

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

ssb-csd-mar18item08

# California State Board of EducationMarch 2018 AgendaItem #05

## Subject

Petition for the Establishment of a Charter School Under the Oversight of the State Board of Education: Consideration of Knowledge Is Power Program Bayview Elementary School, which was denied by the San Francisco Unified School District.

## Type of Action

Action, Information, Public Hearing

## Summary of the Issues

On November 14, 2017, the San Francisco Unified School District (SFUSD) voted to deny the petition for Knowledge Is Power Program (KIPP) Bayview Elementary School (KBES) by a unanimous vote of seven to zero.

The KBES petitioners submitted a petition on appeal to the State Board of Education (SBE) on November 28, 2017.

Pursuant to California *Education Code* (*EC*) Section 47605(j), petitioners for a charter school that have been denied at the local level may petition the SBE for approval of the charter, subject to certain conditions.

## Recommendation

The California Department of Education (CDE) recommends that the SBE hold a public hearing to approve the request to establish KBES, a transitional kindergarten (TK) through grade four charter school, for a five-year term, of July 1, 2018 through June 30, 2023, under the oversight of the SBE, based on the CDE’s findings pursuant to *EC* sections 47605(b)(1), 47605(b)(2), 47605(b)(3), 47605(b)(4) 47605(b)(5), 47605(b)(6) and *California Code of Regulations*, Title 5 Section 11967.5.1.

The meeting notice for the February 7, 2018, Advisory Commission on Charter Schools (ACCS) meeting is located on the SBE ACCS Web page at <https://www.cde.ca.gov/be/cc/cs/accsnotice020718.asp>.

## Advisory Commission on Charter Schools Recommendation

The ACCS considered the KBES petition for establishment at its February 7, 2018, meeting. The ACCS moved to recommend approval of the KBES petition on appeal. The motion passed by a vote of five to two.

## Brief History of Key Issues

The CDE received a petition for establishment from KBES on November 28, 2017.

KBES seeks to provide a site-based educational program, targeting traditionally underserved pupils in the SFUSD, in particular Bayview-Hunters Point and surrounding neighborhoods. Central to the KBES mission to develop poised, confident, articulate leaders who will use their education and life experience to create positive change in their own lives, within their communities, and among our global society, is an unwavering belief that all pupils can succeed in the nation’s most competitive colleges when provided with extended time for learning inside and outside of the classroom; a rigorous, college-preparatory education; and a wide range of supports (Attachment 3, p. 8 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a3.pdf>).

## CDE Staff Review

In considering the KBES petition for establishment, CDE staff reviewed the following:

* KBES charter petition for establishment (Attachment 3 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a3.pdf>).
* Educational and demographic data of schools where pupils would otherwise be required to attend (Attachment 2 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a2.docx>).
* KBES budget and financial projections (Attachment 4 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a4.pdf>).
* SFUSD Findings for Denial and Petitioner’s Response (Attachment 5 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a5.pdf>).
* Appeal of SFUSD Board Denial of KBES Cover Letter Dated November 28, 2017 (Attachment 6 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a6.pdf>).
* Letter Dated November 28, 2017, Describing the Changes to the KBES Charter Petition to the SBE (Attachment 7 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a7.pdf>).
* Sample KIPP Elementary School Bell Schedules (Attachment 8 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a8.pdf>).
* Sample KIPP Kindergarten through Grade Four Literacy Instructional Blueprint (Attachment 9 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a9.pdf>).
* Sample KIPP Kindergarten through Grade Four Mathematics Instructional Blueprint (Attachment 10 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a10.pdf>).
* El Dorado County Charter Special Education Local Plan Area (SELPA) Letter Dated June 12, 2017, regarding KIPP Bay Area Schools (KBAS) (Attachment 11 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a11.pdf>).
* Sample Local Control and Accountability Plan (LCAP) for KBES 2018–19 (Attachment 12 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a12.pdf>).
* KBAS Assessment Plan 2017–18 (Attachment 13 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a13.pdf>).
* KBAS Stamped Articles of Incorporation (Attachment 14 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a14.pdf>).
* KBAS Bylaws (Attachment 15 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a15.pdf>).
* KBAS Conflict of Interest Code, July 2015 (Attachment 16 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a16.pdf>).
* KBAS Board Job Description (Attachment 17 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a17.pdf>).
* KBAS Executive Team Job Descriptions (Attachment 18 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a18.pdf>).
* KBAS Emergency Response Plan Template (Attachment 19 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a19.pdf>).
* KBAS Pupil Suspension and Expulsion Policy (Attachment 20 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a20.pdf>).
* KBAS Board of Directors 2016–17 (Attachment 21 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a21.pdf>).
* KBAS Board Profiles 2016–17 (Attachment 22 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a22.pdf>).

### Ability to Successfully Implement the Intended Program

The CDE finds that the KBES petitioner is demonstrably likely to successfully implement the intended program, as the petitioner has presented a realistic financial and operational plan for KBES.

The CDE finds that the KBES petition is consistent with sound educational practice and presents a reasonably comprehensive description of the educational program.

#### Budget

The CDE reviewed the KBES budget and multi-year fiscal plan and concludes that the financial plan is fiscally sustainable due to positive ending fund balances of $663,548; $750,935; and $879,994 with reserve of 34.9, 29.4, and 25.2 percent for fiscal year (FY) 2018–19 to 2020–21, respectively.

The CDE has reviewed the additional information received from the KBES petitioner on February 2, 2018, and February 12, 2018, to address concerns regarding philanthropic funding. The petitioner provided financial statements, bank account statements, a letter from the KBAS Board Chair, and draft resolution from the KBAS Board. The KESHS multi-year projected budget includes fundraising of $1,261,914; $456,537; and $447,890 for FY 2018–19 through 2020–21, respectively.

The CDE finds the additional information provided is sufficient to address the concerns regarding philanthropic funding.

#### Employee Qualifications

The CDE has reviewed the additional information received from the petitioner on February 2, 2018, and February 12, 2018, to address concerns regarding the salaries and full-time equivalent of certificated and classified positions. The petitioner provided the full-time equivalent salary by position and total salaries by position. The CDE finds the salaries for both certificated and classified employees appear to be reasonable.

The CDE finds the additional information provided is sufficient to address the concerns regarding salaries and full-time equivalent of certificated and classified positions.

#### San Francisco Propositions A and H

The CDE has reviewed the additional information received from the petitioner on February 2, 2018, and February 12, 2018, to address concerns regarding San Francisco Propositions A and H. The petitioner provided the narrative and assumption for Proposition A; therefore, the CDE will include the projected amount in the fiscal analysis. The petitioner has agreed to remove the Proposition H funding from the budget as it is not applicable to KBES.

The CDE finds the additional information provided is sufficient to address the concerns regarding San Francisco Propositions A and H.

#### Projected Rental Expenditure

The CDE has reviewed the additional information received from the petitioner on February 2, 2018, and February 12, 2018, to address concerns regarding the projected rental expenditure for FY 2018–19 through 2020–21. The petitioner projects the rental expenditure to be two percent of funding in Local Control Funding Formula (LCFF) as they expect to obtain a Proposition 39 facility.

The CDE finds the additional information provided is sufficient to address the concerns regarding the projected rental expenditure for FY 2018–19 through 2020–21.

#### California State Teachers Retirement System

The CDE has reviewed the additional information received from the petitioner on February 2, 2018, and February 12, 2018, to address concerns regarding the California State Teachers’ Retirement System (CalSTRS) for all certificated positions. The petitioners clarified KBAS will not offer CalSTRS. Employees will participate in the federal Social Security system and have the option to participate in the KBAS sponsored 401(k) retirement savings plan.

The CDE finds the additional information provided is sufficient to address the concerns regarding the CalSTRS for all certificated positions.

#### Regional Support Office Fees

The CDE has reviewed the additional information received from the petitioner on February 2, 2018, and February 12, 2018, to address concerns regarding the regional support office fees. The KBES petitioner holds the charters and operates the schools. There are no services agreements between them. The petitioner provided a detailed narrative and assumption for regional support office fees of $148,288; $250,374; and $364,046 for FY 2018–19 through 2020–21, respectively, which represents approximately 12 percent of LCFF.

The CDE finds the additional information provided is sufficient to address the concerns regarding the regional support office fees.

#### District/County Office Findings

##### SFUSD Findings

On November 14, 2017, the SFUSD denied the KBES petition based on the following (Attachment 5 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a5.pdf>):

* The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.
* The petition does not provide evidence of how professional development will be provided to build teacher capacity in culturally and linguistically relevant and responsive pedagogy.
* As detailed further in the matrix, Student Safety procedures do not clearly differentiate between lockout and lockdown procedures.
* The petition does not sufficiently balance pupils’ right to due process with responsibility to maintain a safe learning environment, or sufficiently explain how the SFUSD will be involved in disciplinary matters.
* The petition does not contain a reasonably comprehensive description of all the charter provisions outlined in *Education Code.*
* The petition does not sufficiently provide a concise list of exit outcomes encompassing specific skills.

A detailed analysis of the review of the entire petition is provided in Attachment 1 of Agenda Item 08 on the ACCS February 7, 2018, Meeting Notice on the SBE ACCS Web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-feb18item08a1.docx>.

## Summary of Previous State Board of Education Discussion and Action

Currently, 30 charter schools operate under SBE authorization as follows:

* One statewide benefit charter, operating a total of six sites
* Seven districtwide charters, operating a total of 18 sites
* Twenty-two charter schools, authorized on appeal after local or county denial

The SBE delegates oversight duties of the districtwide charters to the county office of education of the county in which the districtwide charter is located. The SBE delegates oversight duties of the remaining charter schools to the CDE.

## Fiscal Analysis

If approved as an SBE-authorized charter school, the CDE would receive approximately one percent of the revenue of the charter school for the CDE’s oversight activities. However, no additional resources are allocated to the CDE for oversight.

## Attachment

* **Attachment 1:** California State Board of Education Standard Conditions on Opening and Operation (4 Pages)