

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

ssb-csd-nov18item03

# California State Board of EducationNovember 2018 AgendaItem #19

## Subject

Petition for the Establishment of a Charter School Under the Oversight of the State Board of Education: Consideration of Mary L. Booker Leadership Academy, which was denied by the San Francisco Unified School District and the San Francisco County Office of Education.

## Type of Action

Action, Information, Public Hearing

## Summary of the Issue(s)

Mary L. Booker Leadership Academy (MLBLA) is seeking authorization from the State Board of Education (SBE) to establish a new school serving 120 pupils in grades six through grade eight beginning in 2019–2020 and grow to serve 420 pupils in grades six through grade twelve in 2023–24.

On April 24, 2018, the petitioner submitted the MLBLA petition to the San Francisco Unified School District (SFUSD). On June 12, 2018, the SFUSD Board of Education (SFUSDBOE) voted to deny the MLBLA petition by a vote of six to zero. The SFUSDBOE acts on behalf of the city and county of San Francisco; therefore, the MLBLA appeal was submitted directly to the SBE.

The MLBLA petitioner submitted a petition to the SBE on July 27, 2018.

The meeting notice for the October 9, 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/accsnotice100918.asp>.

## Recommendation

The California Department of Education (CDE) recommends that the SBE hold a public hearing to approve the request to establish MLBLA, a grade six through grade twelve charter school, for a five-year term beginning July 1, 2019 through June 30, 2024, under the oversight of the SBE, based on the CDE’s findings pursuant to *Education Code* (*EC*)sections47605(b)(1)*,* 47605(b)(2), 47605(b)(3), 47605(b)(4), 47605(b)(5), and 47605(b)(6), and *California Code of Regulations*, Title 5 (5 *CCR*) Section 11967.5.1.

The CDE finds that the MLBLA petition is consistent with sound educational practice and that the petitioner is demonstrably likely to implement the program set forth in the petition, provided they secure funding as stated in the petition.

The CDE recommends the following conditions to be met as outlined and prior to MLBLA opening for operation in 2019–2020:

* The MLBLA Board will provide the CDE with verifiable and substantive evidence that MLBLA has received funding anticipated from each of the commitment letters identified in the petition and updated financial projections.
* The MLBLA Board will provide the CDE with a revised 2019–2020 budget.

Additionally, the CDE finds that the MLBLA petition does provide reasonably comprehensive descriptions of most of the required elements. If approved by the SBE, and as a condition of approval, MLBLA will be required to revise the petition in order to reflect the SBE as authorizer and include the necessary language for the following required charter elements: measureable pupil outcomes (MPOs), annual independent financial audits, and suspension and expulsion procedures.

## Educational Program

MLBLA intends to open in the 2019–2020 school year serving grades six through grade eight and grow a grade per year to serve 420 pupils in 2023–24. MLBLA intends to locate and serve pupils primarily from the Southeast San Francisco neighborhoods of Bayview and Mission, projecting the following demographics (Attachment 3, pp. 25–27):

* Free and Reduced-Price Meals (FRPM)–71 percent
* Special Education (SPED)–17 percent
* English Learner (EL)–31 percent
* Latino–49 percent
* Black–14 percent
* Asian–16 percent

MLBLA’s mission is to develop the next generation of diverse leaders in San Francisco by preparing graduates to be successful leaders in college and career through a rigorous, pupil-centered academic program and a shared belief in leadership, equity, and community. The petition states that MLBLA is grounded with three core values of community, equity, and leadership with three primary outcomes for its graduates: college and career ready, community connection, and leadership development. MLBLA believes that learning best occurs when pupils are engaged in rigorous, meaningful work; supported as individual learners; cared for in a positive learning environment; and valued as leaders of a community. The MLBLA school model contains the following three components: core instruction, learning studios, and a leadership course (Attachment 3, pp. 10–56).

## Advisory Commission on Charter Schools Recommendation

The ACCS considered the MLBLA petition for establishment at its October 9, 2018, meeting. The ACCS moved CDE staff recommendation to approve the MLBLA petition. The motion passed unanimously.

## Ability to Successfully Implement the Intended Program

The CDE finds that the MLBLA petitioner is demonstrably likely to implement the intended program as the petitioner has presented a realistic financial and operational plan for the proposed charter school.

### Fiscal Analysis

The MLBLA multi-year projected budget includes the following projected pupil enrollment (Attachment 4):

* 120 grade six through grade eight in 2019–2020
* 210 grade six through grade nine in 2020–21
* 300 grade six through grade ten in 2021–22
* 360 grade six through grade eleven in 2022–23
* 420 grade six through grade twelve in 2023–24

The CDE concludes that the multi-year financial plan is not fiscally viable due to negative ending fund balances of $281,168; $349,754; and $199,865 with no reserves for fiscal years (FYs) 2019–2020 through 2021–22, respectively.

The CDE notes that in April 2018, NewSchools Venture Fund made an investment in the amount of $215,000 to MLBLA, for the time period of April 2018 through June 2019, to plan for the opening of MLBLA. This amount is not currently in the budget submitted to CDE. Upon authorization, MLBLA will be screened for an additional investment of up to $455,000 to launch the school which would be disbursed over the time period from June 2019 through May 2022 (Attachment 9, pp. 1–3).

In addition, the MLBLA petitioner has secured a commitment letter dated April 5, 2018, that states Silicon Schools Fund has made grants of $250,000 and intends to provide $635,000 of future support to MLBLA over the next three years, provided the school continues to meet agreed upon performance goals (Attachment 8, p. 169). The CDE received clarification in an email dated September 17, 2018, which notes that the performance goals consist of the following (Attachment 10, p. 1):

* Approved charter
* Securing a facility
* Hired staff

Additionally, once the school opens, Silicon Schools Fund and MLBLA will agree on reasonable academic milestones. Although the $635,000 is conditional upon these milestones, the email states that since beginning grantmaking in 2012, Silicon Schools Fund has never had an instance where a grant has been terminated due to the grantee missing their milestones and have always followed through on commitments such as this.

The MLBLA petitioner has also applied for a Public Charter Schools Grant Program grant for $475,000. Those applications are still being reviewed. If the petitioner is awarded the grant, this will also need to be included in the revised budget as a condition prior to opening.

For these reasons, the CDE finds that the petitioner is demonstrably likely to implement the program set forth in the petition, provided they secure funding from Silicon Schools Fund and NewSchools Venture Fund.

## Brief History of Key Issues

On April 24, 2018, the petitioner submitted the MLBLA petition to SFUSD. On June 12, 2018, the SFUSDBOE voted to deny the MLBLA petition by a vote of six to zero. The SFUSDBOE acts on behalf of the city and county of San Francisco; therefore, the MLBLA appeal was submitted directly to the SBE.

## CDE Staff Review

In considering the MLBLA petition, CDE staff reviewed the following:

* MLBLA Petition (Attachment 3 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a3.pdf>).
* Educational and demographic data of schools where pupils would otherwise be required to attend (Attachment 2 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a2.xlsx>).
* MLBLA Budget and Financial Projections (Attachment 4 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a4.pdf>).
* Letter Dated July 25, 2018, Description of Changes to the MLBLA Charter Petition Necessary to Reflect the SBE as the Authorizing Entity (Attachment 5 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a5.pdf>).
* SFUSD Board of Education June 12, 2018, Meeting Minutes, SFUSD Authorization for Denial, Staff Report, and Petitioner’s Response (Attachment 6 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a6.pdf>).
* MLBLA Articles of Incorporation and Bylaws (Attachment 7 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a7.pdf>).
* MLBLA Appendices and Attachments (Attachment 8 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a8.pdf>).
* NewSchools Venture Fund Letter and Grant (Attachment 9 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a9.pdf>).
* Email dated September 17, 2018, regarding Mary L. Booker Leadership Academy Silicon Schools Funding Support (Attachment 10 of Agenda Item 03 on the October 9, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-oct18item03a10.pdf>).

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

Currently, 40 charter schools operate under SBE authorization as follows:

* One statewide benefit charter, operating a total of seven sites
* Seven districtwide charters, operating a total of 18 sites
* 32 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 (as appropriate)

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.

## Attachments

* **Attachment 1:** California Department of Education Charter School Petition Review Form: Mary L. Booker Leadership Academy (40 Pages)
* **Attachment 2:** Mary L. Booker Leadership Academy Data Tables (7 Pages)
* **Attachment 3:** California State Board of Education Standard Conditions on Opening and Operation (4 Pages)