

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT  
SPECIAL BOARD MEETING  
Thursday, February 19, 2015, 6:00 P.M.  
Board Room, Cuyama Elementary School  
2300 Highway 166, Cuyama, CA  
Agenda**

I. The meeting will be called to order by Board President, Michael Mann at \_\_\_\_\_ p.m.

ROLL CALL: Michael Mann F. Paul Chounet  
Juan Gonzalez Superintendent  
Tamra Cloud  
Trudi Callaway Chris Rahe  
Paul Weirum Chief Business Official

FLAG SALUTE: Led by \_\_\_\_\_

II. PUBLIC FORUM/HEARING :

Citizens may address the Board of Education at this time. Following recognition by the president, each speaker may have the floor for five minutes. Persons addressing the Board are requested to give name, address, and the group or organization they represent, if any, in order that an accurate record can be made in the minutes. Items not appearing on the agenda cannot, by law, be the subject of Board action. Such items may be placed on future agendas for full discussion and/or action.

III. ACTION ITEMS:

A. PETITION TO ESTABLISH OLIVE GROVE CHARTER SCHOOL: The Board to consider whether to approve, approve with conditions, or deny the Olive Grove Charter School's petition.

Moved By: \_\_\_\_\_ 2nd By: \_\_\_\_\_

Roll Call Vote:

Michael Mann Tamra Cloud\_ Trudi Callaway\_ Paul Weirum\_ Juan Gonzalez\_

**The next regularly scheduled Board meeting is March 12, 2015.**

IV. ADJOURNMENT: The Regular Board Meeting will adjourn at \_\_\_\_\_ p.m.

Moved By: \_\_\_\_\_ 2nd By: \_\_\_\_\_

Roll Call Vote:

Michael Mann\_ Tamra Cloud\_ Trudi Callaway\_ Paul Weirum\_ Juan Gonzalez\_

Materials prepared in connection with an item on the regular session agenda may be reviewed in the Superintendent's Office 72 hours in advance of the meeting and will be available for public inspection at the meeting. An individual who requires disability-related accommodations or modifications, including

**auxiliary aids and services, in order to participate in the Board meeting should contact the Superintendent or designee. (Government Code 54954.2)**

CUYAMA JOINT UNIFIED SCHOOL DISTRICT

February 19, 2015

Olive Grove Charter School Charter Petition

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Superintendent Recommendation: Recommend that the Board conditionally approve the Charter Petition subject to the Charter School remedying the deficiencies identified below and executing an operational Memorandum of Understanding with the District by May 1, 2015.

Background Information: **The Governing Board ("Board") of the** Cuyama Joint Unified School District ("**District**") **formally received the** Olive Grove School Charter Petition at a meeting held on October 9, 2014.

The District conducted an initial review of the Petition and identified several financial deficiencies. Accordingly, the District informed Petitioners of these issues and asked Petitioner to address and provide **clarification on the District's concerns**. The Petitioner addressed the financial issues and concerns raised by the District. The Petitioner submitted its responses and a revised budget on January 26, 2015.

Pursuant to Education Code section 47605, subdivision (b), the Board held a public hearing on the provisions of the charter on October 9, 2014. Education Code section 47605, subdivision (b), requires the Board to **"either grant or deny the charter within 60 days of receipt of the petition"** unless a longer time is mutually agreed by the District and Petitioner. District and Petitioner agreed upon an extension for petition review. Accordingly, the Board must grant or deny the Petition during its special meeting, February 19, 2015.

Current Considerations: The purpose of this agenda item is for the Board to consider and decide whether to grant or deny the Petition. If the Board grants the Petition, Olive Grove School Charter School will be **authorized to exist under the District's oversight for a five year initial term**. The Board must take one of three actions on the Petition:

1. **Approve the Petition;** or
2. **Approve the Petition subject to following conditions to be met by May 1, 2015:**
  - Executing a Memorandum of Understanding with the District.
  - Remedy lack of reasonably comprehensive descriptions of educational program and other operational requirements of proposed Charter by confirming Charter School will:
    - Operate as an LEA with a SELPA.
    - Incorporate current Ed Code requirements for suspension for defiance and disruption within the Petition.
    - Make clear charter school will follow additional procedural protections required for all students with disabilities prior to significant change in placement, including expulsion or dismissal from charter school.
    - Establish consistent language for administrative services between petition and MOU.
    - Remove severability provision of charter, charter is complete document and not severable.
    - Revise Bylaws of Corporation operating Charter School to hold Olive Grove Charter to Political Reform Act of 1974 standards for conflict of interest and achieve consistency between charter and bylaws.
    - Revise bylaws to be superseded by charter.
    - Establish a principal office location and specify charter locations with certainty.

Should Petitioner fail to meet the above conditions, this Board report will be findings in support of denial.

3. **Deny the Petition** by adopting the findings contained in this Report.

**CUYAMA JOINT UNIFIED SCHOOL DISTRICT  
SPECIAL BOARD MEETING**

**Thursday, February 19, 2015, 6:00 P.M.**

**Board Room, Cuyama Elementary School**

**2300 Highway 166, Cuyama, CA**

**Minutes**

I. The meeting was called to order by Board President, Michael Mann at 6:00 p.m.

<u>ROLL CALL:</u>	Michael Mann	<u>P</u>	F. Paul Chounet	<u>P</u>
	Juan Gonzalez	<u>P</u>	Superintendent	
	Tamra Cloud	<u>P</u>		
	Trudi Callaway	<u>P</u>	Chris Rahe	<u>P</u>
	Paul Weirum	<u>A</u>	Chief Business Official	

FLAG SALUTE: Led by Mr. Juan Gonzalez

II. PUBLIC FORUM/HEARING:

Citizens may address the Board of Education at this time. Following recognition by the president, each speaker may have the floor for five minutes. Persons addressing the Board are requested to give name, address, and the group or organization they represent, if any, in order that an accurate record can be made in the minutes. Items not appearing on the agenda cannot, by law, be the subject of Board action. Such items may be placed on future agendas for full discussion and/or action.

- Mrs. Susan Coie, with Charter Schools Development Center, spoke on behalf of Olive Grove Charter School. She has heard of the change in recommendation in regards to Olive Grove Charter School's petition with a denial due to a threatened lawsuit by Santa Barbara Unified. She is very saddened because Olive Grove Charter School helps many families with students who do better in a charter school setting. Olive Grove Charter School went to each district before pursuing Cuyama and they were completely shut down. Ed Code legislative intent is all about +offering opportunities and choices, and it's all about boards granting and encouraging charter schools and what those districts are doing is not in spirit of the law, and, in her view, it is not consistent with preserving the needs of the families and children. She believes they are doing this simply because it makes sense for their own budgets do so, but to her, it's a narrow view of how they serve families. The faculty at Olive Grove Charter School can give you story after story of how the students that attend their charter were either bullied, or not fitting, uncomfortable and not thriving; and they can come to a different kind of setting, like our charter, and it works for them. And, that is the intent of what charter schools were designed to do. She has talked to their own legal counsel and to the teachers at the charter school and they have agreed to take on the cost of litigation for this lawsuit. She would love to see a partnership between Cuyama Joint Unified and Olive Grove Charter School.
- Mr. Mark Richardson, Superintendent of Santa Maria Joint Union High School District, formerly the Superintendent of Taft High School District, has spent some time here in Cuyama. He was on CJUSD's last two WASC committees and he's had the opportunity to see the quality education CJUSD provides for its students. SMJUHS has nothing against charter schools says Mr. Richardson; he believes charter schools can provide beneficial educational options for students.

He states that charter schools must be authorized to operate in compliance with the law. Recently, a San Diego County Superior Court Judge confirmed that all charter schools (whether non classroom based, blended, or other) must comply with geographical locations and limitations in the CA Ed Code. The geographical location requires charter schools to operate within the boundaries of their authorizing district, subject to specific limitations allowed by the CA Ed Code. The Olive Grove Charter School's proposal to operate in multiple locations in Santa Barbara County, including Santa Maria, runs contrary to the CA Ed Code geographical locations. Six months ago, Mr. Richardson was approached and asked if SMJUHS would sponsor Olive Grove Charter School. His question to the Superintendent at the time (she's retired now) was why would SMJUHS authorize a charter that can set up shop in the Cuyama Valley? Mr. Richardson was Superintendent of Taft High School District. Mr. Richardson asks if it would have been fair to Cuyama if he ran a bus up to Cuyama from TUHSD to pick up kids in Cuyama and take them to TUHS? That's legal; but, that would not have been the right thing to do for Cuyama. Mr. Richardson asked the board to consider a couple things: Does this petition comply with current law? Does the Cuyama School District want schools to open up in their district without having any say so on how they operate or how they attract students to their school and how they go about their business? Mr. Richardson encouraged the board to vote 'no' if they answered 'no' to any of those questions.

### III. ACTION ITEMS:

- A. PETITION TO ESTABLISH OLIVE GROVE CHARTER SCHOOL: The Board denied the Olive Grove Charter School's petition based on the following facts of findings that were presented by Dr. Chounet on a separate handout:
- The proposed charter does not reasonably comprehensively describe the educational program, facilities and location, or other operational requirements. A non-exhaustive list of areas which the proposed charter lacks a reasonably comprehensive description of required elements includes:
  - The plan for special education does not describe whether the charter school will participate as a school of the district for purposes of special education or a local educational agency member of a SELPA, and the charter school has not provided verifiable written assurances of acceptance as a local educational agency in a SELPA.
  - The plan for student discipline, which appears to incorporate the Education Code requirements for suspension and expulsion, yet continues to refer to discipline for defiance and disruption.
  - The plan to ensure additional procedural protections required for all students with disabilities are implemented prior to significant change in placement, including expulsion or dismissal from charter school.
  - The plan for administrative services is unclear and not reasonably comprehensively described in the proposed charter.
  - The proposed charter contains a severability provision without description of explanation.
  - The Bylaws of Corporation operating Charter School only hold Olive Grove Charter to nonprofit conflict standards and the proposed charter does not reasonably comprehensively describe how the charter school will avoid conflicts of interest under the Political Reform Act

or Government Code, Section 1090. The bylaws also confusingly contain a clause indicating that document supersedes the proposed charter, without any explanation.

- The proposed charter does not propose to establish a charter school within the District's boundaries, provide a principal office location, or specify charter locations with certainty. Instead, it lists four locations where the charter school is currently operating and allows the charter school to unilaterally and during the charter term, locate a facility "within the general area" of certain cities.

Based on the lack of reasonably comprehensive descriptions contained in the proposed charter in fundamental area of operations, and the threat of litigation over the charter school's proposed locations, staff also finds Petitioners are demonstrably unlikely to successfully implement the proposed program. Accordingly, staff recommends the Board adopt this report as the required findings in support of denial of the Petition.

Financial Considerations: Approval of the Petition would likely result in costly litigation.

**Available for viewing in D.O.**

Moved By: Mr. Mike Mann 2<sup>nd</sup> By: Mrs. Trudi Callaway

Roll Call Vote:

Michael Mann Y Tamra Cloud Y Trudi Callaway Y Paul Weirum AB Juan Gonzalez Y

**The next regularly scheduled Board meeting is March 12, 2015.**

IV. ADJOURNMENT: The Regular Board Meeting was adjourned at 6:18 p.m.

Moved By: Mr. Juan Gonzalez 2<sup>nd</sup> By: Mrs. Trudi Callaway

Roll Call Vote:

Michael Mann Y Tamra Cloud Y Trudi Callaway Y Paul Weirum AB Juan Gonzalez Y

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Board Clerk

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**SANTA BARBARA COUNTY BOARD OF EDUCATION**

4400 Cathedral Oaks Road  
P.O. Box 6307  
Santa Barbara, CA 93160-6307

REGULAR MEETING  
April 2, 2015 – 2 p.m.

**AGENDA**

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In compliance with the American Disabilities Act, if you need special assistance to participate in the meeting or need this agenda provided in a disability-related alternative format, the superintendent's office should be contacted. Notification at least 48 hours prior to the meeting will assist the superintendent in making suitable arrangements.

Persons wishing to address the board are requested to complete a "Request to Address Board" form, available at the meeting room entrance, and deliver it to the secretary prior to the time the meeting is called to order. During the time for public comment specified on the agenda, the board will acknowledge requests to speak on agenda items as well as topics not on the agenda, but within the subject matter jurisdiction of the board. The total amount of time for public comments will be 15 minutes, and no individual speaker may speak for more than five minutes. If the speaker needs more time, he or she may submit written comments.

1. GENERAL FUNCTIONS
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1.1 Call to Order and Pledge of Allegiance

1.2 Roll Call

1.3 Judge George C. Eskin Recognition  
[Time Certain: 2:05 p.m.]

Recognition of Judge George C. Eskin for his contribution to the Mock Trial Program.

1.4 Teacher Innovation Grant Recipients Recognition  
[Time Approximate: 2:20 p.m.]

Recognition of the 2014-15 Santa Barbara County Education Office Teacher Innovation Grant recipients.

1.5 Minutes of Meeting Held March 5, 2015  
(Attachment)

MOVED:

SECONDED:

VOTE:

1. GENERAL FUNCTIONS, *continued*

1.6 Correspondence

None.

1.7 Changes to the Agenda

The president will announce any additions, deletions, or changes in the order of business on the agenda at this time.

1.8 Public Comments

The total amount of time for public comments will be 15 minutes, and no individual speaker may speak for more than five minutes. If the speaker needs more time, he or she may submit written comments.

1.9 President's Comments

2. CREDENTIALS

2.1 Registration of Credentials and Other Certification Documents:  
Issuance of Temporary County Certificates  
(Attachment)

The superintendent recommends approval of the registration of credentials and other certification documents registered in the Santa Barbara County Education Office from February 13, 2015 to March 16, 2015 and the issuance of temporary county certificates for that same time period.

MOVED:

SECONDED:

VOTE:

3. CURRICULUM AND INSTRUCTION

3.1 Recommended Approval of Grant Request – Child Development Program  
(Attachment)

The superintendent recommends approval of grant request for funding for the Child Development Program for 2015-18 as listed in the attachment.

MOVED:

SECONDED:

VOTE:





Agenda  
April 2, 2015  
Page 5

6. PUPIL PERSONNEL

No items.

7. SPECIAL EDUCATION

No items.

8. COMMUNITY RELATIONS

No items.

9. GENERAL INFORMATION

Superintendent will give a brief report.

10. POLICIES

No items.

11. CLOSED SESSION

No items.

12. ADJOURNMENT

Adjournment to the next regular meeting to be held May 14, 2015.

MOVED:

SECONDED:

VOTE:



## Santa Barbara County Education Office

4400 Cathedral Oaks Road, P.O. Box 6307, Santa Barbara, California 93160-6307  
(805) 964-4711 • FAX: (805) 964-4712 • Direct Dial: 964-4710 plus extension

Service and Leadership • [www.sbceo.org](http://www.sbceo.org)

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April 14, 2015

Laura Mudge  
1272 Holly Springs Lane  
Orcutt, CA 93455

Dear Laura:

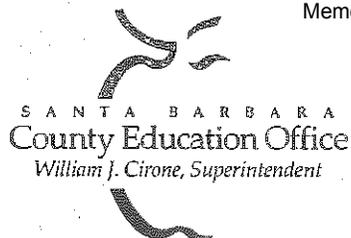
On April 2, 2015, pursuant to California Education Code section 47605(j)(1), the Santa Barbara County Board of Education considered the Olive Grove Charter School's appeal of the denial of its charter petition by the Cuyama Joint Unified School District. The Santa Barbara County Board of Education denied that appeal 6-0 and adopted the recommended findings contained in the Santa Barbara County Education's staff report. Pursuant to Education Code section 47605(j)(1), you may file a petition for establishment of the Olive Grove Charter School with the State Board of Education.

Sincerely,

A handwritten signature in cursive script that reads "Susan Salcido".

Susan Salcido  
Deputy Superintendent

SS:af



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March 24, 2015

**TO:** County Board of Education  
**FROM:** Bill Cirone *Bill Cirone*  
**RE:** Olive Grove Charter School Petition

Enclosed, please find the following:

- Staff Report and Recommended Findings
- SBCEO Charter School Appeal Petition Review Checklist
- Olive Grove Charter School Petition

Based on the findings within the report, the staff is recommending denial of the charter petition.

WJC:ss  
Enclosures



## SANTA BARBARA COUNTY EDUCATION OFFICE

### Charter School Appeal Petition Review Checklist

#### Initial Charter Petition

Proposed Charter School	Petitioner Contact Information	Denial Information	Petition Review and Presentation Timeline		
			SBCEO		
Name of Proposed Charter School: Olive Grove Charter School	Name: Laura Mudge	District Denying Petition: Cuyama joint Unified School District	Petition Presented to SBCEO: March 6, 2015	Public Hearing Date: April 2, 2015	Proposed Date of Decision By Board of Education: April 2, 2015
	Phone: (805) 637-4277				
Location(s) of Proposed Charter School: Lompoc, CA Santa Barbara, CA Santa Maria, CA Morro Bay, CA	Address: 1272 Holly Springs Lane Orcutt, CA 93455	Date of Board Action: February 19, 2015			
	Email: lmudge.losolivos@gmail.com				

Review Areas in Checklist as Required by Education Code 47605	Checklist Page(s)
I. Charter School Status, Required Signatures, Required Statements, Founding Group	2-3
II. Educational Program	4-7
III. Measurable Student Outcomes and Other Uses of Data	8-9
IV. Governance Structure	10-11
V. Human Resources	12-14
VI. Student Admissions, Attendance, and Suspension/Expulsion Policies	15-16
VII. Financial Planning, Reporting and Accountability	17-23
VIII. Impact on the Charter Authorizer	24

**SBCEO Petition Review:**

<b>I. PETITIONER NAME/GROUP: Olive Grove Charter School</b>		
<b>Charter School Status (Select One):</b>		
<input checked="" type="checkbox"/> <b>Nonprofit Public Benefit Corporation</b> <input type="checkbox"/> <b>Public School</b>		
<b>Required signatures Education Code 47605 (1)(A) &amp; (B)</b>	<b>Yes</b>	<b>No</b>
(A) The petition has been signed by a number of parents or guardians of pupils residing within the county that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the school for its first year of operation and each of the school districts where the charter school petitioner proposes to operate a facility has received at least 30 days notice of the petitioner's intent to operate a school pursuant to this section.		
<b>OR</b>		
(B) The petition has been signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the school during its first year of operation and each of the school districts where the charter school petitioner proposes to operate a facility has received at least 30 days notice of the petitioner's intent to operate a school pursuant to this section.	X	
<b>Required statements Education Code 47605 (d)(1)</b>	<b>Yes</b>	<b>No</b>
A petition shall include a prominent statement indicating that a signature on the petition means that the parent or guardian is meaningfully interested in having his or her child or ward attend the charter school, or in the case of a teacher's signature, means that the teacher is meaningfully interested in teaching at the charter school. The proposed charter shall be attached to the petition.	X	
Statement made that school will be non-sectarian in its programs, admission policies, employment practices, and all other operations, will not charge tuition, and will not discriminate against any pupil on the basis of ethnicity, national origin, gender or disability	X	

<b>FOUNDING GROUP</b>	<b>Petition Page(s)</b>	<b>Sufficient</b>	<b>Insufficient</b>
A. Description of founding group	3	X	
B. Evidence that the applicant(s) possess(es) the necessary background in the following areas critical to the charter school’s success and/or that the founders have a plan to secure the services of individuals who have the necessary background in these areas: <ul style="list-style-type: none"> <li>▪ Curriculum, instruction and assessment.</li> <li>▪ Finance, facilities, and business management.</li> <li>▪ Organization, governance, and administration.</li> </ul>	178		X
<p><b>NOTES/SUMMARY:</b></p> <p>Petitioners intend to secure services after the petition is approved; however, details are lacking in some of the critical areas:</p> <ul style="list-style-type: none"> <li>• Hire a principal/director (p. 29)</li> <li>• Enter into contracts for special education services by working with the North State JPA (p. 178). There is a need to further detail how the principal, director, or teachers will provide or access special education programs for students with Individualized Education Plans (IEP).</li> <li>• Purchase administrative services to assist with start-up, training, and ongoing services including personnel transactions, accounting and payroll, working in conjunction with the office manager position (p. 178). Details of the proposed services are not included in the petition.</li> </ul>			

II. EDUCATIONAL PROGRAM - ED CODE 47605 (b)(5)(A)	Petition Page(s)	Sufficient	Insufficient
A. <b>MISSION and GOALS:</b> Provides a clear and concise mission statement that defines the purposes and nature of the charter school. Provides goals of the proposed charter school.	7-8	X	
B. <b>EDUCATIONAL PHILOSOPHY</b>			
1. Identifies those whom the school is attempting to educate.	9	X	
2. Describes what it means to be an “educated person” in the 21 <sup>st</sup> century.	9-10		X
3. Provides the applicant’s view of how learning best occurs. The goals identified in that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.	10		X
C. <b>HIGH SCHOOL PROGRAMS</b> – If the proposed school will serve high school students (any of grades nine through twelve), the petition describes how the school will inform parents about the transferability of courses to other public high schools and the eligibility of courses to meet college entrance requirements including:			
1. Graduation requirements defined	168-169	X	
2. Courses offered that are accredited by the WASC that may be considered transferable and courses approved by the University of California or the California State University as creditable under the “a-g” admissions criteria may be considered to meet college entrance requirements.	17		X
D. <b>STUDENTS TO BE SERVED</b> – Identifies the proposed charter school’s target student population, including, at a minimum, grade levels, approximate numbers of students, and specific educational interests, backgrounds, or challenges.	9	X	
E. <b>CURRICULUM AND INSTRUCTIONAL DESIGN</b> – 1. Includes a framework for instructional design that is aligned with the needs of the pupils that the charter school has identified as its target student population. The discussion of instructional design includes curriculum, teaching methods, materials, technology, and how the charter will accomplish the goal that students become “self-motivated, competent and lifelong learners.”	10-12		X

2. Describes the basic learning environment (e.g., site-based matriculation, independent study, technology-based education).	10-12	X	
3. Discusses how the chosen instructional approach will enable the school's students to achieve the objectives specified in the charter and master the academic content standards in core curriculum areas as adopted by the State Board of Education pursuant to Education Code §60605.	10-12		X
4. At a minimum, applicants provide a full curriculum for one course or grade level as an attachment. NOTE: A full curriculum will be submitted to the charter authorizer prior to the opening of school.	140-166		X
5. Includes a description of the valid evidence provided that supports the program's objectives and how learning best occurs or, if such evidence is not available, an explanation for the theoretical basis supporting the program's approach to learning.	99-102		X
6. Includes school year/day, academic calendar, number of school days and instructional minutes.	125, 128	X (missing daily calendar)	
F. <b>PLAN FOR STUDENTS WHO ARE ACADEMICALLY LOW ACHIEVING</b> – Indicates how the charter school will identify and respond to the needs of students who are not achieving at or above expected levels.	13-14		X
G. <b>PLAN FOR STUDENTS WHO ARE ACADEMICALLY HIGH ACHIEVING</b> – Indicates how the charter school will identify and respond to the needs of students who are academically high achieving.	13		X
H. <b>PLAN FOR ENGLISH LEARNERS</b> – Indicates how the charter school will identify and respond to the needs of English learners.	13-15		X

<b>I. PLAN FOR SPECIAL EDUCATION</b> – Indicates how the charter school will identify and respond to the needs of students with disabilities. Fully describes the charter school’s special education plan, including, but not limited to, the following:	178 129-135 15-17		
1. The means by which the charter school will comply with the provisions of Education Code §47641;	129-135 15-17	X	
2. The process to be used to identify students who qualify for special education programs and services;	129-135 15-17		X
3. How the school will provide or access special education programs and services;	129-135 15-17		X
4. The school’s understanding of its legal responsibilities for special education students; and	129-135 15-17		X
5. How the school intends to meet those obligations.	129-135 15-17		X

**NOTES/SUMMARY FOR EDUCATIONAL PROGRAM:**

The following critical areas of the Educational Program are not sufficiently described:

**Educational Philosophy:** The petition does not describe what it means to be an “educated person” in the 21<sup>st</sup> century, though it lists some of the skills desired. There is no explanation of how the program will build self-motivated, competent, lifelong learners, yet those attributes are listed as goals. The description of educational outcomes is vague throughout the petition, and shows no evidence of deep alignment with the Common Core State Standards. The plan implies that technology is insufficient, and claims that technologies are available in the field, yet offers no plan for their procurement and implementation.

**High School Programs (a-g):** The petition states that the school currently offers courses approved by the University of California or the California State University system as creditable under the “a-g” admissions criteria and claims that “approval should be straightforward.” However, approval of any courses in mathematics or English/language arts requires explicit alignment to Common Core State Standards. Descriptions of high school courses within the petition show insufficient alignment to Common Core State Standards to warrant such approval. As an initial (new) charter, courses would need to be approved for “a-g,” so the current math and English courses would not meet criteria for approval.

**Curriculum and Instructional Design:** The petition does not detail any methods, strategies or curriculum for students to become self-motivated, competent, life-long learners. There are mentions of field trips, student choice and differentiation, however the course curricula provided lack sufficient evidence of alignment to the Common Core State Standards.

The petition describes a charter school model in which parents are considered the primary deliverers of the educational program, yet there is no mention of parental training, support or engagement in the Common Core State Standards or 21<sup>st</sup> century learning outcomes.

**Plan for Students who are High-and Low- Achieving:** The petition does not detail a system of interventions for low-achieving students. It states that much of the responsibility for intervention is on the parent, however, there are no listed supports or resources for helping parents understand how to identify the need for intervention or provide academic interventions. Limited mention is made of online practice opportunities such as Kahn Academy and ALEKS.

The petition indicates the plan for academically high-achieving students is to provide additional work or courses at the community colleges. The petition is not aligned with any dominant theories or programs for gifted and talented education. The mention of differentiation is not detailed in the course curricula provided, and no explanations or indicators of depth and complexity are referenced. Students do not have access to Advanced Placement or International Baccalaureate course options.

**Plan for English Learners:** None of the course descriptions include evidence of support strategies for language acquisition or language goals. There is no mention of the new English Language Development (ELD) standards (adopted in 2012), nor any description of the structure and curriculum that will be used for designated ELD instruction. The goals for English learning achievement fall significantly below the prescribed targets (Annual Measurable Achievement Objectives) set for progress and proficiency.

**Plan for Special Education:** The petition indicates the school is entering into a new agreement with El Dorado County Charter SELPA in an effort to become its own Local Educational Agency (LEA) for purposes of special education. The information regarding services for individuals with disabilities contained within the enclosed SELPA documents are initial general assurances and therefore lack sufficient detail to ascertain whether or not the school is prepared to be their own LEA for special education, or able to fully implement a special education program within an independent study/home school program.

The petition lacks sufficient detail regarding the following:

- The process used to identify students who qualify for special education programs or services either prior to or following enrollment
- The process for determining student's ability to participate in an independent study program
- The process for providing a free and appropriate education (FAPE) should a student identified for special education during their time in the school require more services than this charter school can provide
- The provision for how, when, and where students will be provided supplemental special education services that can address social/emotional or mental health disorders that impact group/peer work, executive functioning in group settings, specific learning disabilities that require more intervention than is provided through the regular on-site school program, or specialized curriculum, adapted materials, or specialized technology supports in the home environment

Without adequate definition of how the school will address the legal requirements noted above, it is not clear if the school will be able to meet its special education obligations.

<b>III. MEASURABLE STUDENT OUTCOMES AND OTHER USES OF DATA</b> <b>ED CODE 47605 (b)(5)(B)</b>	<b>Petition Page(s)</b>	<b>Sufficient</b>	<b>Insufficient</b>
<b>A. MEASURABLE STUDENT OUTCOMES</b> –Describes the clearly measurable student outcomes that will be used by the charter school. “Student outcomes,” for the purposes of this part, means the extent to which all students enrolled in the school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the school’s educational program including proficiency on state content standards	22-25 99-101 102		X
<b>B. ACADEMIC PERFORMANCE INDEX AND NCLB ADEQUATE YEARLY PROGRESS</b> – Where applicable, includes a plan for attaining the school’s Academic Performance Index growth target and for achieving Adequate Yearly Progress (AYP) under the NCLB Act.	102	N/A (CA on hold, in transition)	
<b>C. METHOD(S) OF ASSESSMENT – ED CODE 47605 (b)(5)(C)</b>			
1. Describes the proposed method(s) by which student progress in meeting the desired student outcomes will be measured.	25-26 99-102	X	
2. The school’s plan describes a variety of assessment tools that are appropriate to the grade level, subject matter, skills, knowledge, and/or attitudes being assessed, including, at a minimum, tools that employ objective means of assessment that are frequent and sufficiently detailed enough to determine whether students are making satisfactory progress.	25-26 99-102		X (lists, but does not describe)
3. Assessments include annual results from the Statewide Testing and Reporting (STAR) program and any other statewide standards or student assessments applicable to students in non-charter public schools, including, but not limited to, the California High School Exit Examination (CAHSEE), the California English Language Development Test (CELDT), and the physical performance test.	19,20,24, 26, 99-102	X	
<b>D. USE AND REPORTING OF DATA</b> – Outlines the plan for collecting, analyzing, and reporting data on student achievement to school staff, parents, and guardians. Also describes the plan for utilizing the data continuously to monitor and improve the charter school’s educational program.	10-26 99-102	X	

**NOTES/SUMMARY FOR MEASURABLE STUDENT OUTCOMES AND OTHER USES OF DATA:**

**Measurable Student Outcomes:** The outcomes for English Learners noted in the petition do not meet required achievement targets (Annual Measurable Achievement Objectives), and the stated goals are significantly lower than the expected annual metrics. The goal for a-g completion (which determines consideration for admission to CSU or UC schools) is only 15%. Although there is a list of instruments used to determine progress toward goals and objectives, no measurable targets are listed for science, social studies, physical education or any subjects other than mathematics and English/language arts.

**Methods of Assessment:** The petition does not describe methods of assessment that will be implemented, nor does it provide specific expectations or indicators of progress.

<b>IV. GOVERNANCE STRUCTURE - ED CODE 47605 (b)(5)(D)</b>	<b>Petition Page(s)</b>	<b>Sufficient</b>	<b>Insufficient</b>
1. Describes the planned governance structure of the school, including the process to be followed by the school to ensure the involvement of parents and guardians in supporting the school's effort on behalf of the school's students.	26-29 77-97 126-136		X
2. Specifically illustrates how the school will be organized and how that structure is designed to support student success. Includes descriptions of decision making processes, financial permissions and restraints, and parental involvement.	26-29 77-97 126-136		X
3. Describes number and respective roles of the governing body and administration, the domains for which each will be responsible, and how their relationship will be managed. Includes selection process, qualifications, decision-making process, length of member's terms, methods of resolving conflicts of interest, and how they will be removed, if necessary.	26-29 77-97 126-136	X	
4. Provides details of how the charter school's board will be developed, in terms of supplementing necessary skills and providing training in effective board practices. Includes a protocol for governing board meetings, such as the Brown Act and Robert's Rules of Order.	79-83 85-89 126-127	X	
5. Describes how the design of the governance structure reflects a seriousness of purpose necessary to ensure that: (1) the charter school will become and remain a viable enterprise; (2) there will be active and effective representation of interested parties, including, but not limited to parents and/or guardians; and (3) the educational program will be successful.	26-29 77-97 126-136	X	
6. Outlines other important legal or operational relationships between school and granting agency in accordance with the general contents of an MOU or Operating Agreement.	n/a		X
7. If incorporated, provides evidence of the organization's incorporation as an attachment, as necessary.	76a-76b	X	
8. Provides a clear description of school's legal status and determination of whether a board member from the charter-granting agency is on the board of the charter.	3-6 76a-76b 77-97a 80-81	X	

**NOTES/SUMMARY FOR GOVERNANCE STRUCTURE:**

The following areas in the petition lack sufficient description:

- The petition refers to both a director and a principal, and lists duties for each (pp. 31-32), yet it is unclear whether this is one role or two
- Parent involvement opportunities are listed, yet contain limited detail (pp. 28-29)
- The staffing plan is very brief and lacks a description of how staffing will be determined or distributed (p. 33)

While the petitioners state that they intend to purchase administrative services from SBCEO or a third party (p. 60), and that the specific services and fees will be set forth in a Memorandum of Understanding, a draft outlining these details is not attached to the petition. This makes it impossible to fully assess the legal and operational impact of the charter on the SBCEO.

<b>V. HUMAN RESOURCES - ED CODE 47605 (b)(5)(E)</b>	<b>Petition Page(s)</b>	<b>Sufficient</b>	<b>Insufficient</b>
<b>A. <u>QUALIFICATIONS OF SCHOOL EMPLOYEES</u> –</b> 1. Describes the qualifications to be met by individuals to be employed by the school. This description includes standards that will be used in hiring teachers, administrators, and other school staff, including, but not limited to the general qualifications for the various categories of employees the school anticipates hiring and the desired professional backgrounds, depth of experience, and other qualities to be sought in their selection.	29-34 70-72 186-189	X	
2. Shows how those qualities will help the school implement its vision, and how they will satisfy the requirements for “highly qualified teachers” under the No Child Left Behind Act and teacher certification under the Williams Case Settlement.	29-30		X
3. The qualifications of leadership and staff are sufficient to ensure the health and safety of the school’s faculty, staff, and students.	34-37 178		X
4. Identifies positions that will be regarded as “key” in each category and specifies the additional qualifications expected of individuals assigned to those positions.	29-33 178		X
5. Includes an assurance that all requirements for employment set forth in applicable provisions of law will be met, including, but not limited to credentials, as necessary.	29-37	X	
<b>B. <u>COMPENSATION AND BENEFITS</u></b> 1. Provides a brief explanation of how the school will structure employee compensation to attract candidates with the necessary skills and experience.	178	X	
2. Describes the manner by which staff members of the charter school will be covered by the State Teachers’ Retirement System, the Public Employees’ Retirement System, and/or federal social security; or how the school will create a system of its own to accommodate employees’ retirement funding. Provides an account of the costs related to these benefits. <b>ED CODE 47605 (b)(5)(K)</b>	50-51	X	
3. Includes the specific positions to be covered under each system and the staff designated to ensure that appropriate arrangements for that coverage are made.	178	X	
<b>C. <u>EMPLOYEE REPRESENTATION – ED CODE 47605 (b)(5)(O)</u></b> 1. Makes a declaration of whether or not the charter school shall be deemed the exclusive public school employer of the employees of the charter school for the purposes of the Educational Employee Relations Act (EERA).	54	X	
2. Provides information regarding the employee’s status in regard to the EERA, and a description of the charter school’s understanding of its responsibilities in the event employees are represented under the EERA.	54		X

<p><b>D. RIGHTS OF SCHOOL DISTRICT EMPLOYEES – ED CODE 47605 (b)(5)(M)</b> Provides, as applicable, a description of the rights of any employee of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school. Includes a description of how these rights will be communicated to prospective employees.</p>	51-52		X
<p><b>E. HEALTH AND SAFETY – ED CODE 47605 (b)(5)(F)</b></p> <p>1. Describes the procedures that the school will follow to ensure the health and safety of students and staff, including how the school will provide for proper immunization, as well as vision, hearing, and scoliosis screening for students.</p>	34-37 138	X	
<p>2. Describes the steps the school will take to ensure that criminal background checks and proof of an examination for tuberculosis are collected from all school personnel.</p>	34-35 138	X	
<p>3. Describes efforts to comply with state and federal laws regarding food safety and environmental protection.</p>	n/a	X	
<p>4. Description of the charter’s safety plan and disaster preparedness plan, including seismic safety (structural integrity and earthquake preparedness), administration of medicines, zero tolerance for use of drugs and tobacco, and staff training on emergency and first aid response.</p>	35-36	X	
<p><b>F. DISPUTE RESOLUTION - ED CODE 47605 (b)(5)(N)</b>                  Describes the procedures to be followed by the charter school and the county board of education to resolve disputes relating to provisions of the charter.</p> <p>1. Outlines step by step process for identifying/framing dispute points, including whether internal charter disputes may be brought to granting agency, identifies specific parties to be involved at each step, basic rules at each step, which results are binding.</p>	52-53	X	
<p>2. Process indicates whether it is binding on school or granting agency/fair process.</p>	52	X	
<p>3. Provides a description of the procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to provisions of the charter.</p>	52-53	X	
<p>4. Describes how the costs of such a dispute resolution process, if needed, will be funded.</p>	53	X	

**NOTES/SUMMARY FOR HUMAN RESOURCES:**

The following areas lack detail and specificity:

- The Highly Qualified Teacher (HQT) determination process does not outline how requirements will be satisfied
- Required responsibilities for public employers under Educational Employee Relations Act (EERA) are not included
- The petition indicates some responsibilities are required by California Education Code, however it does not include how compliance will be achieved
- How legal rights of employees will be communicated to prospective employees

Although health and safety requirements are sufficient and included in the petition, more detail and specificity including timelines and descriptions of plans are recommended.

<b>VI. STUDENT ADMISSIONS, ATTENDANCE, AND SUSPENSION/ EXPULSION POLICIES - ED CODE 47605 (b)(5)(H)</b>	<b>Petition Page(s)</b>	<b>Sufficient</b>	<b>Insufficient</b>
<b>A. STUDENT ADMISSION POLICIES AND PROCEDURES –</b> 1. Describes the policies and procedures the school will develop and implement for the admission and enrollment of students, including any admission preferences and any proposed timetable or calendar and the school’s implementation of the random lottery process as required by law.	38-39	X	
2. Includes assurance that the charter school will be nonsectarian in its programs, admission policies, employment practices, and all other operations, and will not charge tuition nor discriminate against any student based on ethnicity, national origin, gender, or disability.	37-38	X	
<b>B. NON-DISCRIMINATION – ED CODE 47605 (b)(5)(G )</b> Describes how the charter school will ensure a racial and ethnic balance among its students that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted.	37-38	X	
<b>C. PUBLIC SCHOOL ATTENDANCE ALTERNATIVES – ED CODE 47605 (b)(5)(L)</b> As applicable, describes the public school attendance alternatives for students in the district who choose not to attend the charter school. At a minimum, specifies that the parent or guardian of each student enrolled in the charter school will be informed that the students have no right to admission in a particular school of any local education agency as a consequence of enrollment in the charter school, except to the extent that such a right is extended by the local education agency	51	X	
<b>D. SUSPENSION/EXPULSION PROCEDURES – ED CODE 47605 (b)(5)(J)</b> 1. Describes the procedures by which students can be suspended or expelled.	40-50	X	

2. Includes a preliminary list of the offenses for which students in the charter school must (where non-discretionary) and may (where discretionary) be suspended or expelled, respectively.	42-44	X	
3. Identifies the procedure by which students can be suspended or expelled and the process by which parents/guardians and students will be informed about the reasons for any such actions and their due process rights.	45	X	
4. Explains how the charter school will take into account the rights of students with disabilities in regard to suspension and expulsion. Outline how policies and procedures regarding suspension and expulsion will be periodically reviewed and, when necessary, modified.	132	X	
5. Contains references to a comprehensive set of student disciplinary policies.	140-150	X	

**NOTES/SUMMARY FOR STUDENT ADMISSIONS, ATTENDANCE, AND SUSPENSION/ EXPULSION POLICIES:**

**Non-Discrimination:** It is unclear what is meant by “The development of promotional and informational material that appeals to all of the various racial and ethnic groups represented in the district.” (p. 27, bullet 2)

**Student Disciplinary Policies:** Policies are vague concerning disciplinary offenses that do not warrant suspension or expulsion

VII. FINANCIAL PLANNING, REPORTING, AND ACCOUNTABILITY	Petition Page(s)	Sufficient	Insufficient
A. <b>BUDGETS</b> – Provides a proposed first-year operational budget, including startup costs, that includes:			
1. Reasonable estimates of all anticipated revenues and expenditures necessary to operate the school – including special education. [check to see if there is more to this section]	105-119		X
2. Budget notes that clearly describe assumptions or revenue estimates, including, but not limited to the basis for average daily attendance estimates and staffing levels.	105-119		X
3. Cash flow and financial projections for the first three years of operation; and plans for establishment of a reserve. It is recommended that charter schools maintain a reserve equivalent to that required by law for a school district of comparable size.	120-122		X
B. <b>FINANCIAL REPORTING</b> – 1. Describes the systems and processes by which the school will keep track of financial data and compile information in the prescribed format needed for the annual statement of receipts and expenditures for the prior fiscal year that is due to the charter authorizer by September 15 of each year (also known as Unaudited Actuals). 2. Provides a detailed description	178		X
C. <b>INSURANCE</b> – Agrees that the school will acquire and finance general liability, property, workers compensation, and other necessary insurance of the types and in the amounts required for an enterprise of similar purpose and circumstance, and provide evidence that the cost and availability of such insurance has been researched by the petitioners.	178	X	
D. <b>ADMINISTRATIVE SERVICES</b> – 1. Describes the structure for providing business/administrative services (including, at a minimum, personnel transactions, accounting, and payroll) that reflects an understanding of school business practices and expertise needed to carry out administrative services or a reasonable plan and timeline to develop and assemble such practices and expertise.	60 178		X
2. For any contract services planned to serve the school, describes the criteria and procedures for the selection of contractors	n/a		X
E. <b>FACILITIES</b> – 1. Describes the types and potential location of any facility/ies needed to operate the size and scope of educational program proposed in the charter.	103 178	X	
2. If (a) specific facility/ies has/have not been identified, provides evidence of the type and projected cost of the facility/ies that may be available in the location of the proposed	103 178		X

charter school(s).			
3. Facilities plans reflect reasonable costs for the acquisition or leasing of facilities to house the charter school.	106-119 178	X	
4. Assurance that the charter school's facilities meet state and local building codes as required by law.	178		X
5. Assurance that the charter facilities meet federal requirements, including the Americans with Disabilities Act.	178		X
F. <b>TRANSPORTATION</b> – Provides a description of the arrangements, if any, to be made for transportation of students, including expected level of need, proposed contracts, and adequate types and levels of insurance.	n/a	n/a	
G. <b>AUDITS – ED CODE 47605 (b)(5)(I)</b>			
1. Describes the manner in which annual, independent financial audits, as required by law, will be completed by December 15 following the close of each fiscal year, and the anticipated timeline in which audit exceptions and deficiencies (if any) will be resolved to the satisfaction of the charter authorizer.	40	Partial- see notes below	
2. Describes who will be responsible for contracting and overseeing the independent audit, including a specification that the auditor will have experience in education finance.	40	X	
3. Outlines, as applicable, the process for providing audit reports to the charter authorizer (SBCEO), State Controller's Office, and California Department of Education.	40	X	
4. Though not required by law, the audit includes a review of average daily attendance reported by the charter school.	178	X	
5. Petition/MOU describes what will occur during audits, including:	178	X	
a. Review of each component of Initial Charter Petition for compliance.			
b. Analysis of whether goals are being met.			
c. Summary of major decisions and policies established by the board in each year			
d. Data on level of parent involvement in governance of school.			
e. Summary data from annual student/parent satisfaction.			
f. Data regarding numbers of staff, their qualifications and verifications of			

credentials.			
g. Copy of health/safety procedures and summary of any major changes.			
h. Determination of the suitability of the facility in terms of health and safety.			
i. Determination of the suitability of the facility in terms of educational utility.			
j. Making copies of all required documentation (e.g. leases, insurance, etc.).			
k. Overview of admission practices: <ul style="list-style-type: none"> <li>• Number of actual students enrolled.</li> <li>• Waiting lists.</li> <li>• Expulsions and suspensions.</li> </ul>			
l. Analysis of any internal/external dispute resolutions.			
6. Site visit by granting agency including observation of the instructional program.	178	X	
H. <b>CLOSURE PROTOCOL – ED CODE 47605 (b)(5)(P)</b>			
1. Provides a detailed description of the procedures to be used in the case of a decision by the charter authorizer or State Board of Education to revoke the school’s charter, a decision by the charter authorizer not to renew the charter, or a decision by the school voluntarily to close.	54-59	X	
2. Includes plans for a final audit of the school and disposition of net assets.	58-59	X	
3. Includes plans for communication of the closure to parents and staff; and maintenance and transfer of student records.	56-57	X	

<p><b>I. <u>GEOGRAPHIC AND SITE LIMITATIONS</u></b>                  The Petition identifies where the school will operate.</p>	<p>6 103</p>	<p>X</p>	
<p><b>J. <u>SCHOOL MANAGEMENT CONTRACTS</u></b> – If the proposed charter school intends to enter into a contract with an education management organization (EMO), inclusion of the following is included:</p>	<p>n/a</p>		
<p>A description of the proposed contract including roles and responsibilities, performance evaluation measures, payment structure, conditions for renewal and termination, and investment disclosure.</p>	<p>n/a</p>	<p>X</p>	
<p>A draft of the proposed management contract.</p>	<p>n/a</p>		<p>X</p>
<p>A recent corporate annual report and audited financial statements for the EMO.</p>	<p>n/a</p>		<p>X</p>
<p>A description of the firm’s roles and responsibilities for the financial management of the proposed charter school and the internal controls that will be in place to guide this relationship.</p>	<p>n/a</p>		<p>X</p>
<p>A list of other schools managed by the school management company, including contact information.</p>	<p>n/a</p>		<p>X</p>
<p>A summary of the company’s history and philosophy, past results of its school management efforts, and background on its corporate leaders.</p>	<p>n/a</p>		<p>X</p>
<p><b><u>NOTES/SUMMARY FOR FINANCIAL PLANNING, REPORTING, AND ACCOUNTABILITY:</u></b></p> <p><b><u>Budgets</u></b></p> <ol style="list-style-type: none"> <li>1. Average Daily Attendance (ADA)                         <ol style="list-style-type: none"> <li>a. The ADA included in the petition estimate includes 304 students for each of the five years, which may be an overstatement. In the 2013-14 P-2 report for the Olive Grove School ADA was 310.88; In the 2014-15 P-1 report ADA was 276.59 (P-2 is not yet available).</li> <li>b. The Los Olivos School District has indicated that 20 students will remain in a charter school within their district, and this will impact the projections included in the petition. (Assuming the higher 2013-14 ADA of 310.88, this leaves 293 for the continuing Olive Grove Charter School).</li> </ol> </li> <li>2. Assumptions                          The assumptions used for the cost of living adjustment (COLA) for Years 2 to 5 are not in alignment with the School Services of California (SSC) projections.</li> <li>3. Revenues                         <ol style="list-style-type: none"> <li>a. Local Control Funding Formula revenue is overstated in each year presented using the FCMAT LCFF calculator and the petition’s ADA estimates</li> </ol> </li> </ol>			

- Year 1 is overstated by \$ 94,062
  - Year 2 is overstated by \$ 145,356
  - Year 3 is overstated by \$ 52,512
  - Year 4 is overstated by \$ 28
  - Year 5 is overstated by \$ 30,751
- b. Using the petition's ADA estimates and the School Services of California (SSC) predicted lottery rates, the proposed charter would generate \$49,248. This is materially correct in the petition.
- c. The petitioner may apply for the mandate block grant which would generate \$10,836 per year. This revenue is not included in the petition.
- d. The petition includes projected revenues from AB 602 (years 1 to 5 show \$150,480 each year), however availability of these funds cannot be determined.
- e. The petition indicates year 1 revolving fund revenue from the State in the amount of \$250,000, however, this is a loan that may be received for start-up cash flow and must be paid back within five years. This does not represent revenue to the charter school. The deadline for applying for these funds (to be disbursed through August 2015) has already passed. It is not apparent that the petitioner has applied for these funds.
- f. In years 1 to 5 revenue from ESEA, Titles I & II, are noted, and for years 2 to 5 IDEA revenues are included. Verification of eligibility for these funds cannot be determined at this time.
- g. Due to the items noted above, the total revenue in this petition is overstated in the years noted below. The following summary does not take into account the uncertainty of the AB 602 funds, federal funds or the slight variations in the lottery revenue.
- Year 1 Revenue is overstated by \$ 333,226.
  - Year 2 Revenue is overstated by \$ 134,520.
  - Year 3 Revenue is overstated by \$ 41,681.
  - Year 4 Revenue is understated by \$ 10,808.
  - Year 5 Revenue is overstated by \$ 19,315.
- h. The noted adjustments to revenue cause the ending net balance to be negative every year of the five-year projection. The petition fails to maintain a reserve equivalent to that required by law for a school district of comparable size.
4. Expenditures
- a. The budgeted salaries include a director position, while the narrative refers to both a director and a principal. There is no principal listed in the budget. The budget includes salaries for the other positions noted.
- b. Start-up costs are included as a line item in the budget. The detail notes that start-up costs are higher in the second year than in the first year due to increased costs for technology, textbooks, furnishings, and supplies in the second year. These projections lack detail and explanation for projected expenditures.
- c. The petition indicates that teachers will be STRS members. It is not noted if the budgeted expenditures include

increasing STRS employer contribution rates that will be 10.73 percent of creditable salaries in 2015-16, increasing to 18.13 percent in the 2019-20 school year. Classified employees' retirement will be provided by Social Security.

5. Ending Balance

The above adjustments to revenue cause the ending net balance to be negative every year of the five-year projection. The petition fails to maintain a reserve equivalent to that required by law for a school district of comparable size.

6. Cash Flow

The cash flow projection hinges upon the receipt of the revolving fund loan in July 2015 and the revenue estimates discussed above. It is not apparent the petitioner will receive the revolving fund loan proceeds. It is not possible to evaluate the cash flow projection due to these uncertainties.

**Financial Reporting**

1. The petition does not include details on how information will be tracked and compiled in the prescribed format.
2. The petition notes the proper annual reporting cycle of adopted budget, first interim report, second interim report, unaudited actual, and independent audit report.

**Insurance**

While insurance issues are addressed satisfactorily, there is one section on page 61 that notes "Evidence of Insurance at Appendix \_\_\_\_." This Appendix was not included in the petition.

**Administrative Services**

1. The petition includes conflicting information about accounting and payroll functions. On page 60, it notes that the "OGCS intends to purchase administrative services from the District" with terms defined in a memorandum of understanding (MOU). However, on page 98, the petition notes contracting with a "business services provider who will provide consulting on start-up and training in the school's business back office function." The petition indicates that the contractor would work in conjunction with the principal and the office manager. This section was added as part of the appeal process.
2. The petition budget includes a principal and an operations manager. The position description notes that the operations manager is responsible for overall clerical and office activities. It does not note any responsibility for working with the business services contractor. There is no Office Manager listed in the budget. This section was added as part of the appeal process.
3. The petition includes the criteria and procedures for the selection of contractors on page 178.

**Facilities**

1. The petition describes a single charter school operating at four locations, none of which are within the boundaries of the school district petitioned. These sites have been in use by the predecessor charter school for over five years. The petition indicates assumption of leases for the previously used sites.
2. Although the predecessor charter has occupied these sites, there is no indication the sites meet state and local building codes as required by law, or that the sites meet federal requirements, including the Americans with Disabilities Act.

3. The petitioner does not have facilities secured in Cuyama for the 2015-2016 school year, nor has it identified office space.

#### **Audits**

1. The petition states that the independent financial audit will be completed by the December 15 deadline. The description of the audit process does not include a timeline by which audit exceptions and deficiencies will be resolved.
2. The petition notes that exceptions and deficiencies will be resolved in a “timely fashion” (p. 40), but does not address how.
3. In the update for the appeal, the petition notes that although a programmatic audit is no longer required, the charter agrees to include the items listed in VII, F, a to I in the independent audit, if the appeal is approved.

#### **Geographic and Site Limitations**

The petition indicates that the charter will operate a single charter school at four locations, none of which are within the boundaries of the school district. These sites have been in use by the predecessor charter school for over five years. The petition indicates plans to assume the leases for the sites (p. 103). In addition, the petition notes the intention to assess facility needs within the Cuyama USD boundaries based on actual enrollment. Such facilities are not identified within the petition.

#### **School Management Contract**

The petition notes that management will use the request for proposal (RFP) process to solicit the services of an education management organization. However, since no such organization is identified, the remaining requirements are not met.

<b>VIII. IMPACT ON THE CHARTER AUTHORIZER</b>	<b>Petition Page(s)</b>	<b>Sufficient</b>	<b>Insufficient</b>
<p>A. Provides information regarding the potential effects of the charter school on the charter authorizer and/or the school district in which it will be located, including, but not limited to, the facilities to be utilized by the school, the manner in which administrative services of the school are to be provided, and potential civil liability effects.</p>	59-61		X
<p><b>NOTES/SUMMARY FOR IMPACT ON THE CHARTER AUTHORIZER</b></p> <p>The petition states that the charter is in the process of applying for tax-exempt status from the Internal Revenue Service and the California Franchise Tax Board (p. 27). This means that currently, the charter is not a tax-exempt entity, and therefore, the complete identity of and implications of working with the charter are not yet known. If tax-exempt status is not granted, tax liabilities could adversely affect the charter’s finances and operations, and jeopardize the receipt of property taxes, state, and federal funds. The charter’s tax-exempt status would need to be resolved in order for authorization to be considered.</p> <p>The petition refers to addressing facility needs in the Cuyama School District based on actual enrollment (p. 103). In various places throughout the petition, four locations in and out of Santa Barbara County are specified as resource sites. On page 180 of the petition, which is part of a section meant to address changes that will be made to the petition if the SBCEO authorizes the charter, it states that the financial projections include funding to support the charter’s operations in Cuyama. Nothing is mentioned regarding where the main office for the charter will be housed or how, if at all, this would affect the SBCEO. These references to Cuyama and omissions of detail about potential effects on the SBCEO make the facilities impact of the charter on the SBCEO undeterminable.</p>			

## **PETITION OF THE OLIVE GROVE CHARTER SCHOOL BEFORE THE SANTA BARBARA COUNTY BOARD OF EDUCATION**

### **STAFF REPORT AND RECOMMENDED FINDINGS**

#### **1. Introduction**

On March 6, 2015, a petition for the establishment of the Olive Grove Charter School (OGCS) was submitted to the Santa Barbara County Board of Education (County Board). The submission to the County Board followed the denial of the petition by the Cuyama Joint Unified School District (CUSD) on February 19, 2015. In effect, this is an appeal of the denial by CUSD – not a petition for a countywide charter school under Education Code 47605.6 – and is governed by Education Code 47605 (j) (1). Under that section, a charter that receives approval of its petition from a county board of education is subject to the same requirements concerning geographic location to which it would otherwise be subject if it had received approval from CUSD.

On the same date as the submission of the petition, petitioners also requested consolidation of the two separate County Board meetings normally held on charter school petitions: the first, a public hearing to be held within 30 days from receipt of the petition to consider the level of support from parents and district teachers and other employees; and the second subsequent meeting within 60 days following receipt, to decide whether to grant or deny the petition. Education Code 47605 (b). Specifically, petitioners requested that the two meetings be combined into a single meeting on April 2, 2015. Although the shorter period significantly limited the amount of time that was available for County Board staff's review and analysis, County Board staff agreed to the petitioner's request to provide the process needed for final board action on April 2, but stated that the County Board retains the right to defer taking action at that time should they feel additional time is required.

#### **2. Charter Schools Act Requirements**

Under the Charter Schools Act, in reviewing petitions for the establishment of charter schools, the chartering authority is to 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. The governing board of a school district – and in this case the County Board – shall grant a charter for the operation of the school if it is satisfied that the charter is consistent with sound educational practices. The County Board shall not deny a petition 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 required number of signatures.
- (4) The petition does not contain an affirmation of each of the conditions described in Education Code 47605 (d).
- (5) The petition does not contain reasonably comprehensive descriptions of all the requirements set forth in education code 47605 (b) (5) (A-P).

In addition to the foregoing requirements, Education Code 47605 (a) and 47605.1 contain specific geographic and site limitations which must be met in order for a petition to be approved. Under Education Code 47605 (a) (1), a petition for the establishment of the charter school shall identify a single charter school that will operate within the geographic boundaries of that school district. In the context of this appeal “school district” means the CUSD. A charter school may propose to operate at multiple sites within the school district as long as each location is identified in the charter school petition. This refers only to multiple sites within CUSD, not elsewhere. However under 47605.1 (d) if, due to unavailability, a charter school cannot locate a site within the geographic boundaries of the chartering school district, e.g. CUSD, it may establish one site outside the boundaries of the school district, but within the county within which that school district is located. This exception to the requirement that there must be a school site within the district only applies if the districts where the charter school proposes to operate are notified in advance of the approval of the charter school petition, and the charter school has attempted unsuccessfully to locate a single site or facility to house the entire program.

### **3. The Petition**

The following description of the charter is taken from the petition (p.3).

“This charter petition proposes the establishment of the Olive Grove Charter School. Under the new charter, the school will continue most operations of a predecessor charter school, the Olive Grove Home Study Charter School. Olive Grove Home Study Charter School was a dependent school governed by the Board of Trustees of the Los Olivos School District. The new charter petition proposes to operate Olive Grove Charter School as a California nonprofit public benefit corporation.

Olive Grove Charter School anticipates retaining staff from the predecessor charter school and hiring additional new staff to operate the school to perform functions previously performed by the staff of Los Olivos School District staff. This includes a Principal and additional administrative staff. As the budget permits, this may also include additional instructional staff.

Under its previous charter, the Olive Grove Home Study Charter School functioned with four meeting spaces within Santa Barbara County and one additional facility in San Luis Obispo County. The previous charter school will continue to operate at the existing Los Olivos site, which serves about 35 students, and the proposed new charter school will operate the remaining existing sites, which collectively serve about 300 students. At these sites, Olive Grove Charter School anticipates preserving the educational program as it currently functions and making updates to the program, such as increased use of technology to enhance its educational offerings.

The school anticipates that most students enrolled in the predecessor school will enroll in the new school.”

If the petition is approved by the County Board, although the County Board would become the chartering authority as described above, the geographic and site location requirements are relative to CUSD, where the petition was originally filed. CUSD is a small rural school district of approximately 240 students located near the juncture of Ventura, San Luis Obispo and Santa Barbara counties. It is nearly 100 driving miles to Santa Barbara and almost 60 miles to Santa Maria.

CUSD’s review of the petitions included consideration of the Education Code-prescribed geographic and site location requirements. Among the factual findings made by the CUSD board was the following:

“The proposed charter does not propose to establish a charter school within the District’s boundaries, provide a principal office location, or specify charter locations with certainty. Instead, it lists four locations where the charter school is currently operating and allows the charter school to unilaterally and during the charter term, locate a facility ‘within the general area’ of certain cities.”

In its submission to the County Board, as required, the petition sets forth a narrative of the changes from the petition to CUSD that would be required if authorized by the County Board (pps. 178 – 181). In its submittal, the petition states that it proposes to enroll pupils in non-classroom-based independent study and that the school’s operations are not confined to the geographic boundaries of the school district. Further it is stated that OGCS anticipates assuming the leases of four anticipated resource center sites outside the boundaries of the school district (these “resource center sites” are listed on page 103 of the petition with addresses in Morro Bay, Santa Barbara, Lompoc and Santa Maria). Rather than specifying any site within CUSD, OGCS states that “for its operations within Cuyama, OGCS will assess its facilities needs based on actual enrollment of students.” (P. 181).

#### **4. Analysis of the Geographic and Site Factors**

Despite the laudatory aims and earnest intentions of petitioners, it is apparent that the petition does not satisfy the Charter Schools Act's geographic and site requirements.

**(1)** The Charter Schools Act states: "a charter school that receives approval of its petition from a county board of education or from the state board on appeal shall be subject to the same requirements concerning geographic location to which it would otherwise be subject if it received approval from the entity to which it originally submitted its petition. A charter petition that is submitted to either a county board of education or to the state board shall meet all otherwise applicable petition requirements, including the identification of the proposed site or sites where the charter school will operate." Education Code 47605(j)(1)

**(2)** Education Code 47605 (a)(1) states that the petition shall identify a single charter school that will operate within the geographic boundaries of that school district." The petition fails to identify a single charter school that will operate within the geographic boundaries of CUSD. The petition's only reference to CUSD, in which it is stated that it will assess its facility needs based on actual enrollment of students in Cuyama, is insufficient. The requirement of a single charter school that will operate within the school district is mandatory and the failure of the petition to do so renders the petition defective and unapprovable unless an exception applies.

**(3)** The only exception to the above requirement that the charter school operate within the geographic boundaries of CUSD is where the charter school is unable to locate within those boundaries, in which case it may establish one site outside the CUSD boundaries, but within the same county (1) where the affected districts are first notified and (2) if the school has attempted to locate a single site or facility to house the entire program but such a facility or site is unavailable. Education Code 47605.1 (d). The petition fails to provide that a facility or site is unavailable in CUSD and lacks a description of any attempt having been made to do so.

**(4)** Further, even assuming arguendo that it is unable to locate a site within CUSD, the petition identifies four sites – not the allowable single site – outside the CUSD boundaries, including one in a neighboring county. Although a charter school is allowed to operate at multiple sites, those sites are required to be situated within CUSD. Education code 47605 (a) (1). The only sites identified in the petition are outside the geographical boundaries of CUSD and situated within other school districts.

**(5)** Additionally the documentation submitted with the petition does not evidence the required notification having been given by petitioners to the affected districts in whose areas the four sites are proposed to be located.

(6) While the petition characterizes the four listed resource center sites, all of which are outside CUSD, as being for the purpose of non-classroom-based independent study, the Charter Schools Act does not allow for the same in lieu of the geographic and site location requirements described above.

(7) In a very similar court case, San Diego Unified School District Versus Alpine Unified School District (Case Number 37-2014-00021153-CU-MC-CTL; decided January 28, 2015), the court ordered Alpine USD, as chartering authority, to revoke a charter school's petition and ruled the charter null and void because of noncompliance with the charter school's geographic and site location requirements. In its decision, the court stated that "[t]he Charter Schools Act requires a chartering authority (Educ. Code, § 47604.32) such as Alpine to ensure that all of the relevant threshold prerequisites are met and contained in a petition to establish a charter school *before* discretion in granting or denying the charter may be exercised." The court found that a lawful charter required a physical location within Alpine USD and that the establishment in lieu thereof of non-classroom-based resource centers situated in another school district was not authorized by the Charter Schools Act. The court predicated its ruling upon the fact that these initial prerequisites cannot be disregarded by either a chartering authority or by the petitioning charter school itself.

(8) Based upon the explicit requirements of the Charter Schools Act and the decision in San Diego Unified, the County Board lacks discretion to grant the charter based upon the failure of the petition to conform to mandatory geographical and site requirements.

## 5. Analysis of the Educational Program

Although the analysis of the geographical and site requirements concludes that the petition does not meet Education Code, the staff continued with an analysis of the educational and other program aspects of the proposed charter in an abbreviated timeframe in order to provide a complete review and to meet the request of the petitioners to consolidate the two public hearings. As delineated above, the County Board shall not deny a petition unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the relevant findings, as listed below. The staff analysis of each follows:

### (1) **Soundness of the educational program for the pupils to be enrolled in the charter school.**

Staff Analysis: Olive Grove Charter School proposes to serve students in grades K-12 seeking an alternative educational option.

The petition states, "At the K-8 level, the population is more heavily comprised of families wanting to educate their students using a home school model but with a strong connection to a supportive independent study teacher who is highly responsive to the student's and family's needs. At the 9-12 level, the

population is more heavily comprised of students who feel more suited to alternatives to the traditional school setting or who, for a multitude of reasons, benefit from a blended independent study model.” (p. 9)

The petition lacks required detail regarding the methods, strategies or curriculum for students, and does not provide research or evidence base to support the home school or blended independent study models. Parent participation is featured as an integral part of the students’ education, but there is insufficient detail on how the school will ensure parents are provided the support needed to teach and/or provide supplemental or intervention supports for their children. Absent this essential information, the educational program is deemed unsound.

**(2) Likelihood of successfully implementing the program set forth in the petition.**

Staff Analysis: Current teaching and support staff would likely be adequate to implement the program described in the petition. However, in order to fully implement the program, key positions are yet to be hired. While planning for principle positions are permissible in the petition approval process, several factors have been omitted from the plans that are necessary to fully address this component of the staff review.

For example, OGCS intends on hiring a Principal and/or Director (both are named in the narrative though it appears that OGCS intends on hiring just one position, not both, pp. 31-33). While there are several lists of roles and responsibilities for both positions, there is a need to further detail how the principal, director, or teachers will provide or access special education programs for students with Individualized Education Plans (IEP). Further, while the petitioners state that they intend to purchase administrative services from SBCEO or a third party (p.60), and that the specific services will be set forth in a Memorandum of Understanding, necessary details regarding these services are not included in the petition.

In addition, the failure of the petition to conform to the geographic and site requirements mandated by the Charter Schools Act will prevent successful implementation.

**(3) Number of Signatures.**

Staff Analysis: The petition contains thirteen teacher signatures, and constitutes the number of signatures required.

**(4) Affirmation of each of the conditions described in Education Code 47605 (d).**

Staff Analysis: All required affirmations of Education Code 47605 (d) are provided.

**(5) Presence of Reasonably Comprehensive Descriptions of the Requirements in Education Code 47605 (b) (5) (A-P).**

Staff Analysis: Staff analyzed the contents of the petition to determine whether applicable requirements were met and if the content was either sufficient or insufficient in each of the key content areas. Details from the review are located within the body of the attached "SBCEO Charter School Appeal Petition Review Checklist." Staff reached the following conclusions:

I. **Charter School Status, Required Signatures, Required Statements, Founding Group:** Insufficient

More information is required in order confirm that applicants possess necessary background in critical areas including Special Education and Administrative Services. While the petitioners intend to secure certain positions after charter approval, there is a need to further detail how the principal, director, or teachers will provide or access special education programs for students with Individualized Education Plans (IEP), and what an MOU for administrative services would entail.

II. **Educational Program:** Insufficient

**Educational Philosophy:** The petition does not describe what it means to be an "educated person" in the 21<sup>st</sup> century, though it lists some of the skills desired. There is no explanation of how the program will build self-motivated, competent, lifelong learners, yet those attributes are listed as goals. The description of educational outcomes is vague throughout the petition, and shows no evidence of deep alignment with the Common Core State Standards. The plan implies that technology is insufficient, and claims that technologies are available in the field, yet offers no plan for their procurement and implementation.

**High School Programs (a-g):** The petition states that the school currently offers courses approved by the University of California or the California State University system as creditable under the "a-g" admissions criteria and claims that "approval should be straightforward." However, approval of any courses in mathematics or English/language arts requires explicit alignment to Common Core State Standards. Descriptions of high school courses within the petition show insufficient alignment to Common Core State Standards to warrant such

approval. As an initial (new) charter, courses would need to be approved for “a-g,” so the current math and English courses would not meet criteria for approval.

**Curriculum and Instructional Design:** The petition does not detail any methods, strategies or curriculum for students to become self-motivated, competent, life-long learners. There are mentions of field trips, student choice and differentiation, however the course curricula provided lack sufficient evidence of alignment to the Common Core State Standards.

The petition describes a charter school model in which parents are considered the primary deliverers of the educational program, yet there is no mention of parental training, support or engagement in the Common Core State Standards or 21<sup>st</sup> century learning outcomes.

**Plan for Students who are High and Low Achieving:** The petition does not detail a system of interventions for low-achieving students. It states that much of the responsibility for intervention is on the parent, however, there are no listed supports or resources for helping parents understand how to identify the need for intervention or provide academic interventions. Limited mention is made of online practice opportunities such as Kahn Academy and ALEKS.

The petition indicates the plan for academically high-achieving students is to provide additional work or courses at the community colleges.

The petition is not aligned with any dominant theories or programs for gifted and talented education. The mention of differentiation is not detailed in the course curricula provided, and no explanations or indicators of depth and complexity are referenced.

Students do not have access to Advanced Placement or International Baccalaureate course options.

**Plan for English Learners:** None of the course descriptions include evidence of support strategies for language acquisition or language goals. There is no mention of the new English Language Development (ELD) standards (adopted in 2012), nor any description of the structure and curriculum that will be used for designated ELD instruction. The goals for English learning achievement fall significantly below the prescribed targets (Annual Measurable Achievement Objectives) set for progress and proficiency.

**Plan for Special Education:** The petition indicates the school is entering into a new agreement with El Dorado County Charter SELPA in an effort to become its own Local Educational Agency (LEA) for purposes of special education. The information regarding services for individuals with disabilities contained within

the enclosed SELPA documents are initial general assurances and therefore lack sufficient detail to ascertain whether or not the school is prepared to be their own LEA for special education, or able to fully implement a special education program within an independent study/home school program.

The petition lacks sufficient detail regarding Special Education Services:

- The process used to identify students who qualify for special education programs or services either prior to or following enrollment
- The process for determining student's ability to participate in an independent study program
- The process for providing a free and appropriate education (FAPE) should a student identified for special education during their time in the school require more services than this charter school can provide
- The provision for how, when, and where students will be provided supplemental special education services that can address social/emotional or mental health disorders that impact group/peer work, executive functioning in group settings, specific learning disabilities that require more intervention than is provided through the regular on-site school program, or specialized curriculum, adapted materials, or specialized technology supports in the home environment.

Without adequate definition of how the school will address the legal requirements noted above, it is not clear if the school will be able to meet its special education obligations.

III. **Measureable Student Outcomes and Other Uses of Data:** Insufficient

**Student Outcomes:** The outcomes for English Learners noted in the petition do not meet required achievement targets (Annual Measurable Achievement Objectives), and the stated goals are significantly lower than the expected annual metrics. The goal for a-g completion (which determines consideration for admission to CSU or UC schools) is only 15%. Although there is a list of instruments used to determine progress toward goals and objectives, no measurable targets are listed for science, social studies, physical education or any subjects other than mathematics and English/language arts.

**Methods of Assessment:** The petition does not describe methods of assessment that will be implemented, nor does it provide specific expectations or indicators of progress.

IV. **Governance Structure**: Insufficient

- The petition refers to both a director and a principal, and lists duties for each (pp. 31-32), yet it is unclear whether this is one role or two
- Parent involvement opportunities are listed, yet contain limited detail (pp. 28-29)
- The staffing plan is very brief and lacks a description of how staffing will be determined or distributed (p. 33)

While the petitioners state that they intend to purchase administrative services from SBCEO or a third party (p. 60), and that the specific services and fees will be set forth in a Memorandum of Understanding, a draft outlining these details is not attached to the petition. This makes it impossible to fully assess the legal and operational impact of the charter on the SBCEO.

V. **Human Resources**: Insufficient

- The Highly Qualified Teacher (HQT) determination process does not outline how requirements will be satisfied
- Required responsibilities for public employers under Educational Employee Relations Act (EERA) are not included
- The petition indicates some responsibilities are required by California Education Code, however it does not include how compliance will be achieved
- How legal rights of employees will be communicated to prospective employees lacks specificity

VI. **Student Admissions, Attendance, and Suspension/Expulsion Policies**: Sufficient

VII. **Financial Planning, Reporting and Accountability**: Insufficient

**Budgets**

1. Average Daily Attendance (ADA)

a. The ADA included in the petition estimate includes 304 students for each of the five years, which may be an overstatement. In the 2013-14 P-2 report for the Olive Grove School ADA was 310.88; In the 2014-15 P-1 report ADA was 276.59 (P-2 is not yet available).

b. The Los Olivos School District has indicated that 20 students will remain in a charter school within their district, and

this will impact the projections included in the petition. (Assuming the higher 2013-14 ADA of 310.88, this leaves 293 for the continuing Olive Grove Charter School).

2. Assumptions

The assumptions used for the cost of living adjustment (COLA) for Years 2 to 5 are not in alignment with the School Services of California (SSC) projections.

3. Revenues

- a. Local Control Funding Formula revenue is overstated in each year presented using the FCMAT LCFF calculator and the petition's ADA estimates
  - Year 1 is overstated by \$ 94,062
  - Year 2 is overstated by \$ 145,356
  - Year 3 is overstated by \$ 52,512
  - Year 4 is overstated by \$ 28
  - Year 5 is overstated by \$ 30,751
- b. Using the petition's ADA estimates and the School Services of California (SSC) predicted lottery rates, the proposed charter would generate \$49,248. This is materially correct in the petition.
- c. The petitioner may apply for the mandate block grant which would generate \$10,836 per year. This revenue is not included in the petition.
- d. The petition includes projected revenues from AB 602 (years 1 to 5 show \$150,480 each year), however availability of these funds cannot be determined.
- e. The petition indicates year 1 revolving fund revenue from the State in the amount of \$250,000, however, this is a loan that may be received for start-up cash flow and must be paid back within five years. This does not represent revenue to the charter school. The deadline for applying for these funds (to be disbursed through August 2015) has already passed. It is not apparent that the petitioner has applied for these funds.

- f. In years 1 to 5 revenue from ESEA, Titles I & II, are noted, and for years 2 to 5 IDEA revenues are included. Verification of eligibility for these funds cannot be determined at this time.
- g. Due to the items noted above, the total revenue in this petition is overstated in the years noted below. The following summary does not take into account the uncertainty of the AB 602 funds, federal funds or the slight variations in the lottery revenue.
  - Year 1 Revenue is overstated by \$ 333,226.
  - Year 2 Revenue is overstated by \$ 134,520.
  - Year 3 Revenue is overstated by \$ 41,681.
  - Year 4 Revenue is understated by \$ 10,808.
  - Year 5 Revenue is overstated by \$ 19,315.
- h. The noted adjustments to revenue cause the ending net balance to be negative every year of the five-year projection. The petition fails to maintain a reserve equivalent to that required by law for a school district of comparable size.

#### 4. Expenditures

- a. The budgeted salaries include a director position, while the narrative refers to both a director and a principal. There is no principal listed in the budget. The budget includes salaries for the other positions noted.
- b. Start-up costs are included as a line item in the budget. The detail notes that start-up costs are higher in the second year than in the first year due to increased costs for technology, textbooks, furnishings, and supplies in the second year. These projections lack detail and explanation for projected expenditures.
- c. The petition indicates that teachers will be STRS members. It is not noted if the budgeted expenditures include increasing STRS employer contribution rates that will be 10.73 percent of creditable salaries in 2015-16, increasing to 18.13 percent in the 2019-20 school year. Classified employees' retirement will be provided by Social Security.

5. Ending Balance

The above adjustments to revenue cause the ending net balance to be negative every year of the five-year projection. The petition fails to maintain a reserve equivalent to that required by law for a school district of comparable size.

6. Cash Flow

The cash flow projection hinges upon the receipt of the revolving fund loan in July 2015 and the revenue estimates discussed above. It is not apparent the petitioner will receive the revolving fund loan proceeds. It is not possible to evaluate the cash flow projection due to these uncertainties.

**Financial Reporting**

1. The petition does not include details on how information will be tracked and compiled in the prescribed format.
2. The petition notes the proper annual reporting cycle of adopted budget, first interim report, second interim report, unaudited actual, and independent audit report.

**Insurance**

While insurance issues are addressed satisfactorily, there is one section on page 61 that notes “Evidence of Insurance at Appendix \_\_\_\_.” This Appendix was not included in the petition.

**Administrative Services**

1. The petition includes conflicting information about accounting and payroll functions. On page 60, it notes that the “OGCS intends to purchase administrative services from the District” with terms defined in a memorandum of understanding (MOU). However, on page 98, the petition notes contracting with a “business services provider who will provide consulting on start-up and training in the school’s business back office function.” The petition indicates that the contractor would work in conjunction with the principal and the office manager. This section was added as part of the appeal process.

2. The petition budget includes a principal and an operations manager. The position description notes that the operations manager is responsible for overall clerical and office activities. It does not note any responsibility for working with the business services contractor. There is no Office Manager listed in the budget. This section was added as part of the appeal process.
3. The petition includes the criteria and procedures for the selection of contractors on page 178.

### **Facilities**

1. The petition describes a single charter school operating at four locations, none of which are within the boundaries of the school district petitioned. These sites have been in use by the predecessor charter school for over five years. The petition indicates assumption of leases for the previously used sites.
2. Although the predecessor charter has occupied these sites, there is no indication the sites meet state and local building codes as required by law, or that the sites meet federal requirements, including the Americans with Disabilities Act.
3. The petitioner does not have any facilities planned in Cuyama, nor has it identified office space.

### **Audits**

1. The petition states that the independent financial audit will be completed by the December 15 deadline. The description of the audit process does not include a timeline by which audit exceptions and deficiencies will be resolved.
2. The petition notes that exceptions and deficiencies will be resolved in a “timely fashion” (p. 40), but does not address how.
3. In the update for the appeal, the petition notes that although a programmatic audit is no longer required, the charter agrees to include the items listed in VII, F, a to I in the independent audit, if the appeal is approved.

### **Geographic and Site Limitations**

The petition indicates that the charter will operate a single charter school at four locations, none of which are within the boundaries of the school district. These sites have been in use by the predecessor charter school for over five years. The petition indicates plans to assume the leases for the sites (p. 103). In addition, the petition notes the intention to assess facility needs within the Cuyama USD boundaries based on actual enrollment. Such facilities are not identified within the petition.

### **School Management Contract**

The petition notes that management will use the request for proposal (RFP) process to solicit the services of an education management organization. However, since no such organization is identified, the remaining requirements are not met.

#### **VIII. Impact on Charter Authorizer: Insufficient**

The petition states that the charter is in the process of applying for tax-exempt status from the Internal Revenue Service and the California Franchise Tax Board (p. 27). This means that currently, the charter is not a tax-exempt entity, and therefore, the complete identity of and implications of working with the charter are not yet known. If tax-exempt status is not granted, tax liabilities could adversely affect the charter's finances and operations, and jeopardize the receipt of property taxes, state, and federal funds. The charter's tax-exempt status would need to be resolved in order for authorization to be considered.

The petition refers to addressing facility needs in the Cuyama School District based on actual enrollment (p. 103). In various places throughout the petition, four locations in and out of Santa Barbara County are specified as resource sites. On page 180 of the petition, which is part of a section meant to address changes that will be made to the petition if the SBCEO authorizes the charter, it states that the financial projections include funding to support the charter's operations in Cuyama. Nothing is mentioned regarding where the main office for the charter will be housed or how, if at all, this would affect the SBCEO. These references to Cuyama and omissions of detail about potential effects on the SBCEO make the facilities impact of the charter on the SBCEO undeterminable.

## **6. Recommended Action**

Staff recommends the Board make the following findings and take action to deny the petition as described below.

The SBCEO Charter School Appeal Petition Review Checklist for the Olive Grove Charter School is attached hereto and incorporated herein and made a part of these findings.

### **FINDINGS:**

#### **Recommended Finding No. 1**

Based upon the explicit requirements of the Charter Schools Act, the County Board lacks discretion to grant the charter based upon the failure of the petition to conform to mandatory geographical and site requirements. Therefore, on this basis, the petition is denied.

#### **Recommended Finding No. 2**

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

As described in the staff report, the petition lacks required detail regarding the methods, strategies or curriculum for students, and does not provide research or evidence base to support the home school or blended independent study models. Parent participation is featured as an integral part of the students' education, but there is inadequate mention of how the school will ensure parents are provided the support needed to teach and/or provide supplemental or intervention supports for their children. Absent this essential information, the educational program is deemed unsound.

#### **Recommended Finding No. 3**

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

As described in the staff report above, based upon the explicit requirements of the Charter Schools Act, the charter petition does not conform to mandatory geographical and site requirements and thus renders it unlikely to be successfully implemented.

Additionally, per the staff report, current planning reflects a lack of detail in essential areas with respect to administration, administrative services and delivery of special education services.

#### **Recommended Finding No. 4**

The petition does not contain reasonably comprehensive descriptions of the required elements required by Education Code section 47605 (b) (5) (A), (B), (C), (D), (E) and (I). As described in the staff report:

##### **Section 47605(b)(5)(A):** Educational Philosophy.

The petition does not adequately describe what it means to be an “educated person” in the 21<sup>st</sup> century. There is no descriptive profile of a graduate, nor explanation of how the program will build self-motivated, competent, lifelong learners. The description of educational outcomes is vague throughout the petition, and shows no evidence of deep alignment with the Common Core State Standards. The plan implies that technology is insufficient, and claims that technologies are available in the field, yet offers no plan for their procurement and implementation.

##### **Section 47605(b)(5)(B):** High School Programs.

The petition states that the school currently offers courses approved by the University of California or the California State University system as creditable under the “a-g” admissions criteria and claims that “approval should be straightforward.” However, approval of any courses in mathematics or English/language arts requires explicit alignment to Common Core State Standards. Descriptions of high school courses within the petition show insufficient alignment to Common Core State Standards to warrant such approval. As an initial (new) charter, courses would need to be approved for “a-g,” so the current math and English courses would not meet criteria for approval.

##### **Section 47605(b)(5)(C):** Pupil Progress.

Student Outcomes: The outcomes for English Learners noted in the petition do not meet required achievement targets (Annual Measurable Achievement Objectives), and the stated goals are significantly lower than the expected annual metrics. The goal for a-g completion (which determines consideration for admission to CSU or UC schools) is only 15%. Although there is a list of instruments used to determine progress toward goals and objectives, no measurable targets are listed for science, social studies, physical education or any subjects other than mathematics and English/language arts.

Methods of Assessment: The petition does not describe methods of assessment that will be implemented, nor does it provide specific expectations or indicators of progress.

##### **Section 47605(b)(5)(D):** Governance Structure:

- The petition refers to both a director and a principal, and lists duties for each (pp. 31-32), yet it is unclear whether this is one role or two

- Parent involvement opportunities are listed, yet contain limited detail (pp. 28---29)
- The staffing plan is very brief and lacks a description of how staffing will be determined or distributed (p. 33)

While the petitioners state that they intend to purchase administrative services from SBCEO or a third party (p. 60), and that the specific services and fees will be set forth in a Memorandum of Understanding, a draft outlining these details is not attached to the petition. This makes it impossible to fully assess the legal and operational impact of the charter on the SBCEO.

**Section 47605(b)(5)(E)**: The qualifications to be met by individuals to be employed by the school are not adequately set forth.

**Section 47605(b)(5)(I)**: The information in the petition relating to audits is inadequate.

## 7. **ALTERNATIVE POSSIBLE BOARD ACTION**

In the event the Board elects not to adopt the recommended findings, it may direct staff to bring back different findings for adoption at a subsequent meeting.

SBCEO Findings	Olive Grove’s Responses
<p><b>2.</b> Page 2: A charter school may propose to operate at multiple sites <i>within the school district</i> as long as each location is identified in the charter school petition. This refers only to multiple sites within CUSD, not elsewhere. However under 47605.1 (d) if, due to unavailability, a charter school cannot locate a site within the geographic boundaries of the chartering school district, e.g. CUSD, it may establish one site outside the boundaries of the school district, but within the county within which that school district is located. This exception to the requirement that there must be a school site within the district only applies if the districts where the charter school proposes to operate are notified in advance of the approval of the charter school petition, and the charter school has attempted unsuccessfully to locate a single site or facility to house the entire program.</p>	<p>N/A – This applies to “sites” for classroom-based instruction, not to satellite sites to be used for independent study. We are not clear why this issue is being brought in, as the out-of-district satellites have been presented as such. The real issue is what constitutes “operations” in Cuyama, which we discuss below.</p> <p>To underscore why this finding does not apply, the following may help. In August 2013, the Anderson Unified School filed a complaint against the Shasta Secondary Home School, a nonclassroom-based charter school authorized by the Shasta Union High School District, alleging that Shasta did not have legal authority to open a resource center within the District's boundaries because the geographic site restrictions found in the Charter Schools Act, Education Code sections 47605 and 47605.1. These sections require that charters operate school sites in the geographic boundaries of the school district but allow nonclassroom-based schools to establish out-of-district resource centers, meeting spaces, or other satellite facilities. The District argued that the resource center was a "school site." The trial court disagreed with the District's arguments. First, the court found that Shasta's site met the statutory definition of a resource center. <u>Then, the court reasoned that the Legislature intended to distinguish a resource center, meeting space, or other satellite facility from a site or school site.</u></p>
<p><b>3.</b> Page 3: In its submission to the County Board, as required, the petition sets forth a narrative of the changes from the petition to CUSD that would be required if authorized by the County Board (pps. 178 – 181). In its submittal, the petition states that it proposes to enroll pupils in nonclassroom-based independent study and that the school’s</p>	<p>As suggested in the “Narrative of Changes,” we offered to provide specific addresses of facilities. While we prefer to wait and tailor our operations to the needs of students actually enrolled rather than arbitrarily selecting a location, we are happy to do so as part of the Narrative of Changes if that helps resolve this issue to SBCEO’s satisfaction.</p>

<p>operations are not confined to the geographic boundaries of the school district. Further it is stated that OGCS anticipates assuming the leases of four anticipated resource center sites outside the boundaries of the school district (these “resource center sites” are listed on page 103 of the petition with addresses in Morro Bay, Santa Barbara, Lompoc and Santa Maria). Rather than specifying any site within CUSD, OGCS states that “for its operations within Cuyama, OGCS will assess its facilities needs based on actual enrollment of students.” (P. 181).</p>	
<p><b>4. (1)</b> Page 4: (1) The Charter Schools Act states: “a charter school that receives approval of its petition from a county board of education or from the state board on appeal shall be subject to the same requirements concerning geographic location to which it would otherwise be subject if it received approval from the entity to which it originally submitted its petition. A charter petition that is submitted to either a county board of education or to the state board shall meet all otherwise applicable petition requirements, including the identification of the proposed site or sites where the charter school will operate.” Education Code 47605(j)(1)</p>	<p>The petition identifies the four known satellite sites. For Cuyama operations, we preferred to wait and assess the needs of enrolled students. Again, in the Narrative of Changes we offered to address this to conform to SBCEO’s interpretation.</p>
<p><b>4. (2)</b> Page 4: (2) Education Code 47605 (a)(1) states that the petition shall identify a single charter school that will operate within the geographic boundaries of that school district.” The petition fails to identify a single charter school that will operate within the geographic boundaries of CUSD. The petition’s only reference to CUSD, in which it is stated that it will assess its facility needs based on actual enrollment of students in Cuyama, is insufficient. The requirement of a single charter school that will operate within the school district is mandatory and the failure of the petition to do so renders the petition defective and unapprovable unless an exception applies.</p>	<p>We agree that the petition must identify a single charter school to operate within the school district. The law is <i>not</i> clear that this means operating through <i>physical facilities</i>. Since independent study schools have operated their programs without physical school sites for several decades, it is fair to say that this has been the prevailing interpretation of the law.</p> <p><b>We strenuously disagree with the idea that SBCEO’s interpretation of the requirement renders the petition “unapprovable.” If this clarification is not sufficient for SBCEO, the petition can be approved by accepting a commitment to facilities either through the Narrative of Changes to the Petition Under SBCEO or via an approval with conditions.</b></p>
<p><b>4. (3)</b> Page 4: (3) The only exception to the</p>	<p>N/A – This provision of law pertains to</p>

<p>above requirement that the charter school operate within the geographic boundaries of CUSD is where the charter school is unable to locate within those boundaries, in which case it may establish one site outside the CUSD boundaries, but within the same county (1) where the affected districts are first notified and (2) if the school has attempted to locate a single site or facility to house the entire program but such a facility or site is unavailable. Education Code 47605.1 (d). The petition fails to provide that a facility or site is unavailable in CUSD and lacks a description of any attempt having been made to do so.</p>	<p>classroom-based sites; Olive Grove proposes satellite sites.</p>
<p><b>4. (4)</b> Page 4: (4) Further, even assuming arguendo that it is unable to locate a site within CUSD, the petition identifies four sites – not the allowable single site – outside the CUSD boundaries, including one in a neighboring county. Although a charter school is allowed to operate at multiple sites, those sites are required to be situated within CUSD. Education code 47605 (a) (1). The only sites identified in the petition are outside the geographical boundaries of CUSD and situated within other school districts.</p>	<p>N/A – This provision of law pertains to classroom-based sites; Olive Grove proposes satellite sites.</p>
<p><b>4. (5)</b> Page 4: (5) Additionally the documentation submitted with the petition does not evidence the required notification having been given by petitioners to the affected districts in whose areas the four sites are proposed to be located.</p>	<p>N/A – This provision of law pertains to classroom-based sites; Olive Grove proposes satellite sites. There is no notification requirement for satellite sites.</p>
<p><b>4. (6)</b> Page 5: (6) While the petition characterizes the four listed resource center sites, all of which are outside CUSD, as being for the purpose of non-classroom-based independent study, the Charter Schools Act does not allow for the same in lieu of the geographic and site location requirements described above.</p>	<p>N/A – There is no attempt to use the satellite sites “in lieu.”</p>
<p><b>4. (7)</b> Page 5: (7) In a very similar court case, San Diego Unified School District Versus Alpine Unified School District (Case Number 37-2014-00021153-CU-MC-CTL; decided January 28, 2015), the court ordered Alpine USD, as chartering authority, to revoke a</p>	<p>This case is not very similar. First, we offering to affirm the facility <i>as part of the petition that SBCEO will approve</i>. That immediately resolves any connection to this case.  Second, the Alpine charter school’s program,</p>

<p>charter school’s petition and ruled the charter null and void because of noncompliance with the charter school’s geographic and site location requirements. In its decision, the court stated that “[t]he Charter Schools Act requires a chartering authority (Educ. Code, § 47604.32) such as Alpine to ensure that all of the relevant threshold prerequisites are met and contained in a petition to establish a charter school before discretion in granting or denying the charter may be exercised.” The court found that a lawful charter required a physical location within Alpine USD and that the establishment in lieu thereof of non-classroom-based resource centers situated in another school district was not authorized by the Charter Schools Act. The court predicated its ruling upon the fact that these initial prerequisites cannot be disregarded by either a chartering authority or by the petitioning charter school itself.</p>	<p>as proposed in the petition, <i>could not have operated without a physical school site</i>. In <i>SDUSD v. Alpine USD</i> the court’s ruling stated that “the evidence in the case thus far indicates the facilities are in fact classroom-based. Endeavor advertises blended learning facilities and concedes that classroom instruction is an option.” In contrast, unlike Olive Grove’s program can be operated with or without a site. The predecessor school has served students entirely without a site.</p> <p>Further, the ruling is a local decision and does not set legal precedent.</p> <p>Finally, the attorney advising Cuyama also was counsel for SDUSD in the aforementioned suit, yet she had advised Cuyama – the Superintendent indicated - that, in her view, Cuyama would likely prevail on SBUSD’s threatened lawsuit due to the different circumstances of the cases.</p>
<p><b>4. (8)</b> Page 5: (8) Based upon the explicit requirements of the Charter Schools Act and the decision in San Diego Unified, the County Board lacks discretion to grant the charter based upon the failure of the petition to conform to mandatory geographical and site requirements.</p>	<p><b>Again, the idea that SBCEO lacks discretion does not reflect the options available to SBCEO now, at the petitioning stage. SBCEO can accept the proposed remedies, if they are viewed as required to grant the charter.</b></p>
<p><b>5. (1)</b> The petition lacks required detail regarding the methods, strategies or curriculum for students, and does not provide research or evidence base to support the home school or blended independent study models. Parent participation is featured as an integral part of the students’ education, but there is insufficient detail on how the school will ensure parents are provided the support needed to teach and/or provide supplemental or intervention supports for their children. Absent this essential information, the educational program is deemed unsound.</p>	<p>Olive Grove Charter School’s strong track record is evident in the predecessor school’s API Similar Schools Rank of 9. OGCS proposes to replicate the educational model OGCS will always continue to review and update methods, strategies and curriculum to reflect current Standards in order to maintain and retain high API rankings.</p> <p>Again, the school’s strong performance is evidence that parent supports have been sufficient (though we are always seeking to improve). OGCS supports parents by providing all instructional material, as well as weekly assignments and strategies and supports to aid in home based instruction. OGCS also provides students parents with access to highly</p>

	<p>qualified teachers for extra support within special targeted subjects. Extra support sessions are also provided for student mastery of certain subjects like math and language arts, as indicated in the charter petition. Parental involvement in the OGCS LCAP will provide parents with another tier of OGCS engagement and involvement.</p>
<p><b>5. (2)</b> Page 6: Staff Analysis: Current teaching and support staff would likely be adequate to implement the program described in the petition. However, in order to fully implement the program, key positions are yet to be hired. While planning for principle positions are permissible in the petition approval process, several factors have been omitted from the plans that are necessary to fully address this component of the staff review. For example, OGCS intends on hiring a Principal and/or Director (both are named in the narrative though it appears that OGCS intends on hiring just one position, not both, pp. 31-33).</p> <p>While there are several lists of roles and responsibilities for both positions, there is a need to further detail how the principal, director, or teachers will provide or access special education programs for students with Individualized Education Plans (IEP).</p> <p>Further, while the petitioners state that they intend to purchase administrative services from SBCEO or a third party (p.60), and that the specific services will be set forth in a Memorandum of Understanding, necessary details regarding these services are not included in the petition.</p>	<p>We apologize for confusion with the Principal/Director position. In the predecessor school, Olive Grove used both terms for the same person. This is one position.</p> <p>OGCS was accepted into the EDCOE Charter SELPA, which has a highly competitive selection process. OGCS’s application detailed staff responsibilities and means for providing access, and these plans were viewed as acceptable in the rigorous screening process, which included an interview with OGC’s team.</p> <p>All administrative series will be delineated in a contract to be developed with the provider. As indicated in the in the Narrative of Changes to the Petition Under SBCEO, the school does not anticipate purchasing any services through SBCEO, so these would not be part of an MOU. It is not clear why additional detail is needed in the petition, given that this is not a requirement of charter petitions. The arrangement is quite standard. We intend to have full business back office support from a charter schools specialist provider.</p> <p><i>Please note:</i> the Office Manager is listed as Operations Manager within the budget documents.</p>
<p><b>5. (5) I.</b> Page 7: Staff Analysis: Staff analyzed the contents of the petition to determine whether applicable requirements were met and if the content was either sufficient or insufficient in each of the key content areas. Details from the review are located within the body of the attached “SBCEO Charter School Appeal Petition Review Checklist.” Staff</p>	<p>Olive Grove Charter School has been accepted into the North State JPA; Jean Hatch of NorthState JPA will oversee Special Education under EDCOE and, together with her team, will provide mentoring to the school’s administration and staff.</p> <p>Jean Hatch has 23 years of teaching in SDC,</p>

<p>reached the following conclusions: <b>I. Charter School Status, Required Signatures, Required Statements, Founding Group:</b> Insufficient More information is required in order confirm that applicants possess necessary background in critical areas including Special Education and Administrative Services. While the petitioners intend to secure certain positions after charter approval, there is a need to further detail how the principal, director, or teachers will provide or access special education programs for students with Individualized Education Plans (IEP), and what an MOU for administrative services would entail.</p>	<p>Court School and RSP programs before she became a Director of Special Education 15 years ago. In addition to being a special education director, she is also the founder and director of the Northstate Charter JPA. Jean speaks regularly on Special Education in Charter Schools around the state. Mrs. Hatch is going to direct the Special Education services for Olive Grove.</p> <p>Jean Hatch will work with the Principal/Director, teachers, and parents on how Special Education services will be accessed by families with an IEP. She is the Special Education Director and will ensure all laws and Special Education services are followed, as well as ensuring all OGCS staff is informed and capable of following their roles within the IEP process.</p> <p>Processes and guidance, plus pre-service training for all teachers will cover special education procedures, regulations and guidelines. Special education teachers will be hired, and all students will be evaluated and assessed by Jean Hatch to confirm all Special Education needs are met within their IEPs.</p> <p>An MOU with SBCEO will not include special education services as Olive Grove will be part of the EDCOE SELPA and is not requesting to purchase any services from SBCEO at this point in time.</p>
<p><b>5. (5) II. Page 7: II. Educational Program:</b> Insufficient Educational Philosophy: The petition does not describe what it means to be an “educated person” in the 21st century, though it lists some of the skills desired. There is no explanation of how the program will build self-motivated, competent, lifelong learners, yet those attributes are listed as goals.</p> <p>The description of educational outcomes is vague throughout the petition, and shows no evidence of deep alignment with the Common Core State Standards.</p>	<p>Students must become self-motivated and competent while enrolled in OGCS, as our program is an Independent Study program. Skills needed to complete weekly assignment sheets, and to do this, they develop self-motivation and competence as learners. As stated in the charter petition, OGCS offers various curriculum choices depending on the student’s individual needs. Interest-based projects and assignments develop lifelong learning; personalized instruction is a natural vehicle to develop it.</p>

<p>The plan implies that technology is insufficient, and claims that technologies are available in the field, yet offers no plan for their procurement and implementation.</p>	<p>Pupil outcomes are addressed in the Individualized Learning Plan (ILP) developed for each student at Olive Grove Charter School. Goals for each student are cooperatively determined and then translated into measurable outcomes. The measurement of these outcomes determines the extent to which each student has progressed toward the attainment of the ILP goals.</p> <p>The educational outcomes are expressed on a school-wide basis through the annual goals (LCAP content) in the petition (the goals are precise where they can be; goals for CAASPP assessments cannot be set yet) and the measurable pupil outcomes section (goal is proficiency in each content area).</p> <p>Common Core standards are being addressed currently at the predecessor school, which teachers will carry over in the new program. Curriculum has been and is currently being updated to conform to the new standards. OGCS plans on purchasing additional Common Core aligned curriculum and staff has been receiving Common Core training. OGCS can provide SBCEO with additional detail on Common Core-aligned coursework.</p> <p>Regarding technology plans, the reviewer may not have seen that the budget provides for a substantial acquisition of technology. There is an especially large line item budgeted for improving technology within our financial plan, over \$200,000 is budgeted over the first three years). OGCS has a list of additional technological instructional aids that will be added when authorized.</p>
<p><b>5. (5) II.</b> Page 7/8: High School Programs (a-g): The petition states that the school currently offers courses approved by the University of California or the California State University system as creditable under the “a-g” admissions criteria and claims that “approval should be straightforward.” However, approval</p>	<p>Past success in A-G approval indicates likelihood of future success. Curriculum is currently being updated at the predecessor school to account for Common Core State Standards and UC A-G approval will follow.</p> <p>OGCS is rare, in that, it was able to obtain UC</p>

<p>of any courses in mathematics or English/language arts requires explicit alignment to Common Core State Standards.</p> <p>Descriptions of high school courses within the petition show insufficient alignment to Common Core State Standards to warrant such approval. As an initial (new) charter, courses would need to be approved for “ag,” so the current math and English courses would not meet criteria for approval.</p>	<p>A-G approval for lab science Biology and Chemistry in an independent studies school. These will also need to be updated to account for Next Generation Science Standards.</p> <p>UC A-G has been working with OGCS to ensure a seamless continuance of the OGCS current UC A-G number and approved coursework. As OGCS is authorized, this can be completed in a timely manner.</p>
<p><b>5. (5) II.</b> Page 8: Curriculum and Instructional Design: The petition does not detail any methods, strategies or curriculum for students to become self-motivated, competent, lifelong learners. There are mentions of field trips, student choice and differentiation, however the course curricula provided lack sufficient evidence of alignment to the Common Core State Standards.</p>	<p>(Repeat of previous finding – please see response to <b>5. (5) II.</b> Page 7: <b>II. Educational Program</b> two rows above)</p>
<p><b>5. (5) II.</b> Page 8: The petition describes a charter school model in which parents are considered the primary deliverers of the educational program, yet there is no mention of parental training, support or engagement in the Common Core State Standards or 21st century learning outcomes.</p>	<p>OGCS supports parents by providing all instructional material, as well as weekly assignments and strategies and supports to aid in home based instruction. OGCS also provides students parents with access to highly qualified teachers for extra support within special targeted subjects. The high school program anticipates substantially less parent involvement, so extensive extra supports will be in place for the high school curriculum. Parental involvement in the OGCS LCAP will provide parents with another tier of OGCS engagement and involvement.</p> <p>Olive Grove Charter School proposes to replicate the educational model used in predecessor school with API SS Rank of 9, and this is evidence have been able to achieve with the parent supports provided. Naturally these supports will include necessary training in Common Core – this is a natural process for us.</p>
<p><b>5. (5) II.</b> Page 8: Plan for Students who are High and Low Achieving: The petition does</p>	<p>High and Low Achieving supports are documented within the Charter. From Charter</p>

<p>not detail a system of interventions for low-achieving students. It states that much of the responsibility for intervention is on the parent, however, there are no listed supports or resources for helping parents understand how to identify the need for intervention or provide academic interventions. Limited mention is made of online practice opportunities such as Kahn Academy and ALEKS.</p>	<p>Document: Low Achieving Students may include one or more of the following interventions: Instructional activities and/or materials modified to accommodate different academic needs. Instructional activities and/or materials modified to incorporate students' interests. Additional help from teachers by virtual means or in person. Structured labs and small group instruction for extra practice and skills remediation. Supplemental instruction, including targeted academic interventions to raise skills to grade level. Students Success Team meetings with school personnel and the parent or guardian for students still not achieving at grade-level standards, as well as RTI strategies will be utilized to determine and provide students with individualized intervention strategies for student success. Northstate JPA recommendations and strategies will also be implemented to ensure specific students needs are met and aligned to each student's individualized needs, goals, and academic plans.</p>
<p><b>5. (5) II.</b> Page 8: The petition indicates the plan for academically high-achieving students is to provide additional work or courses at the community colleges.</p>	<p>As indicated in the petition, the key is customization to provide academic acceleration and a higher level of cognitive challenge. Cognitive challenge may be provided by assigning more difficult or complex work. The petition also indicates that acceleration is key for many of these students. They don't lose time waiting for other students or due to the school day schedule: a traditional day prevents high-achieving students from working efficiently, which can be a frustration. Many of Olive Grove's students are able to pursue outside interests more intensively.</p>
<p><b>5. (5) II.</b> Page 8: The petition is not aligned with any dominant theories or programs for gifted and talented education. The mention of differentiation is not detailed in the course curricula provided, and no explanations or indicators of depth and complexity are referenced.</p>	<p>This section review seems not to grasp how our structure works differently for kids. In a traditional classroom, teachers must plan to differentiation each lesson because all of the kids are physically present and the time must be structured to help each student make the most progress. In our setting, every student's plan is differentiated. Those who need a lot of support have numerous ways to get it. Those</p>

	<p>who need little can have extra challenge or more complex tasks assigned to them. This is a natural process as teachers develop students' assignments. We would be happy to provide examples of how we address depth and complexity through lesson planning.</p> <p>Gifted and Talented students sometimes excel when allowed to pursue outside interests more intensely (as referenced above) because they can finish their daily work in a concentrated amount of time. Other GATE students like to push themselves to finish school at a faster rate or take higher end college courses to fulfill their higher level educational needs. Sometimes, however students that are GATE qualified have other special needs that are sometimes inherent to GATE students and their personalities. These students sometimes need IEPs to closely monitor their special needs associated with GATE signifiers. These will then be identified and monitored through the Special Education department. Students are always reviewed on a single case basis, so each students is given an individualized plan for student success.</p>
<p><b>5. (5) II.</b> Page 8: Plan for English Learners: None of the course descriptions include evidence of support strategies for language acquisition or language goals. There is no mention of the new English Language Development (ELD) standards (adopted in 2012), nor any description of the structure and curriculum that will be used for designated ELD instruction. The goals for English learning achievement fall significantly below the prescribed targets (Annual Measurable Achievement Objectives) set for progress and proficiency.</p>	<p>I. It is not standard in charter petitions to provide this level of detail (support strategies for ELs on a course-by-course basis). However, we would be happy to provide evidence of support strategies in addition to those provided in the petition. Use of the new ELD standards is assumed. Annual Measurable Achievement Objectives for EL students are related to CELDT testing and Annual Measurable Achievement Objectives are addressed. All students whose home language is not English will take the CELDT within 30 days of registering with OGCS and will take it every year after until they are reclassified as Fluent- English Proficient. In order to meet targets, annual growth will be shown and the targets are dependent upon the previous years CELDT outcomes. Proficiency on CELDT testing will also be reviewed for AMAO requirements based on meeting certain</p>

	<p>criteria as outlined and directed by AMAO guidelines. Meeting AYP Requirements for the EL subgroup is an additional Annual Measurable Achievement Objective that will be updated with regards to updated California State Annual Performance Index and Annual Yearly Progress regulations and standards.</p>
<p><b>5. (5) II. Page 8/9: Plan for Special Education:</b> The petition indicates the school is entering into a new agreement with El Dorado County Charter SELPA in an effort to become its own Local Educational Agency (LEA) for purposes of special education. The information regarding services for individuals with disabilities contained within Page 9 the enclosed SELPA documents are initial general assurances and therefore lack sufficient detail to ascertain whether or not the school is prepared to be their own LEA for special education, or able to fully implement a special education program within an independent study/home school program. The petition lacks sufficient detail regarding Special Education Services:</p> <ul style="list-style-type: none"><li>• The process used to identify students who qualify for special education programs or services either prior to or following enrollment</li><li>• The process for determining student’s ability to participate in an independent study program</li><li>• The process for providing a free and appropriate education (FAPE) should a student identified for special education during their time in the school require more services than this charter school can provide</li><li>• The provision for how, when, and where students will be provided supplemental special education services that can address social/emotional or mental health disorders that impact group/peer work, executive functioning in group settings, specific learning disabilities that require more intervention than is provided through the regular onsite school program, or specialized curriculum, adapted materials, or specialized technology supports in the home environment.</li></ul>	<p>The application process to become an LEA member of the EDCOE Charter SELPA is rigorous and highly competitive. Olive Grove’s application to become an LEA was approved based on a well-constructed, detailed application with many dozens of detailed questions, as well as an interview, on special education provisions. This should be taken as evidence that the school is fully prepared to be its own LEA.</p> <p>Further, Jean Hatch will be contracted as OGCS Special Education Director. Ms. Hatch has 23 years of teaching in SDC, Court School and RSP programs before she became a Director of Special Education 15 years ago. In addition to being a special education director, she is also the founder and director of the Northstate Charter JPA. Jean speaks regularly on Special Education in Charter Schools around the state.</p> <p>As for additional detail desired in the petition: Process used to identify students who qualify for special education prior to or following enrollment.</p> <ol style="list-style-type: none"><li>1.) All applicants to Olive Grove will be put through SEIS (Special Education Information System).</li><li>2.) Cums will be requested promptly and individually looked at for evidence of prior Sp Ed services.</li><li>3.) If cums are slow to arrive, a phone call will be made to the previous district asking about possible services.</li><li>4.) Olive Grove will do regular school wide testing and screenings</li><li>5.) Regular progress monitoring will let teachers know who is learning and who</li></ol>

	<p>is not. Those identified as not making expected progress will be sent through the SST process.</p> <ol style="list-style-type: none"><li>6.) Interventions will be tried and if they are not successful a full assessment will be initiated.</li><li>7.) Please see the application to EDCOE for Child Find information and assessment procedures.</li></ol> <p>Process for determining a student's ability to participate in an IS program</p> <ol style="list-style-type: none"><li>1.) Meet with all students (special education and regular education) prior to enrollment to go over expectations.</li><li>2.) Do a 30 day administrative placement</li><li>3.) Consult with the parent, special education staff and IS facilitator to come up with an appropriate program</li><li>4.) Regularly monitor progress towards the students goals and objectives</li><li>5.) Change the program with parent consent if progress is not made</li><li>6.) If the student is not attending regularly, not completing the required work or not making progress toward goals and objectives then Olive Grove will hold an IEP to consider a change of placement.</li><li>7.)</li></ol> <p>What is the process for providing FAPE should a student require more services than the charter school has available.</p> <ol style="list-style-type: none"><li>1.) If one of the students at Olive Grove requires more services than the charter school has, the charter school will make contact with a local district, another charter school or a county office to "purchase" a space in a program that serves students with similar needs.</li></ol> <p>How, When and Where would Olive Grove get supplemental special education services such as mental health?</p> <ol style="list-style-type: none"><li>1.) The services would be provided by Lotus at the school site at a predetermined time.</li></ol>
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	<p>2.) Since EDCOE passes through mental health funding, these services will be paid for at least in part by monies received from that funding.</p> <p>3.) Lotus is an NPA certified by CDE</p> <p>4.) Lotus does social skills groups, individual, parent and group counseling and a variety of other services.</p>
<p><b>5. (5) III. Page 9: III. Measureable Student Outcomes and Other Uses of Data:</b> Insufficient Student Outcomes: The outcomes for English Learners noted in the petition do not meet required achievement targets (Annual Measurable Achievement Objectives), and the stated goals are significantly lower than the expected annual metrics. The goal for a-g completion (which determines consideration for admission to CSU or UC schools) is only 15%. Although there is a list of instruments used to determine progress toward goals and objectives, no measurable targets are listed for science, social studies, physical education or any subjects other than mathematics and English/language arts.</p>	<p>Annual Measurable Achievement Objectives for EL students are related to CELDT testing and Annual Measurable Achievement Objectives are addressed. All students whose home language is not English will take the CELDT within 30 days of registering with OGCS and will take it every year after until they are reclassified as Fluent- English Proficient. In order to meet targets, annual growth will be shown and the targets are dependent upon the previous years CELDT outcomes. Proficiency on CELDT testing will also be reviewed for AMAO requirements based on meeting certain criteria as outlined and directed by AMAO guidelines. Meeting AYP Requirements for the EL subgroup is an additional Annual Measurable Achievement Objective that will updated with regards to updated California State Annual Performance Index and Annual Yearly Progress regulations and standards.</p> <p>A-G rates are due to our school's target population. This measurable rate will be increased to be relevant to the OGCS target population if the target population should change. While every school strives to produce higher learning goals in students, some students are working towards career technical goals and do not fit in the model of continuing their education within the confines of the UC or CSU system. Many enter mid-way through high school.</p> <p>Our goal is proficiency in the four core areas; what constitutes proficiency will be defined</p>

	<p>through CAASPP assessment benchmarks, and, for school assessments, by the school. In terms of school wide - targets as percentages of students reaching the goals, just before Element 3 in “annual goals” (LCAP content), petition says, “OGCS will set goals for proficiency in California Common Core State Standards, Next Generation Science Standards, and content standards in Social Studies as assessment data becomes available for new SBAC assessments. Proficiency in these areas will be indicated by SBAC scores, benchmark test scores, summative assessments, etc. There is no baseline for setting these targets.</p>
<p><b>5. (5) III.</b> Page 9: Methods of Assessment: The petition does not describe methods of assessment that will be implemented, nor does it provide specific expectations or indicators of progress.</p>	<p>The requirement is to give the method for measuring progress. That is given in the petition (abbreviated here):</p> <ul style="list-style-type: none"> <li>• California state tests (SBAC, CAHSEE, CELDT)</li> <li>• School-designed tests, quizzes, and homework assignments</li> <li>• Projects, reports, and demonstrations</li> <li>• Teacher observations/narratives</li> <li>• Parent observations/narratives</li> <li>• Student self-evaluations</li> <li>• Projects</li> <li>• Presentations</li> <li>• Teacher and parent observations/narratives</li> <li>• Student self-evaluations</li> </ul> <p>As all students receive individualized plans, markers for student success will be different for individualized students based on their specific learning needs, however all students will be working to be proficient in all subjects noted in the Charter Petition. These are statewide goals that are implemented along with each student’s personalized goals and measures of progress. Expectations are identified in the Annual Goals section (LCAP equivalent content)</p>
<p><b>5. (5) IV.</b> Page 10: <b>IV. Governance Structure:</b> Insufficient • The petition refers to both a director and a principal, and lists duties</p>	<p>Governance and Employee Qualifications section only refers to a director. (Team also discussed the term principal – sorry for</p>

<p>for each (pp. 31-32), yet it is unclear whether this is one role or two</p>	<p>confusion). Olive Grove has used both terms for the same job in the past.</p>
<p><b>5. (5) IV.</b> Page 10: Parent involvement opportunities are listed, yet contain limited detail (pp.28-29)</p>	<p>As stated in the petition, parents have the opportunity to serve on, as well as elect a representative as a member of, the Board of Directors. This parent will liaise with the PTA through regular meetings. The PTA will ensure regular involvement. In addition, parents participate in the annual development of their child’s Individualized Learning Plan (ILP); have daily access to their students’ teachers via phone and email; and parents are encouraged to attend all teacher-student meetings, as well as school activities and events. OGCS supports parents by providing all instructional material, as well as weekly assignments and strategies and supports to aid in home based instruction. OGCS also provides students parents with access to highly qualified teachers for extra support. Parental involvement in the OGCS LCAP will provide parents with another tier of OGCS engagement and involvement.</p>
<p><b>5. (5) IV.</b> Page 10: The staffing plan is very brief and lacks a description of how staffing will be determined or distributed (p. 33)</p>	<p>The requirement calls for employee qualifications, not a staffing plan. It is not clear why this is part of a denial finding.</p>
<p><b>5. (5) IV.</b> Page 10: While the petitioners state that they intend to purchase administrative services from SBCEO or a third party (p. 60), and that the specific services and fees will be set forth in a Memorandum of Understanding, a draft outlining these details is not attached to the petition. This makes it impossible to fully assess the legal and operational impact of the charter on the SBCEO.</p>	<p>Please see above notes. We would be happy to provide, but this is not a standard finding.</p>
<p><b>5. (5) V.</b> Page 10: <b>V. Human Resources:</b> Insufficient • The Highly Qualified Teacher (HQT) determination process does not outline how requirements will be satisfied</p>	<p>The requirement calls for employee qualifications, not a staffing plan. It is not clear why this is part of a denial finding.</p>
<p><b>5. (5) V.</b> Page 10: Required responsibilities for public employers under Educational Employee Relations Act (EERA) are not included</p>	<p>This requirement does not speak to responsibilities; it is merely a declaration. This is a nonstandard finding.</p>
<p><b>5. (5) V.</b> Page 10: The petition indicates some responsibilities are required by California Education Code, however it does not include how compliance will be achieved.</p>	<p>Not required content.</p>

<p><b>5. (5) V.</b> Page 10: How legal rights of employees will be communicated to prospective employees lacks specificity.</p>	<p>Not required content.</p>
<p><b>5. (5) VII 1.a.</b> Page 10: VII. Financial Planning, Reporting and Accountability: Insufficient Budgets 1. Average Daily Attendance (ADA) a. The ADA included in the petition estimate includes 304 students for each of the five years, which may be an overstatement. In the 2013-14 P-2 report for the Olive Grove School ADA was 310.88; In the 2014-15 P-1 report ADA was 276.59 (P-2 is not yet available).</p>	<p>Enrollment is slightly higher than at the predecessor school for two reasons. (1) There is a strong community need for a credit recovery option in the Lompoc area. This option was once available and popular. We intend to extend the option through the program proposed in the petition and meet that community need. (2) Enrollment at the predecessor school was mainly through word-of-mouth referrals. We intend to monitor our enrollment targets closely, using conservative assumptions, to ensure that we meet our targets. Where needed we will advertise to broaden awareness of this option.</p>
<p><b>5. (5) VII 1.b.</b> Page 10/11: b. The Los Olivos School District has indicated that 20 students will remain in a charter school within their district, and this will impact the projections included in the petition. (Assuming the higher 2013-14 ADA of 310.88, this leaves 293 for the continuing Olive Grove Charter School).</p>	<p>Please see above note.</p>
<p><b>5. (5) VII 2.</b> Page 11: 2. Assumptions The assumptions used for the cost of living adjustment (COLA) for Years 2 to 5 are not in alignment with the School Services of California (SSC) projections.</p>	<p>The COLA and Gap Closure rates assumed in the projections are the same as SSC's for 2015-16, just slightly higher for 2016-17, and lower for the last three years in the plan. The year where SSC's assumption would have a negative impact is 2016-17. Please note that in that year the financial plan includes an investment in textbooks (\$54,000) and particularly in technology (\$90,000) that far exceeds what is needed. This is in addition to \$60,800 budgeted for technology in the first year. Using the lower COLA estimates would result in a modest revenue difference that could be simply be deducted from this line item without any other impact on the plan.</p>
<p><b>5. (5) VII 3. a.</b> Page 11: 3. Revenues a. Local Control Funding Formula revenue is overstated in each year presented using the FCMAT LCFF calculator and the petition's ADA estimates • Year 1 is overstated by \$ 94,062 • Year 2 is overstated by \$ 145,356 • Year 3 is overstated by \$ 52,512 • Year 4 is overstated</p>	<p>Attached please find the FCMAT Calculator and LCFF Funding Snapshot. The LCFF revenues are nearly identical to those in the January budget given to Cuyama. (They differ by a total of +/- \$200 each year due to place value rounding in our model, which was created before the FCMAT New Schools Tab</p>

<p>by \$ 28 • Year 5 is overstated by \$ 30,751</p>	<p>was in the FCMAT Calculator).</p> <table border="1" data-bbox="824 268 1427 489"> <thead> <tr> <th colspan="3"><u>Year / January Projection / March 31 FCMAT</u></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>\$2,627,708</td> <td>\$2,627,889</td> </tr> <tr> <td>2</td> <td>\$2,642,019</td> <td>\$2,642,208</td> </tr> <tr> <td>3</td> <td>\$2,661,978</td> <td>\$2,662,194</td> </tr> <tr> <td>4</td> <td>\$2,687,025</td> <td>\$2,687,276</td> </tr> <tr> <td>5</td> <td>\$2,716,674</td> <td>\$2,716,963</td> </tr> </tbody> </table> <p>The attached FCMAT calculator uses enrollment of 320, which was revised from September to January as the school developed plans to bring back programming at the Lompoc site for students looking for credit recovery. This is the same enrollment used in the January projection, the most updated financial plan for Cuyama.</p>	<u>Year / January Projection / March 31 FCMAT</u>			1	\$2,627,708	\$2,627,889	2	\$2,642,019	\$2,642,208	3	\$2,661,978	\$2,662,194	4	\$2,687,025	\$2,687,276	5	\$2,716,674	\$2,716,963
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<p><b>5. (5) VII 3. b.</b> Page 11: b. Using the petition’s ADA estimates and the School Services of California (SSC) predicted lottery rates, the proposed charter would generate \$49,248. This is materially correct in the petition.</p>	<p>(Not a denial finding)</p>																		
<p><b>5. (5) VII 3. c.</b> Page 11: c. The petitioner may apply for the mandate block grant which would generate \$10,836 per year. This revenue is not included in the petition.</p>	<p>(Not a denial finding)</p>																		
<p><b>5. (5) VII 3. d.</b> Page 11: d. The petition includes projected revenues from AB 602 (years 1 to 5 show \$150,480 each year), however availability of these funds cannot be determined.</p>	<p>It is unclear why these funds are in question. We have used the rates that the EDCOE Charter SELPA advises, and we are not aware of any reason why we would not receive them. We have contacted the EDCOE Charter SELPA and will provide their response.</p>																		
<p><b>5. (5) VII 3. e.</b> Page 11: e. The petition indicates year 1 revolving fund revenue from the State in the amount of \$250,000, however, this is a loan that may be received for start-up cash flow and must be paid back within five years. This does not represent revenue to the charter school. The deadline for applying for these funds (to be disbursed through August 2015) has already passed. It is not apparent that the petitioner has applied for these funds.</p>	<p>The petition submission documentation includes a letter from Charter Asset Management, which pre-qualified the school to receive up to \$150,000 as early as March 2015 via sales of the schools receivables in a factoring transaction. This resolves all projected cash flow issues.</p>																		
<p><b>5. (5) VII 3. f.</b> Page 12: f. In years 1 to 5 revenue from ESEA, Titles I &amp; II, are noted, and for years 2 to 5 IDEA revenues are</p>	<p>Olive Grove will submit an LEA Plan in a timely fashion to ensure receipt of these funds. We note that Title I funds are slightly</p>																		

<p>included. Verification of eligibility for these funds cannot be determined at this time.</p>	<p>overstated in the projected but note that this does not have a significant impact on the school.</p>
<p><b>5. (5) VII 3. g.</b> Page 12: g. Due to the items noted above, the total revenue in this petition is overstated in the years noted below. The following summary does not take into account the uncertainty of the AB 602 funds, federal funds or the slight variations in the lottery revenue. • Year 1 Revenue is overstated by \$ 333,226. • Year 2 Revenue is overstated by \$ 134,520. • Year 3 Revenue is overstated by \$ 41,681. • Year 4 Revenue is understated by \$ 10,808. • Year 5 Revenue is overstated by \$ 19,315.</p>	<p>Using the attached FCMAT Calculator, these discrepancies become negligible (and, in fact, to the school’s advantage). The only exception is that the school intends to not take the full \$250,000 budgeted in Year 1 through the Revolving Loan program as it manages start-up cash flow through sales of receivables.</p>
<p><b>5. (5) VII 3. h.</b> Page 12: h. The noted adjustments to revenue cause the ending net balance to be negative every year of the five-year projection. The petition fails to maintain a reserve equivalent to that required by law for a school district of comparable size.</p>	<p>With the FCMAT estimates attached, reserves remain at 8% in Year 1, then 10%, 12%, 13% and 14%. In addition, there is considerable discretion because start-up expenses (Table X) have been very generously budgeted over the charter term</p>
<p><b>5. (5) VII 4. a.</b> Page 12: 4. Expenditures a. The budgeted salaries include a director position, while the narrative refers to both a director and a principal. There is no principal listed in the budget. The budget includes salaries for the other positions noted.</p>	<p>There is some confusion with the Principal/Director position. In the predecessor school, Olive Grove used both terms for the same person. We can correct to reflect the same terminology to avoid confusion.</p>
<p><b>5. (5) VII 4. b.</b> Page 12: b. Start-up costs are included as a line item in the budget. The detail notes that start-up costs are higher in the second year than in the first year due to increased costs for technology, textbooks, furnishings, and supplies in the second year. These projections lack detail and explanation for projected expenditures.</p>	<p>It is not clear why there is a concern given the very high rates of spending on technology and textbooks. Olive Grove intends to invest heavily in creating a top notch program, however authorization is needed prior to contracting for improvements.</p>
<p><b>5. (5) VII 4. c.</b> Page 12: c. The petition indicates that teachers will be STRS members. It is not noted if the budgeted expenditures include increasing STRS employer contribution rates that will be 10.73 percent of creditable salaries in 2015-16, increasing to 18.13 percent in the 2019-20 school year. Classified employees’ retirement will be provided by Social Security.</p>	<p>STRS employer contribution rates are projected at 10.73% in Year 1 rising to 18.13% in Year 5. This is reflected in Table III, which shows Certificated Retirement/Benefits/Health rising from 29% to 35.8% (the increase is slightly mitigated by decreases in Worker’s Compensation, which is also included here)</p>
<p><b>5. (5) VII 5.</b> Page 13: 5. Ending Balance The above adjustments to revenue cause the ending</p>	<p>Again, with the FCMAT estimates attached, reserves remain at 8% in Year 1, then 10%,</p>

<p>net balance to be negative every year of the five-year projection. The petition fails to maintain a reserve equivalent to that required by law for a school district of comparable size.</p>	<p>12%, 13% and 14%. In addition, there is considerable discretion because start-up expenses (Table X) have been very generously budgeted over the charter term</p>
<p><b>5. (5) VII 6.</b> Page 13: 6. Cash Flow The cash flow projection hinges upon the receipt of the revolving fund loan in July 2015 and the revenue estimates discussed above. It is not apparent the petitioner will receive the revolving fund loan proceeds. It is not possible to evaluate the cash flow projection due to these uncertainties.</p>	<p>The charter petition submission includes documentation of a commitment of up to \$150,000 in funding through sales of receivables. This is more than sufficient to meet cash flow needs.</p>
<p><b>5. (5) VII Page 13: Financial Reporting 1.</b> The petition does not include details on how information will be tracked and compiled in the prescribed format.</p>	<p>Not a requirement. This is a nonstandard finding.</p> <p>Olive Grove will contract with an experienced business and financial services management back office provider. The school’s Director will co-ordinate with the selected third party back office provider to manage budgeting, fiscal planning, vendor services, personnel and payroll, accounts payable, attendance tracking systems, and the on-time compellation, completion and submission of compliance reports, and monitoring adherence to the charter petition.</p>
<p><b>5. (5) VII Page 13: 2.</b> The petition notes the proper annual reporting cycle of adopted budget, first interim report, second interim report, unaudited actual, and independent audit report.</p>	<p>(Not a denial finding)</p>
<p><b>5. (5) VII Page 13: Insurance</b> While insurance issues are addressed satisfactorily, there is one section on page 61 that notes “Evidence of Insurance at Appendix ____.” This Appendix was not included in the petition.</p>	<p>(Not a denial finding)</p>
<p><b>5. (5) VII AS 1.</b> Page 13: <b>Administrative Services 1.</b> The petition includes conflicting information about accounting and payroll functions. On page 60, it notes that the “OGCS intends to purchase administrative services from the District” with terms defined in a memorandum of understanding (MOU). However, on page 98, the petition notes contracting with a “business services provider who will provide consulting on start-up and</p>	<p>This was clarified in the Narrative of Changes to the Petition. Olive Grove will contract for all business services. (Under Cuyama, they would have been purchased from the District)</p>

<p>training in the school’s business back office function.” The petition indicates that the contractor would work in conjunction with the principal and the office manager. This section was added as part of the appeal process.</p>	
<p><b>5. (5) VII AS 2.</b> Page 14: 2. The petition budget includes a principal and an operations manager. The position description notes that the operations manager is responsible for overall clerical and office activities. It does not note any responsibility for working with the business services contractor. There is no Office Manager listed in the budget. This section was added as part of the appeal process.</p>	<p>There is some confusion with the Principal/ Director position. In the predecessor school, Olive Grove used both terms for the same person. We can correct to reflect the same terminology to avoid confusion.</p> <p>Description is broad – “as well as other administrative duties to assist with the operation of the school”</p> <p>The Operations Manager and Office Manager are the same person.</p>
<p><b>5. (5) VII AS 3.</b> Page 14: 3. The petition includes the criteria and procedures for the selection of contractors on page 178.</p>	<p>(Not part of a denial finding)</p>
<p><b>5. (5) VII F 1.</b> Page 14: <b>Facilities</b> 1. The petition describes a single charter school operating at four locations, none of which are within the boundaries of the school district petitioned. These sites have been in use by the predecessor charter school for over five years. The petition indicates assumption of leases for the previously used sites.</p>	<p>Please see earlier response.</p>
<p><b>5. (5) VII F 2.</b> Page 14: 2. Although the predecessor charter has occupied these sites, there is no indication the sites meet state and local building codes as required by law, or that the sites meet federal requirements, including the Americans with Disabilities Act.</p>	<p>The petition affirms the following: “The facilities to be utilized by the Charter School shall be in compliance with applicable State and local building codes in accordance with Education Code Section 47610.”</p> <p>We further note that Olive Grove will ensure that ADA requirements are met prior to leasing or using facilities for instruction.</p>
<p><b>5. (5) VII F 3.</b> Page 14: 3. The petitioner does not have any facilities planned in Cuyama, nor has it identified office space.</p>	<p>Please see earlier responses.</p>
<p><b>5. (5) VII A 1.</b> Page 14: <b>Audits</b> 1. The petition states that the independent financial audit will be completed by the December 15 deadline. The description of the audit process does not include a timeline by which audit exceptions and deficiencies will be resolved.</p>	<p>The legal requirement is fulfilled in the petition.</p> <p>We note that Olive Grove’s treasurer or other designee will resolve audit exceptions and deficiencies to the satisfaction of the Charter</p>

	<p>Authorizer in a timely fashion, with the goal of resolving any audit issues within three months of the auditor’s final report, or as otherwise agreed upon by the charter authorizer and Charter School. Disputes regarding the resolution of audit exceptions and deficiencies shall be resolved in accordance with the dispute resolution provisions discussed in the related section of the charter petition.</p>
<p><b>5. (5) VII A 2.</b> Page 14: 2. The petition notes that exceptions and deficiencies will be resolved in a “timely fashion” (p. 40), but does not address how.</p>	<p>The legal requirement is fulfilled. See above note.</p>
<p><b>5. (5) VII A 3.</b> Page 14: 3. In the update for the appeal, the petition notes that although a programmatic audit is no longer required, the charter agrees to include the items listed in VII, F, a to l in the independent audit, if the appeal is approved.</p>	<p>(Not a denial finding)</p>
<p><b>5. (5) VII</b> Page 15: <b>Geographic and Site Limitations.</b> The petition indicates that the charter will operate a single charter school at four locations, none of which are within the boundaries of the school district. These sites have been in use by the predecessor charter school for over five years. The petition indicates plans to assume the leases for the sites (p. 103). In addition, the petition notes the intention to assess facility needs within the Cuyama USD boundaries based on actual enrollment. Such facilities are not identified within the petition.</p>	<p>Please see earlier responses.</p>
<p><b>5. (5) VII</b> Page 15: <b>School Management Contract</b> The petition notes that management will use the request for proposal (RFP) process to solicit the services of an education management organization. However, since no such organization is identified, the remaining requirements are not met.</p>	<p>Olive Grove does not have plans to contract with any management organizations. The petition does not note that it will solicit the services of an education management organization. The school will contract with a business back office services provider when the petition is authorized.</p>
<p><b>5. (5) VIII</b> Page 15: <b>VIII. Impact on Charter Authorizer:</b> Insufficient The petition states that the charter is in the process of applying for tax exempt status from the Internal Revenue Service and the California Franchise Tax Board (p. 27). This means that currently, the charter is not a tax-exempt entity, and</p>	<p>It is not clear why this is viewed as a basis for denial, given that most new charters do not possess tax exempt status at the time of approval, That process typically takes 6-18 months. The SBE does not require it. This is a nonstandard finding.</p>

<p>therefore, the complete identity of and implications of working with the charter are not yet known. If tax-exempt status is not granted, tax liabilities could adversely affect the charter's finances and operations, and jeopardize the receipt of property taxes, state, and federal funds. The charter's tax-exempt status would need to be resolved in order for authorization to be considered.</p>	
<p><b>5. (5) VIII</b> Page 15: The petition refers to addressing facility needs in the Cuyama School District based on actual enrollment (p. 103). In various places throughout the petition, four locations in and out of Santa Barbara County are specified as resource sites. On page 180 of the petition, which is part of a section meant to address changes that will be made to the petition if the SBCEO authorizes the charter, it states that the financial projections include funding to support the charter's operations in Cuyama. Nothing is mentioned regarding where the main office for the charter will be housed or how, if at all, this would affect the SBCEO. These references to Cuyama and omissions of detail about potential effects on the SBCEO make the facilities impact of the charter on the SBCEO undeterminable.</p>	<p>It is not clear why there would be any impact on SBCEO based on facilities. It is not clear why this is presumed as a possibility. This is a nonstandard finding.</p>
<p><b>Findings 1- 4:</b> pages 16-18</p>	<p>These findings are a restatement of previously recorded findings and have been addressed above.</p>