregated in the same manner.

Finally, the District cites to unattributed, anecdotal "evidence" regarding the grade point average of RCS students. Surely, the District knows that GPA is not necessarily a reliable comparison between institutions that grade student work differently.

This finding contains misunderstandings, baseless statements, and inappropriate comparisons. As such, it is not a factual finding and cannot be a basis for denial of the charter renewal petition.

State Priority #5: The Petition indicates that RCS will make pupil engagement a priority, as measured by attendance rates, absenteeism rates, and dropout rates, and promises that "students [will] attend school regularly, consistently, and on time." (p.25) However, the Charter School fails to describe a specific plan or action to achieve this goal. Rather, the Charter

School's proposed plan of action is vaguely stated, such as "social-emotional learning in all courses; Individualized Learning Plans' Extensive support structures, including early intervention plans; and Extensive community building via orientation, and morning meeting." This is concerning in light of the fact that in the 2011-2012 school year, three students at RCS in grades 7-8 were listed as dropping out. Additionally the goal does not provide an objectively measureable outcome.

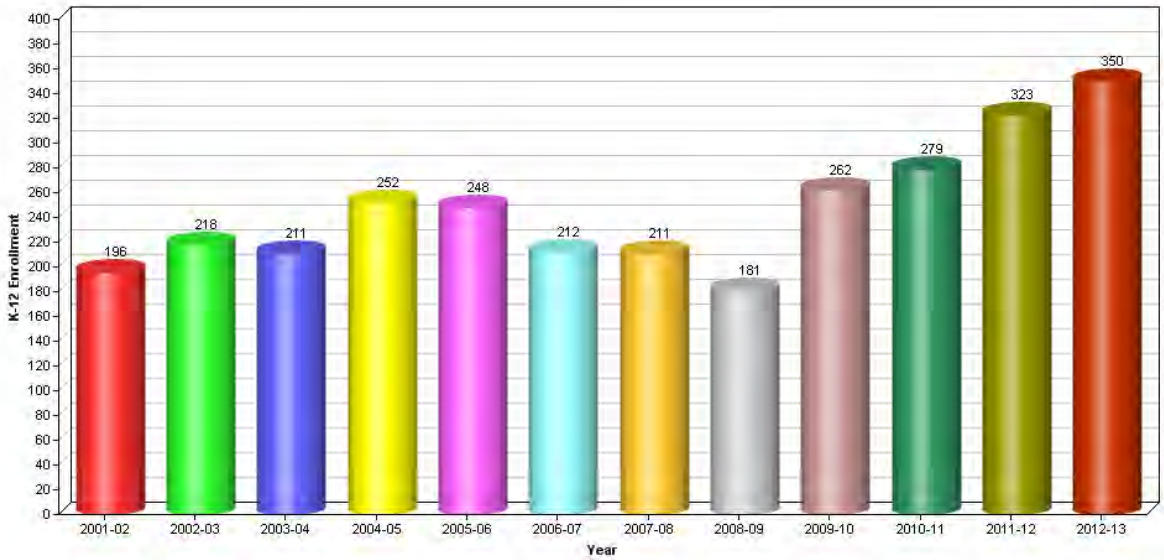
RCS Response: The State of California has made pupil engagement a priority, state-wide, for all public schools. In creating goals and actions in this state priority, RCS was following newly applicable legal requirements. Because this is a new priority, and because the Charter School, like all public schools in California, will both report on pupil engagement annually and update its actions in that state priority annually through its LCAP, the goals and actions included in the charter renewal petition contain the baseline for evaluation through the LCAP. Perhaps the District misunderstands the legal requirement. On page 39 of the charter, RCS provided 4 separate, objectively measurable outcomes to meet its stated goal in this priority.

The District's finding is without factual basis, and it draws inaccurate legal interpretations; as such, it is an impermissible basis for denial of the charter renewal petition.

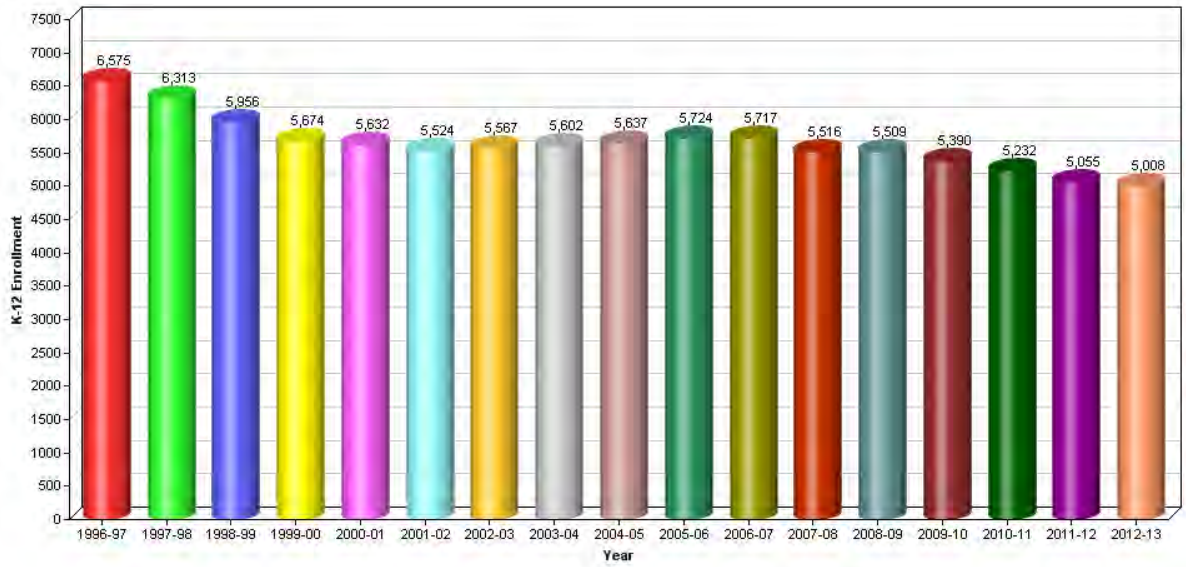
<u>State Priority #5</u>: The Petition also states that RCS seeks to "provide targeted instruction and support services to accelerate growth among students under-prepared for high school success, and (as a consequence) prepare them for college." (p. 16) However, it appears that RCS has shown some difficulty retaining and promoting students who enroll in its program:

- *In 2001-02, RCS enrolled 18 in grade K and had 22 in grade 8 in 2009-10 (Increase of 18%)*
- *In 2002-03, RCS enrolled 35 in K and had 19 in grade 8 in 2010-11 (Loss of 45%)*
- *In 2003-04, RCS enrolled 36 in grade K and had 25 in grade 8 in 2011-12 (Loss of 30%)*
- *In 2004-05, RCS enrolled 40 in grade K and had 23 in grade 8 in 2012-13 (Loss of 42%)*
- *In 2005-06, RCS enrolled 28 in grade K and had 26 in grade 8 in 2013-14 (Loss of 7%)*

RCS Response: The Charter School acknowledges that it has lost a few students over time. Anecdotally, RCS reports that it loses students due to families moving, and middle school students desiring a comprehensive athletics program, which RCS cannot offer at this point. The two charts below compare the Charter School's overall retention to that of the District; over the same period of time, SSUSD has lost over 500 students.



SSUSD Retention



The District's finding is without factual basis, and it draws inaccurate legal interpretations; as such, it is an impermissible basis for denial of the charter renewal petition.

<u>State Priority #5</u>: Additionally, the Petition indicates that "students transferring to RCS are students who are below grade level and failing at the District. Students who are excelling do not transfer schools." (Exh. 3) However, mobility rate data indicates that RCS has a higher mobility rate than the District, which reflects that a greater percentage of students are transitioning from

RCS than from the District. Mobility data as reported on STAR indicates that RCS has mobility rates of 89%, 91% and 92% from 2010 to 2013, while the District has a rate of 95% for these same years.
RCS Response: Measuring the mobility rate of a population of approximately 5,000 students against one of approximately 400 students does not produce a statistically significant, or reasonable comparison. As above, the District has lost a higher percentage of students than RCS has during the period of time the Charter School has been in operation. The District's finding is an impermissible basis for denial of the charter renewal petition.

State Priority #7: The Petition states that RCS will focus on pupil access to and enrollment in a broad course of study, including programs and services developed and provided to unduplicated students and students with exceptional needs. ... Aside from the core academic subjects, the Petition provides no evidence that students have access to or are enrolled in a broad course of study in grades 7-8. For example, the Petition promises a second language program and states that students will work with the fundamentals of language structure, pronunciations, grammar, vocabulary, idioms and phrases in Spanish to develop competency in oral and written Spanish, and will work with Spanish texts to develop an understanding and appreciation of various Spanish-speaking cultures. (p. 22) However, the Petition fails to identify or describe any instructional materials, textbooks, course mapping, lesson plans, budget allocation, or professional development activities to indicate that foreign language courses are currently being implemented or being planned for the future.
RCS Response: The District's finding here exclusively takes issue with a perceived lack of description of instructional materials, etc., for a foreign language course. RCS has been operating since 2001. It has an extensive array of instructional materials on all courses, at all grade levels. The District did not seem concerned about reviewing similar materials for all core subjects. The Charter School would have gladly provided instructional materials, etc., for its planned foreign language course offerings. There is no legal basis for the District's finding; accordingly, it is an impermissible basis for denial of the charter renewal petition.

State Priority #7: Additionally, the Charter School's course offerings do not include any visual and performing arts, applied arts, or career technical education courses in grades 6-8. (p. 21-22) While an art history textbook is identified in the Instructional Materials List (Exh. 7), the Petition fails to identify or describe other critical elements for this course of study, such as curriculum maps, budget allocation, and staff development activities, to indicate that this course is being taught or will be taught in the future. If this course is part of the Academic Intervention Model, it is not stated as such and would not be considered a foundational course.
RCS Response: RCS notes that it is the Charter School's goal to offer courses in the other areas defined in the State Priority #7. By definition, the State Priorities are not mandatory requirements. The 2013-14 school year is the first year RCS has offered electives. In the past, the middle school model included self-contained classrooms, with a block schedule and 3

teachers. This year, the Charter School is offering a 7-period day with 4 teachers. As the middle school population increases, RCS will add additional staff, and the first priority is to add Career Technical Education classes. Regarding budget allocation, this will be a staffed position and it has been built into the multi-year plan. The overall increase to 22 teachers during the next charter term will accommodate class cohorts moving up into middle school grades.

Accordingly, there is no factual basis for the District's finding, and it is an impermissible basis for denial of the charter renewal petition.

State Priority #7: The Petition indicates that the Charter School will offer new classes in the 2013-2014 school year, including Life Skills, Current Events, Study Skills, and Art History. (p. 22; Exh. 3) However, the Petition again provides no curriculum maps or lesson plans that further describe any of these courses. If these courses are part of the Academic Intervention Model, they are not stated as such and would not be considered foundational courses.

RCS Response: The District, again, has made a finding regarding RCS not submitting curriculum maps for courses. There is no legal requirement for the Charter School to have done this; nevertheless, RCS would have gladly provided this information to the District, had it so requested. Accordingly, there is no legal basis for this finding, and it is an impermissible basis for denial of the charter renewal petition.

State Priority #8: The Petition states that RCS will achieve pupil outcomes in the subject areas identified in State Priority #7. (Exh. 3) However, all of the measurable outcomes and methods of measurement, whether through STAR testing, Common Core assessments, benchmark assessments, or a passing grade of C or above in the relevant course, apply only to English, reading, mathematics, science, and social science. The Petition provides no indication of any measurable outcomes for any of the other courses of study listed in State Priority #7 or the additional courses that the Charter School seeks to implement.

RCS Response: The District has again misunderstood the new state priorities. Priority #8 calls for pupil outcomes in the subject areas described in Priority #7, if available. There is no legal requirement for any public school to develop any annual goals, actions, and outcomes for Priority #8. RCS exceeded the legal requirement by including goals, actions, and outcomes for all core subjects. See charter page 41.

Accordingly, there is no factual or legal foundation for the District's finding, and it is an impermissible basis for denial of the charter renewal petition.

2. Special Education: Staff finds that Petitioners are unlikely to successfully implement its special education program. The Petition indicates that the Charter School currently has an enrollment of 400 students but provides no information regarding the number or percentage of special education students or students with disabilities for the 2013-2014 school year, or the nature and type of disabilities that they have, which is critical in determining which specific services to provide. (p. 16) The Charter School has also not demonstrated that it is adequately staffed to serve needs of its special education and students with disabilities population.

RCS Response: See first response to the District's finding on State Priority #1, above.

2. Special Education: Additionally, the Petition's budgetary documents reflect inconsistent staffing projections for the special education program. The Multi-Year Strategic Fiscal Plan states, "Beginning in 2013-14 the special education teaching staff assignment is 2.0 FTE (full-time equivalent), an increase of 1.0 FTW from 2012-2013…These increases are based upon enrollment growth plus a projected need for additional services." (Exh. 21, Multi-Year Strategic Fiscal Plan, p. 20). However, the teacher credentials for the staff identified by the Charter School reflect that RCS has two special education credentialed teachers, one of whom is assigned to teach second grade.
RCS Response: Again, RCS has budgeted for 2 FTE special education teachers, in case the need arises to hire a full time special day teacher. To date, the Charter School has not needed to do this. However, RCS wants to make certain that should a Special Day Class student seek admission to the Charter School, RCS is capable of providing the services required for this student. As the District pointed out, the RCS budget states that the increases are based on a projected need. Accordingly, there is no factual basis for the District's finding, and it is an impermissible basis for denial of the charter renewal petition.

2. Special Education: The demographic data also reflects that the Charter School is serving fewer disabled students, rather than moving toward a population of disabled students that is comparable to that of the District. Currently, the District has a students with disabilities population of 13%. Despite the fact that in the 2011-2012 school year, the Charter School had approximately 33 students with disabilities out of an enrollment of 323 students, in the 2012-2013 school year, according to the School Quality Snapshot Report, the Charter School had a special education and students with disabilities population of 7% schoolwide, which, out of and enrollment of 350 students, would equate to approximately 24.5 students. (Exh. 4). Thus, in the 2012-2013 school year, the Charter School experienced a loss of 8 students in this critical pupil subgroup, even though total enrollment increased by 27 students.
RCS Response: There is no legal requirement that the students with disabilities population of a charter school must match that of the school district in which it is located. At RCS, a substantial percentage of the special education population are speech only students, and the goal of their IEPs is to exit those students from special education after they have attained their goals. As such, the decrease in the population is something to celebrate: the students are gaining the skills they need, and are returned to general education. As such, there is no foundation for the District's finding here, and it is an impermissible basis for denial of the charter renewal petition.

2. Special Education: Even assuming that the Charter School is comparable with the District in special education enrollment and type of disability, the Charter School is responsible for providing a full continuum of services to students with disabilities. A full continuum of services as required by law would include the least restrictive environment, resource specialist program

("RSP") services within the general education classroom, special day class for students who require a more restrictive environment, home hospital instruction, and non-public school program. However, the Petition provides no evidence of such a continuum of services provided for RCS students.

RCS Response: The RCS charter renewal petition contains approximately 5 pages of description of how the Charter School serves students with disabilities. The Charter School has been its own LEA for purposes of special education for 13 years, and remains a member in good standing of the Kern County Consortium SELPA, serving its students in full compliance with law for that time. If the District had requested additional information on how RCS serves special education students, the Charter School would have gladly provided it. Currently, the special education teacher provides RSP and services in general education classes. RCS has 5 paraprofessionals, 2 of whom are 1:1 aides for students with disabilities. Again, the Charter School is prepared for a special day class student, because it has budgeted for this position.

As it stands, the information contained in the charter renewal petition is reasonably comprehensive, as acknowledged by the District, and therefore there is no factual foundation for this finding, and it is an impermissible basis for denial of the charter renewal petition.

<u>3. Day Care</u>: The Petition states that "a goal during this fourth charter term will be to expand the program to include before and after school day care" (p. 7). Much like the Charter School's promise to offer extended school year services, the Petition does not provide any description or evidence to support its plan to offer a day care program, including staffing projections and funding allocation. Accordingly, Petitioners are demonstrably unlikely to successfully implement its proposed day care program.

RCS Response: The District here concludes that because RCS did not submit a detailed plan for before and after school day care, it is therefore demonstrably unlikely to successfully implement this program. This logic is tenuous at best. On a daily basis, charter schools statewide implement highly successful programmatic components that are not described in detail in their charter petitions. RCS has operated a charter school that has taken off, in terms of pupil academic achievement, over the past charter term. RCS will apply this rigor to all new programs it implements, including before and after school day care. The Charter School would like to expand to offer before and after school care, should the State make funding available for start up programs (currently, it is RCS's understanding that funding is only available for existing programs). Further, the Charter School will operate before and after school day care in a manner consistent with the pupil fee provisions of law and restrictions on its corporate status.

The District's finding here is merely a speculative conclusion. Therefore, it is an impermissible basis for denial of the charter renewal petition.

<u>4. Response to Educational Reform</u>: The Petitions lacks a systematic approach for RCS to respond and transition to the significant educational reform measures facing education in the coming years. The Petition provides no evidence to reflect that RCS will be ready to successfully transition to the Local Control Funding Formula ("LCFF") from the prior funding method and

the accountability measures required in the Local Control Accountability Plan ("LCAP"). Additionally, the Petition provides no evidence to reflect plans to transition from Standardized Testing and Reporting ("STAR") and the California Standards Test ("CST"), which will no longer constitute valid assessment going forward, to the Smarter Balanced Assessment Consortium ("SBAC") and the Common Core State Standards. While RCS may be implementing some strategies, the Petition does not reflect a strategic plan to demonstrate how these critical transitions will take place.

RCS Response: The District's finding here assumes that RCS will fail at a new system, whose rules have yet to be drafted. The District has no factual basis whatsoever for its finding, only speculation. Therefore, it is an impermissible basis for denial of the charter renewal petition.

No public school can possibly plan for the new LCFF funding model with 100% accuracy, because the CDE has not finalized all funding mechanisms associated with it. The RCS charter contains pages and pages of responses to implementing the LCAP. It is impossible to discuss the transition to SBAC assessments, because the CDE has not finalized the testing mechanisms. Even the District itself cannot do this.

4. Response to Educational Reform: Although the Petition indicates that RCS is transitioning to the Common Core by bridging some instructional materials and benchmarks assessments, such transitioning appears inadequate given the extensive nature of the change to the state's educational standards. … In light of the fact that the transition to the Common Core will encompass the use of technology not only in the classroom but also for statewide testing, the Charter School's plan to prepare for the transition to the Common Core is inadequate.

RCS Response: The District's finding here is pure speculation, by its own admission ("appears inadequate"). RCS is extremely well-poised to transition to the Common Core State Standards ("CCSS") next fall, the District's cursory review notwithstanding.

The Charter School has purchased all available curricular bridge materials for all grade levels for all students. Additionally, RCS has 4 teachers serving as Common Core Transition Program Administrators who lead professional development bi-weekly, as the Charter School evaluates new curriculum, compares existing materials to identify gaps during the bridging process, and creates templates and a plan for full implementation of CCSS in 2014-15. RCS staff have attended several State-sponsored CCSS workshops and the Charter School is following the State's suggested CCSS implementation timeline. All 19 of RCS's teachers received a CCSS instructional classroom upgrade during the past summer, which included amplification systems, document cameras, new laptops, projectors and training on the equipment. The Charter School currently has a computer lab with 28 computers, as well as an average of 3 computers in each classroom. RCS's CCSS Team is currently researching the best technology upgrade options available to determine whether mobile laptops carts, additional classroom computers or individual computers are best for students as the Charter School transitions to CCSS.

Because the District's finding is merely speculative, it is an impermissible basis for denial of the charter renewal petition.

4. Response to Educational Reform: Additionally, aside from an excerpt copied from the Ed-Data website, the Petition makes no mention of the LCAP, which requires the Charter School to be accountable for monies provided based on the LCFF. This omission is significant as the LCAP reflects that funding will be expended based upon the school's plan to improve student performance. The Petition must reflect an understanding of the requirements of LCFF, including the development of an LCAP.

RCS Response: When the LCFF became law on July 1, 2013, it made immediate changes to the sections of the Charter Schools Act that govern the contents of charter petition. RCS provided pages and pages of responses to those new requirements. The District's finding here has no basis in law, and is therefore an impermissible basis for denial of the charter renewal petition.

5. Second Language Program: Although a full curriculum driven second language program was one of the key elements of the Charter School's original petition, RCS has yet to implement the program after nearly 15 years of operation. In the instant renewal petition, RCS indicates that it seeks to implement the program over the renewal term beginning the 2014-2015 school year and is "currently considering curriculum and funding options for the program." (p. 22) However, RCS provides no evidence or documentation supporting its plan to implement the second language program.

RCS Response: Charter petitions are living documents, which must be revised at least every five years. If this were not the case, charter terms could be indefinite. Consequently, charter schools state-wide revise the content of their charters on a relatively frequent basis, making changes to keep up with new laws, and revising the educational program as necessary to respond to the needs of their unique, changing student populations. RCS does not deny that it intended to offer a second language program previously. One of the primary reasons that the Charter School has not yet begun the second language program is that RCS believes that core academic subjects are fundamental to student success. This belief prompted RCS to create the Academic Intervention Model, RTi and its GATE program, before to creating the second language class. Foreign language remains a goal as RCS believes students would benefit from an Introductory Foreign Language Class; however, because it is not a requirement for students in middle school and the Charter School's priority is increases in pupil academic achievement, RCS will continue working on this goal. However, adherence to a prior charter is not a permissible basis for denial of the instant charter renewal petition.

6. English Learner Students: The Petition states that the use of achievement data will drive the instruction and professional development as it relates to English Learners, that RCS is committed to training teachers in EL strategies, and that teachers will be trained to use Specially Designed Academic Instruction in English ("SDAIE") techniques to meet the needs of English Learners. (p.28-29) However, no training for SDAIE or for any EL teaching strategies are identified among the list of activities in the Charter School's professional development plan (Exh. 11) Furthermore, the Petition provides no evidence regarding how RCS is meeting the needs of its EL students, or any evidence of improved student achievement in the Charter School's EL population. Without adequate data or evidence reflecting EL academic achievement, the Petition does not reflect that the Charter School can successfully implement the

ELD component of its educational program going forward.
RCS Response: RCS professional development supports new teachers, through induction, as part of the Beginning Teacher Support and Assessment ("BTSA") program, which includes an EL Strand that provides training on ELD and ELA standards and articulation. Teachers regularly use SDAIE and EL teaching strategies as part of their daily classroom instruction. Teachers receive specific training in areas such as, utilizing supplemental materials in the form of graphics or models, integrating meaningful language interaction opportunities to support language development, scaffolding content (metacognitive strategies, mnemonics), and establishing productive grouping structures all of which are SDAIE and EL teaching strategies. The Charter School would have gladly provided data regarding EL student academic achievement, had the District requested this information. The District's finding lacks a factual basis, and is therefore an impermissible basis for denial of the charter renewal petition.

Not Reasonably Comprehensive

<u>Element 1 – Educational Program; Second Language Program</u>: Although a full curriculum driven second language program was one of the key elements of the Charter School's original petition, RCS has yet to implement the program.
RCS Response: See response above to 5. Second Language Program.

<u>Element 1 – Educational Program; English Learners</u>: The Petition's description of the Charter School's plan to support and serve its EL students is inadequate.
RCS Response: See responses above to State Priority #2, and 6. English Learner Students.

<u>Element 1 – Educational Program; Other Courses</u>: As described above, the Petition also fails to identify or describe such critical elements as curriculum maps, budget allocation, staff development activities, or measurable pupil outcomes for the Charter School's new courses, including Life Skills, Current Events, Study Skills, Art History, and Physical Education.
RCS Response: Please see responses to State Priority #7.

<u>Element 2 & 3 – Measurable Pupil Outcomes/Methods of Assessment; Core Subjects and Courses</u>: Although STAR testing and the CST will no longer constitute valid assessments going forward, a significant portion of the Charter School's measurable outcomes in core academic subjects are tied to achievement and/or improvement on STAR testing or the CST examinations.
RCS Response: As above, RCS cannot create accurate measurable pupil outcomes and methods of assessment for a testing format that has yet to be implemented, and will not finally be implemented for another two years. In creating outcomes based upon the current assessment format, RCS's plan is to interpret those outcomes in such a way that they track to the new SBAC

assessments. As an example, the state-wide goal for an API score is 800. RCS has exceeded this goal, and plans to continue growing in this measure. Assuming that a new state-wide goal for the SBAC is set, RCS will interpret its goal in a way that is proportional to the new state-wide goal.

The District's finding here faults the Charter School for something over which it has no control. The District, furthermore, provided no factual support that the Charter School's outcomes have no relevance to the SBAC assessments. Accordingly, this finding is an impermissible basis for denial of the charter renewal petition.

Element 2 & 3 – Measurable Pupil Outcomes/Methods of Assessment; Core Subjects and Courses: While the Petition ties some measurable outcomes to performance on internal RCS assessments, the Petition fails to provide an adequate description of these assessments. For example, the Petition indicates that students will earn a grade of C or higher in core subject courses, and will show growth on their internal benchmarks, without providing any description as to the grading criteria or the internal benchmark assessments themselves. Thus, the Petition fails to provide an adequate description of measurable outcomes and assessing those outcomes that are unrelated to the STAR and the CST.

RCS Response: See response to State Priority #4 regarding benchmark tests. RCS's grading criteria is contained on page 6 of its Student Handbook, which is attached to the charter renewal petition as Appendix 5.

The District's factual statements, therefore, are incorrect, rendering them impermissible bases for denial of the charter renewal petition.

Element 2 & 3 – Measurable Pupil Outcomes/Methods of Assessment; Core Subjects and Courses: The Petition also does not provide measurable pupil outcomes or adequate methods of assessment for each and every aspect of the Charter School's educational program. For example, RCS intends to provide a physical education course for grades 6-8 commencing the 2013-2014 school year. However, the Petition fails to identify and describe measurable pupil outcomes centered on student physical fitness. Additionally, RCS seeks to introduce courses entitled Study Skills, Life Skills, Current Events, and Art History. Again, the Petition fails to provide measurable outcomes to assess student achievement in these classes.

RCS Response: There is no legal requirement, especially in light of the new LCFF charter requirements (see state priority #8), for charter schools to include measurable pupil outcomes for all core and noncore subject areas. Accordingly, this finding is an impermissible basis for denial of the charter renewal petition.

Element 2 & 3 – Measurable Pupil Outcomes/Methods of Assessment; Outcomes Inadequately Supporting State Priorities: The measurable outcomes indicated in the Charter School's Student Achievement Plan also do not accurately support state priorities. For example, according to the Student Achievement Plan, to satisfy State Priority #7, the Charter School must enroll 100% of students in a broad course of study as an annual goal. (p. 40) To achieve that goal, the Petition

indicates that the Charter School will take such actions as implementing "extensive support systems (tutoring, remedial course, RTi, etc.)" and "comprehensive career and college focus 6-8." However, extensive support systems and comprehensive career and college focus are not substitutes for courses constituting "broad course of study," which are defined by the Petition as courses in foreign language, visual and performing arts, applied arts, and career technical education.

RCS Response: RCS's stated annual action associated with State Priority #7 is to provide extensive support systems toward the end of ensuring that all students are enrolled in a broad course of study. This action is related to the goal, as it shows that the Charter School will conscientiously work with all students to ensure they are enabled to, and do, enroll in a broad course of study.

Accordingly, the District's finding is without factual merit and is therefore an impermissible basis for denial of the charter renewal petition.

Element 4 – Governance: Based on the following findings, staff concludes the Petition does not adequately describe the Charter School's governance structure. The Budget indicates that RCS will be hiring a part-time Assistant Executive Director in 2013-2014, who will become a full-time employee in future years, and that the Executive Director's salary will be reduced by approximately 12%. Accordingly, it appears that some of the duties that were previously performed by the Executive Director have been transferred to the Assistant Executive Director. (p. 49) Additionally, the Petition indicates that the position of Chief Operations Officer will expire and a new position of Business Manager will be implemented in November of 2013. (p. 50) These modifications suggest a substantial change in administration of RCS. However, the Petition does not describe how this change will affect the Charter School's operations, or how the leadership of the Charter School will remain as successful as in previous years.

RCS Response: The District here overstates the impact of RCS's administrative re-organization. The governance structure element of the charter is not legally required to describe the administrative leadership structure of the school, although many charters do this. The administrative re-organization of the Charter School will not impact its governance, per se. That is, the RCS Board still has the same powers and authority that it has always held.

RCS is modifying its administrative structure due to growing enrollment and the coming retirement of the current Chief Operations Officer. As of today, RCS has an Executive Director who has been with the Charter School since 2007, a Business Manager (formerly the Chief Operations Officer) who has been with the Charter School since 2001 and a new Assistant Director who has been with the Charter School for nearly 3 years. RCS feels that this administrative structure will best serve the needs of its students and families.

Accordingly, this finding does not have a basis in fact and is, therefore, an impermissible basis for denial of the charter renewal petition.

Element 4 – Governance: The governance section is also inadequately described as the Charter

School did not provide evidence that it is a non-profit public benefit corporation in good standing. The Petition was also submitted without its policies and therefore the Petitioner has not demonstrated that its policies governing employment, students, and governance are appropriate and legally compliant.
RCS Response: The District's finding here is completely inaccurate. RCS's employment handbook was attached to the charter as Appendix 16. RCS's student handbook was attached to the charter as Appendix 15, and its Health and Safety Policies and Procedures were attached as Appendix 18. Finally, RCS's Articles of Incorporation, Bylaws, and conflict of interest code were attached as Appendix 15. Perhaps the District neglected to review these appendices before making its finding. Because this finding is totally untrue, it is an impermissible basis for denial of the charter renewal petition.

<u>Element 4 – Governance</u>: The governance section also indicates that parents will be "strongly encouraged to donate at least four (4) hours of service monthly per family." This policy may serve as a barrier to enrollment and interfere with RCS's ability to enroll a demographic consistent with the demographic of the District as required by Education Code section 47605, subd. (b)(5)(G).
RCS Response: The District's finding here is entirely speculative, and represents an argument that has been fundamentally refuted by charter schools around the state. RCS contends that race, ethnicity, and socioeconomic status are not the sole determiners of volunteerism. The District's finding is without factual support, and, as such, it is an impermissible basis for denial of the charter renewal petition.

<u>Element 5 – Employee Qualifications; Business Manager</u>: Although the Petition indicates that the position requires a Bachelor of Arts degree, the Petition does not indicate in which field the B.A. must be earned. Moreover, according to the job description, finance or business experience is not required for the position, despite the fact that the Business Manager will be responsible for operations and business services. In addition to the fact that this deficiency calls into question the Charter School's ability to manage its financial operations, the job description for Business Manager is inadequately described.
RCS Response: The responsibilities of the Business Manager are to oversee a checks and balances system, daily operations, and personnel oversight. The Business Manager also works as part of the Facilities Ad-Hoc committee and handles State and Federal Compliance reporting. The majority of financial operations and oversight are done by RCS's back office services provider, Vogel and Associates, and the Charter School's Governing Board. Over the Charter School's entire history of operation, there has been no audit deficiency or exception, and all audits reveal that internal controls are sound. There is no legal requirement that charter petitions contain <u>job descriptions</u> for various positions, so RCS was going beyond legal requirements in doing so.

The District's finding is without factual support, and, as such, it is an impermissible basis for denial of the charter renewal petition.

Element 5 – Employee Qualifications; Additional Course Offerings: The schedule of courses for grades 6-8 do not include visual and performing arts, applied arts, career technical education, and foreign language courses, as required in State Priority #7. If the Charter School intends to offer these courses, the Petition must adequately describe the job description, experience required, and qualifications necessary, including any and all credentialing requirements, for teachers to instruct these classes.

RCS Response: See response to State Priority #1 regarding teacher credential requirements. The District has misinterpreted the legal requirements for Element 5, which is simply to state the employment qualifications for key categories of employees to be hired. RCS has done this in a reasonably comprehensive manner.

The District's finding is without factual support, and, as such, it is an impermissible basis for denial of the charter renewal petition.

Element 6 – Procedures to Ensure Health and Safety: The Petition states that RCS uses a triage system for problems which occur that need immediate attention and resolution and that the custodian performs an early morning inspection to identify problems and reports them. (Exh. 14) However, the procedure does not indicate to whom the report is made, how the problem is fixed, or who fixes the problem. The lack of adequate description regarding the Charter School's response to problems requiring immediate attention may constitute a potential health and safety hazard.

RCS Response: Education Code Section 47605(b)(5) requires charter petitions to contain a reasonably comprehensive description of the 16 required elements. A detailed, step-by-step description of how a custodian decides which project to tackle first on a given day far exceeds what is reasonably comprehensive. The District's finding has no legal basis, and is, as such, an impermissible basis for denial of the charter renewal petition.

Element 7 – Racial and Ethnic Balance: The Petition states that "RCS will strive" to meet the racial and ethnic balance requirement. (p.114.) However, Petitioners must meet this requirement and "striving" to do so is inadequate. As the data reflects, RCS has not met this requirement in its years of operation and the Petition fails to indentify how it will remedy the deficiency.

RCS Response: See response to State Priority #2.

Element 7 – Racial and Ethnic Balance: The Petition states that RCS engages in outreach efforts and makes presentations via neighborhood groups, community organizations, churches, other leadership organizations, and local preschools. The Petition also states that RCS posts flyers in neighborhoods, distributes flyers at local grocery stores, and/or make TV/radio public service announcements targeted towards diverse population and in various languages to achieve a

racially and ethnically diverse student population. (p. 56; Exh. 19) Thus far, there is no evidence that the outreach effort as described in the Petition has been implemented by the Charter School. Accordingly, the Charter School's outreach plan requires additional description and specific information evidencing its efforts to achieve a racial and ethnic balance.
RCS Response: The Charter School explicitly stated that it has implemented the outreach plan attached to the charter as Appendix 19. Thus, the District's finding is inaccurate and therefore an impermissible basis for denial of the charter renewal petition.

<u>Element 7 – Racial and Ethnic Balance</u>: Additionally, the Petition states that parents are "strongly encouraged" to donate service hours (p.46) on a monthly which may be creating a barrier to enrollment of students of a demographic that reflects that of the District. RCS does not address its inability to meet the requirements of the statute or set forth a plan to remedy its lack of representative student body.
RCS Response: See response to Element 4 – Governance.

<u>Element 8 – Admissions Requirements</u>: In reviewing the admissions requirements, the District notes that admissions preferences are first provided to siblings of existing students and children of employees which may perpetuate a demographic that does not reflect a racial and ethnic balance consistent with the District's general population. Additionally, the Petition does not reflect that the Charter School is enrolling and serving the number of students with disabilities that is consistent with the District's students with disabilities demographic.
RCS Response: The District's finding regarding an admissions preference for siblings that "may" perpetuate the existing RCS demographics has no factual basis. Further, an admissions preference for siblings of current students is commonly utilized by charter schools state-wide, because it allows families the convenience of enrolling their children into the same school, if they wish. The District's finding that the charter renewal petition does not reflect that RCS is enrolling students with disabilities consistent with the District's demographic has no relevance to the admissions requirements element of the charter, and, as above, RCS cannot discriminate in admissions based upon disability. Accordingly, the District's findings are without factual or legal merit, and are, therefore, impermissible bases for denial of the charter renewal petition.

<u>Element 9 – Independent Financial Audit</u>: Based on the following findings, staff concludes the Petition does not describe the Charter School's plans to conduct an independent financial audit. Although the Petition indicates that RCS will select an independent auditor to conduct an annual independent financial audit of the books and records of the Charter School as required by law, the Petition does not specify who is responsible for contracting and overseeing the independent audit. Additionally, although the Petition indicates that any audit exceptions and deficiencies will be resolved and an anticipated timeline to do so will be submitted to the charter authorizer, the timeline to address any audit findings or exceptions is not specified. (p. 59)

RCS Response: The charter petition on page 59 states that the Chief Operations Officer and a Board audit committee are responsible for overseeing the independent auditor. The charter petition does not specify a timeline for resolving any audit exceptions or deficiencies because such resolution must be to the satisfaction of the authorization. Such satisfaction necessarily includes a timeline. Thus, it is for the authorizer to determine an acceptable timeline for resolution.

Accordingly, the District's findings are without factual or legal merit, and are, therefore, impermissible bases for denial of the charter renewal petition.

Element 10 – Suspension and Expulsion Procedures: Staff concludes the Petition does not adequately describe the Charter School's student discipline process. According to the Petition, if a pupil is expelled or leaves the Charter School without graduating or completing the school year for any reason, the Charter School must notify the superintendent of the school district of the pupil's last known address within 30 days. (p. 4) The District is aware that 3 students were listed as dropouts from the Charter School in the 2011-2012 school year. However, the District was not notified of these pupils. Although the 30-day notice requirement is provided for in the Affirmations/Assurances section of the Petition, such requirement is not described in the Suspension and Expulsion Procedures section of the Petition, where it would be most relevant. Accordingly, the Suspension and Expulsion Procedures section of the Petition is inadequately described and Petitioner's historical performance demonstrates it has not complied with the Charter or its legal obligations under Education Code section 47605 (d)(3).

RCS Response: This finding includes no specific facts (or any facts whatsoever) regarding RCS's suspension and expulsion procedures, and therefore in an impermissible basis for denial of the charter renewal petition.

RCS believes that the dropout data reported on the CDE website is inaccurate, and is in the process of fixing the inaccuracy. The Charter School maintains that it has never had any drop outs. RCS has reported all student expulsions to the student's school district of residence, as required.

Element 14 – Dispute Resolution Procedure: The Dispute Resolution provision of the Petition is drafted to reflect the State Board of Education as the oversight agency and fails to identify any language reflecting the District's involvement in resolution of complaints regarding the Charter School operations. The Dispute Resolution process identified in the Petition regarding disputes between the authorizer and the Charter School fails to acknowledge that the rights and responsibilities governing revocation are set forth in statute and regulations, and that revocation is not subject to a charter's dispute resolution provision.

RCS Response: The District has misread the plain language of the Charter School's dispute resolution procedure, page 78 of the charter renewal petition. The only reference to the SBE is explicitly conditioned upon the SBE being the authorizer; that is, if the SBE is not the authorizer, the reference is not applicable. As such, the dispute resolution procedure refers to the District as the authorizer. Further, there is no legal requirement, that the dispute resolution procedures, or any other element in the charter, address charter revocation. Indeed, as the District has noted

here, the rights and responsibilities governing revocation are set forth in statute and regulations, and therefore do not also need to be addressed in the charter.

Accordingly, this finding has no factual or legal merit, and is, therefore, an impermissible basis for denial of the charter renewal petition.

Element 16 – Closure Procedures: The regulations state that the Charter School must designate a responsible entity to conduct closure-related activities. (Cal. Code Regs., tit. 5, § 11962(a).) In the Petition, however, rather than identifying the entity or the person responsible for the closure-related activity, the Petition states that the closure of the charter school will be documented by official action of the Board of Directors, and that the official action will identify an entity and person(s) responsible for closure-related activities. (p. 80). This is not adequate to comply with the requirements of the regulations and fails to adequately describe the closure procedures.

RCS Response: The closure procedures contained in RCS's charter are the same procedures that have been approved by the SBE, not to mention authorizers up and down the state, on countless occasions. The closure procedures state that an entity will be designated for closure, at the time of closure. This meets the legal requirement, and allows for flexibility at the time of closure for the Charter School's Board to select the most capable individual to handle closure procedures.

The District's finding is without legal merit, and is an impermissible basis for denial of the charter renewal petition.

Miscellaneous Provisions: The Petition provides no information about the levels of coverage or provide for the authorizer to be an additional insured under the policies. Because there is no information in the Petition to establish necessary coverage levels, the budget does not reflect adequate information to demonstrate proper expenditures for insurance.

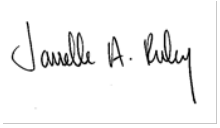
RCS Response: There is no legal requirement to provide specific information in the charter renewal petition regarding the levels of insurance coverage. RCS would have gladly sent the District copies of its current insurance coverage, if the District had so requested.

The District's finding is without legal merit, and is an impermissible basis for denial of the charter renewal petition.

* * *

The Charter School is eager to continue its partnership with the State Board of Education and the California Department of Education to offer high-quality educational choices to the students and families of Ridgecrest. Should you have any questions, please do not hesitate to contact myself, or the Lead Petitioner, Tina Ellingsworth (760-375-1010; tina.ellingsworth@rcharter.org).

Sincerely,
LAW OFFICES OF
YOUNG, MINNEY & CORR, LLP



JANELLE A. RULEY
ATTORNEY AT LAW

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Response on Special Education Staffing

For all years in the Budget Plan, there is a teacher for each classroom (including Grade 2) plus additional special education teachers.

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Response on Day Care

The Petition clearly states that it is a GOAL to expand school programs to include before and after school day care. Until the program is defined, it is not reasonable to include the Day Care program in the budget.

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Response to Second Language Program

The Petition states that RCS will seek to implement a Second Language Program in year 2014-15. As the program parameters are finalized, the budget will be updated to include fiscal components of this program. There are several revenue areas which may support the program, including clarification of funding from the new Local Control Funding Formula (school used a conservative allocation per student), and the Ending Balance which exceeds all recommended standards.

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Response on Enrollment Projections - Clarification between Cohort Projection and Static Students per Grade

Cohort Enrollment Projection Methodology per Petition Renewal Budget

	2012-13 Actual CBEDS	2013-14 Proj CBEDS	2014-1 Proj CBEDS	2015-16 Proj CBEDS	2016-17 Proj CBEDS	2017-18 Proj CBEDS
Kinder	60	66	66	66	66	66
1st Grade	58	66	66	66	66	66
2nd Grade	43	57	66	66	66	66
3rd Grade	38	46	57	66	66	66
4th Grade	34	38	46	57	66	66
5th Grade	33	36	38	46	57	66
6th Grade	30	32	36	38	46	57
7th Grade	31	32	32	32	38	46
8th Grade	23	26	32	32	32	38
Total	**350**	**399**	**439**	**469**	**503**	**537**

Certificated Staffing per Petition Renewal Budget based on Cohort Methodology

Classroom Teachers	2012-13 Actual CBEDS	2013-14 Proj CBEDS	2014-1 Proj CBEDS	2015-16 Proj CBEDS	2016-17 Proj CBEDS	2017-18 Proj CBEDS
Kinder	3.0	3.0	3.0	3.0	3.0	3.0
1st Grade	3.0	3.0	3.0	3.0	3.0	3.0
2nd Grade	2.0	3.0	3.0	3.0	3.0	3.0
3rd Grade	2.0	3.0	3.0	3.0	3.0	3.0
4th Grade	2.0	2.0	2.0	2.0	2.0	2.0
5th Grade	2.0	2.0	1.0	2.0	2.0	2.0
6th Grade	1.0	1.0	2.0	2.0	2.0	2.0

7th Grade	1.0	1.0	1.0	1.0	2.0	2.0
8th Grade	1.0	1.0	1.0	1.0	1.0	2.0
Total Classroom Teachers	**17.0**	**19.0**	**19.0**	**20.0**	**21.0**	**22.0**
Other Certificated Teachers						
Special Education	1.0	2.0	2.0	2.5	2.5	3.0
Title I	0.0	0.5	0.5	0.5	0.5	0.5
Total Other Teachers	**1.0**	**2.5**	**2.5**	**3.0**	**3.0**	**3.5**
Total All Teachers	**18.0**	**21.5**	**21.5**	**23.0**	**24.0**	**25.5**
Certificated Administrative						
Executive Director	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Director	0.0	0.5	1.0	1.0	1.0	1.0
Total Administrative	**1.0**	**1.5**	**2.0**	**2.0**	**2.0**	**2.0**
Total Certificated Personnel	**19.0**	**23.0**	**23.5**	**25.0**	**26.0**	**27.5**

School Enrollment Projection at Full Enrollment with Static Students per Grade

Parameter	# Students per Class	# Classes	Enrollment Projection	# Classroom Teachers
Kinder	22	3	66	3.0
1st Grade	22	3	66	3.0
2nd Grade	22	3	66	3.0
3rd Grade	22	3	66	3.0
4th Grade	28	2	56	2.0
5th Grade	28	2	56	2.0
6th Grade	28	2	56	2.0
7th Grade	32	2	64	2.0
8th Grade	32	2	64	2.0
Total		**22**	**560**	**22.0**

Other Certificated Teachers	
Special Education	3.0
Title I	0.5
Total Other Teachers	**3.5**
Total All Teachers	**25.5**
Certificated Administrative	
Executive Director	1.0
Assistant Director	1.0
Total Administrative	**2.0**
Total Certificated Personnel	**27.5**

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Response on Budget Average Daily Attendance and Enrollment

	2012-13 Actual CBEDS	2013-14 Proj CBEDS	2014-1 Proj CBEDS	2015-16 Proj CBEDS	2016-17 Proj CBEDS	2017-18 Proj CBEDS
Enrollment	350	399	439	469	503	537
P2 Average Daily Attendance	350	379	417	446	478	510
Ratio of ADA to Enrollment	100%	95%	95%	95%	95%	95%

Comment re: 2012-13 ADA Ratio: enrollment grew during the year after the CBEDS count; thus for the cited year P2 ADA was the same number as the CBEDS enrollment number.
For future year projections, the assumption is that ADA would be 95% of projected CBEDS enrollment.

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Response on Comments of Enrollment and ADA and Fiscal Strength of Ridgecrest Charter

The Audited June 30, 2012 Financial Report indicates a Net Asset of $1,654,247. This position has been judiciously increased over the last several years to cover fluctuations in actual financial operations, such as variations in actual enrollment vs. projected enrollment. $7,000 per is the anticipated revenue per ADA. The $7,000 is thus an approximate value for each change in student projections. In each year of the budget projection, the Ending Balance far exceeds the percentage amount recommended for local education agencies.

Page 15
Response on Insurance Coverage

Ridgecrest Charter School procures its Property, Casualty, Liability, Errors & Omissions and other insurances from the Joint Powers Authority of the California Charter School Association/charterSAFE. The threshold of coverage meets all indemnification requirements. Appendix Budget A is the coverage document for 2013-14 is attached. The policies written are for workers' compensation on all property, liability, and other types of insurance.

Page 15
Response on Strength or Weakness of Charter School's Financial Condition

The Audited June 30, 2012 Financial Report indicates a Net Asset of $1,654,247. The Audit contains an 'authentic' Balance Sheet. An unqualified opinion was rendered by the audit firm, Vicenti, Lloyd & Stutzman, LLP. The audit firm files a copy of the audit with the California Department of Education as well as with the State Controller's Office, and the local County Superintendent of Schools. The Auditor is also files the Report with the Charter School's authorizer, which in the case of Ridgecrest, is the State Board of Education. Note that the June 30, 2013 audit will be filed by December 15, 2013.

Page 16
Response on Title I Comments
Because of the uncertainty relative to federal funding for all public agencies, the Petition Renewal Budget did not include revenue increases. The expenditure budget for Title I plan DOES include projected expenses and has an 'encroachment' on that program. However, the Title I program budget is folded into the total school budget plan and thus any encroachment of Title I (or any other categorical program with excess costs) is included in total school budget. Title I is a sub program of the School. (And note that there is a reasonable and an adequate Unrestricted Ending Balance each year to cover revenue reductions or expenditure increases.)

Page 16
Response to Comments on Reserves/Ending Balance

The Audited Financial Report for June 30, 2012 (the most recent audit document as of Sept 2013) indicates a Net Asset position of $1,654,247. In each year of the Budget Projection period, the Ending Balance has, at the discretion of the Governing Board, set aside reserves for Special Education and for Facility Costs. After the 'set aside' for those two activities, the Ending Balance each year exceeds all minimum recommended thresholds for California Charter Schools.

Page 16
Response to Comments on Reserves for Facility Costs

In addition to the Board designated Ending Balance Reserves which range from $500k to $1.0 mil per year, the Multi Year Budget Plan identifies annual projected costs for the procurement of additional portable classroom units, for a multi-purpose room and for site improvement factors for these facilities. The portable units are shown as a monthly rental cost. The budgeted site improvement costs over the five year budget exceed $600k. Note that in projecting facility costs, NO Prop 39 facility support has been included from Sierra Sands. While the District has an obligation under Prop. 39 to provide reasonable equivalent facilities, the current agreement expires 2013-14. Thus, until an agreement is executed by the parties for 2014-15 and future years, the budget, as a conservative measure, did not include any provision for Prop 39. Even without this legally required support from the District, the Charter School has shown that it can afford facilities.

Page 16
Response to Comments on the Child Nutrition National School Lunch Program

For the last several years, the Charter School has participated in the Child Nutrition Breakfast program. During this period of time, no compliance questions have been posed by any agency. Beginning 2013-14 the Charter School will be adding a lunch program. At the time the Petition was submitted, the Charter School had not received all approvals for the program and thus a budget projection was not included. In 2012-13 there were no excess costs for child nutrition. For future years, the breakfast program has budgeted an encroachment ranging from $7,500 to $10,600 per year. This program is a sub budget of the total budget. All excess costs are included in the projected annual Net Operations. (Note this as of December 2013, the Charter School has the lunch program in operation; Ridgecrest has initial student participation data and the demographic data for the first couple months of operation).

Page 16
Response to Comments on Mortgage and Deficit Spending

In recognition of increasing enrollment and in recognition of yet to be defined Prop 39 agreement with the Sierra Sands Unified School District, the Board has consciously built up and Ending Balance for future facility costs. The current Ending Balance is far greater than recommended for a Local Education agency. Relative to the viability of procuring a mortgage in excess of five years, the School has a history of procuring a mortgage that extends beyond a five year authorization period. In December 2004, the School procured a 12 year mortgage; this mortgage will be fully paid off December 2016. A 15 year mortgage for the multi purpose room, with annual principal and interest payments is included in the Multi Year Budget Plan. The annual deficit spending projected is protected by the Net Assets built up in preceding years.

Page 16
Response to Comments on a Second Language Program

The District's concern about Ridgecrest's planned second language program has been addressed in the response to findings. Within the budget, there is flexibility to hire a properly credentialed teacher for the second language program. A budget modification will be made, when necessary, to include this priority item.

Page 17
Comments on the Unaudited Financial Report for 2012-2013

The Multi Year Budget Plan does understate the Ending Balance for 2012-13 by $12,395. This was an error. The correct Ending Balance for the Unaudited Actual Financial Report is $2,138,590. This is the Balance that is included in the financials currently being opined on by the School's auditor, Vicenti, Lloyd & Stutzman, LLP.

Reconciliation of 2012-2013 Budget Plan and Amended Unaudited Actual Financial Report

	Final Unaudited Actual Financial Report	Petition Budget Plan	Difference
Beginning Balance	1,654,247	1,654,247	
Revenues	2,665,577	2,676,852	
Expenses	2,181,234	2,204,904	
Ending Balance	**2,138,590**	**2,126,195**	**12,395**

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Comments on Excessive Debt

Contrary to statements regarding disapproval of the 2013-14 Adopted Charter School Budget, the School has NOT received any Notice of Disapproval. The Budget Plan does include a facility plan that consciously results in deficit spending (which will draw down the Ending Balance); in prior years the School has built a significant Ending Balance to cover these facility costs including debt service. Each year of the projected budget period, the Ending Balance far exceeds any recommended amount for a Local Education Agency. Note that the unqualified Audited Financial Statement documents the financial strength of Ridgecrest Charter School.