

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

gacsb-csd-may19item08

# California State Board of Education May 2019 Agenda Item #10

## Subject

Reconsideration of Request for Determination of Funding as Required for a Nonclassroom-based Charter School Pursuant to California *Education Code* sections 47612.5 and 47634.2; *California Code of Regulations,* Title 5 Section 11963.6(g); and Associated *California Code of Regulations,* Title 5.

## Type of Action

Action, Information

## Summary of the Issue

California *Education Code* sections 47612.5 and 47634.2 specify that a charter school may receive apportionment funding for nonclassroom-based instruction only if a determination of funding is made by the State Board of Education (SBE). Additionally, if during an approved determination period a charter school wishes to seek a higher or lower determination of funding, it shall do so by the filing of a new determination of funding request for consideration by the SBE, pursuant to *California Code of Regulations*, Title 5 Section 11963.6(g).

The charter school listed in Attachment 1 is requesting reconsideration for a higher determination of funding than the funding determination that was originally approved. If approved, the higher funding determination would replace the funding determination currently in effect.

## Recommendation

The California Department of Education (CDE) recommends that the SBE approve the reconsideration request from Twin Ridges Home Study Charter (TRHSC), as specified in Attachment 1.

## Advisory Commission on Charter Schools Recommendation

At the April 2019 meeting, the Advisory Commission on Charter Schools (ACCS) voted unanimously to approve the CDE recommendation that the SBE approve the reconsideration request for TRHSC, as specified in Attachment 1.

The meeting notice for the April 2019 ACCS meeting is located on the SBE ACCS web page at <https://www.cde.ca.gov/be/cc/cs/accsnotice041019.asp>.

## Brief History of Key Issues

The nonclassroom-based charter school identified in Attachment 1 has submitted a request for reconsideration, seeking higher funding determinations than the existing funding determinations currently in effect.

### Twin Ridges Home Study Charter #1428

At its September 2017 meeting, the SBE approved a 70 percent funding determination for two years (fiscal years [FYs] 2017–18 and 2018–19) for TRHSC. TRHSC had requested a 100 percent funding determination with mitigating circumstances for five years. The SBE denied TRHSC’s mitigating circumstances because TRHSC’s reported FY 2015–16 spending amounts failed to qualify for any funding. However, TRHSC identified additional contracted instructional costs and restricted revenues for consideration by the CDE. The CDE found that the information submitted supports a consideration for mitigating circumstances and recommended a funding determination of 70 percent for two years. TRHSC’s original funding determination request is provided in Agenda Item 2 of the ACCS August 15, 2017, Meeting Notice located on the August 2017 ACCS Meeting Agenda web page located at <http://www.cde.ca.gov/be/cc/cs/accsnotice081517.asp>.

At its March 2018 meeting, the SBE approved an 85 percent funding reconsideration for two years (FYs 2017–18 and 2018–19) for TRHSC. TRHSC had requested reconsideration for a higher funding determination of 85 percent with mitigating circumstances. TRHSC’s mitigating circumstances request included the unexpected loss of a senior credentialed staff, and difficulty finding and hiring a qualified replacement due to the limited pool of resources available in a small county. Based on the information provided by TRHSC, the CDE found that TRHSC met the spending conditions for a determination of funding at a higher determination. TRHSC’s reconsidered funding determination request is provided in Agenda Item 4 of the ACCS February 7, 2018, Meeting Notice located on the February 2018 ACCS Meeting Agenda web page located at <https://www.cde.ca.gov/be/cc/cs/accsnotice020718.asp>

TRHSC is requesting reconsideration for a higher funding determination of 100 percent. TRHSC reported FY 2017–18 expenditures of 48.30 percent on certificated staff costs and 83.69 percent on instruction and instruction-related services costs, which qualifies TRHSC for a full determination. Based on the information provided, which also included revenues and expenditures for the FY 2017–18, the CDE finds that TRHSC meets the spending conditions for full funding and proposes to recommend that the SBE approve TRHSC for the higher 100 percent determination of funding for the one year period, FY 2018–19.

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

The SBE is responsible for approving a determination of funding request to establish eligibility for apportionment funding for charter schools that offer nonclassroom-based instruction. The CDE notes that this request is a recurring action item for the SBE.

## Fiscal Analysis

If approved, the charter schools listed on Attachment 1 would receive apportionment funding under the Local Control Funding Formula model.

## Attachment

* **Attachment 1:** Determination of Funding Recommendation for a Nonclassroom-based Charter School (1 Page)