

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

gacsb-csd-may19item06

# California State Board of EducationMay 2019 AgendaItem #15

## Subject

Petition for the Establishment of a Charter School Under the Oversight of the State Board of Education: Consideration of Eagle Collegiate Academy, which was denied by the Acton-Agua Dulce Unified School District and considered for denial by the Los Angeles County Board of Education.

## Type of Action

Action, Information, Public Hearing

## Summary of the Issue

Eagle Collegiate Academy (ECA) is seeking authorization from the State Board of Education (SBE) to establish a new school serving 355 pupils in transitional kindergarten (TK)/kindergarten (K) through grade eight in 2019–2020 and grow to serve 555 pupils in TK/K through grade twelve in 2023–24.

On September 27, 2018, the petitioners submitted the ECA petition to Acton-Agua Dulce Unified School District (AADUSD). On November 8, 2018, AADUSD voted to deny the ECA petition by a vote of three to zero. On November 13, 2018, the petitioner submitted the ECA petition to the Los Angeles County Office of Education (LACOE). On December 18, 2018, the Los Angeles County Board of Education (LACBOE) voted not to take action on the ECA petition by a vote of six to one.

The ECA petitioner submitted a petition to the SBE on January 28, 2019.

## Recommendation

The California Department of Education (CDE) recommends that the SBE hold a public hearing to deny the request to establish ECA, a TK/K 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*)sections 47605(b)(2), 47605(b)(5)(E), and *California Code of Regulations*, Title 5 (5 *CCR*) Section 11967.5.1(c).

The CDE finds that the petitioner is demonstrably unlikely to implement the program set forth in the petition due to an unrealistic financial and operational plan including aggressive enrollment assumptions, a budget plan reliant on meeting these enrollment projections, and the ability to secure a facility to house the projected enrollment.

Additionally, the CDE finds that the ECA petition does not contain a reasonably comprehensive description of all the required elements including Element 5–Employee Qualifications.

If approved by the SBE, and as a condition of approval, ECA will be required to revise the petition in order to reflect the SBE as authorizer and include the necessary language for Element 5–Employee Qualifications.

## Advisory Commission on Charter Schools Recommendation

The Advisory Commission on Charter Schools (ACCS) considered the ECA petition for establishment at its April 10, 2019, meeting. The ACCS moved CDE staff recommendation to deny the ECA petition by a vote of five to two with one abstention.

The meeting notice for the April 10, 2019, ACCS meeting is located on the SBE ACCS web page at <https://www.cde.ca.gov/be/cc/cs/accsnotice041019.asp>.

## Past History

The CDE notes that the petitioner has made multiple attempts to become locally authorized. The petitioner submitted the ECA petition for establishment of a charter school to two districts and on an appeal to the county prior to this submission on appeal to the SBE. The petitioner states that the ECA petition has gone through multiple revisions in the areas of finance, educational program, and charter elements in response to the feedback received from both the district and county. The timeline of the submissions to the districts and county are as follows:

* The petitioners submitted the ECA petition to Sulphur Springs Unified School District (SSUSD) on September 23, 2016. On December 7, 2016, the SSUSD denied the ECA petition.
* The petitioners submitted the ECA petition to AADUSD on February 28, 2017. On May 11, 2017, AADUSD denied the ECA petition.
* The petitioners submitted the ECA petition on appeal to LACOE on August 31, 2017. LACOE staff recommended that the ECA petitioner withdraw the petition to revise the petition based on county recommendations. The petitioners were not given a guarantee for approval from LACOE and made the decision not to withdraw. In December 2017, LACBOE denied the ECA petition.
* The petitioners submitted a revised ECA petition to AADUSD on March 8, 2018. On April 26, 2018, AADUSD denied the ECA petition.
* The petitioners submitted the ECA petition on appeal to LACOE on May 9, 2018. On July 24, 2018, LACBOE denied the ECA petition. The petitioners determined that the ECA team did not have enough time to appeal to the SBE in order to open for the 2018–19 school year.
* The petitioners submitted the ECA petition to AADUSD on September 27, 2018. On November 8, 2018, AADUSD voted to deny the ECA petition by a vote of three to zero.
* The petitioner submitted the ECA petition to LACOE on November 13, 2018. On December 18, 2018, LACBOE voted not to take action on the ECA petition by a vote of six to one. The LACOE staff report recommended that LACBOE vote to take no action upon ECA’s third attempt to obtain approval of the ECA petition, thereby allowing ECA to either appeal to the SBE or seek judicial review of AADUSD’s denial of the petition.

## Educational Program

ECA intends to open in the 2019–2020 school year serving 355 TK/K through grade eight pupils and grow a grade per year to serve 555 pupils in TK/K through grade twelve in 2023–24. The CDE notes that the projected enrollment included in the ECA petition proposes to serve 15 pupils in a pre-kindergarten program for three and four-year olds. ECA intends to locate within the boundaries of AADUSD. The mission of ECA is to empower pupils to become self-confident, egalitarian, and authentic global citizens prepared for 21st century careers and responsibilities. The petition states that ECA will accomplish its mission through the following best practices:

* Rigorous college preparatory emphasis
* International Baccalaureate (IB) programs
* Literacy competence to develop life-long learners
* Teacher common planning time and teaming
* Diverse enrichment courses and activities for the whole child
* Parent and community partnerships

ECA plans to become an IB school and outlines ECA’s IB continuum implementation timeline, Primary Years Program (PYP), Middle Years Program (MYP), and the Diploma Program (DP) that is aligned with the Common Core State Standards (CCSS). The IB program’s goal is to develop pupils according to the IB learner profile. IB learners are inquirers, knowledgeable, thinkers, communicators, principled, open-minded, caring, risk-takers, balanced, and reflective. The petition contains a visual representation of the IB continuum implementation depicting how ECA will be an IB candidate school by the school’s opening in August 2019. The ECA petition states the following about each level of the IB continuum:

* PYP–The program aims to create a transdisciplinary curriculum that is engaging, relevant, challenging, and significant for learners.
* MYP–The program is rigorous and encourages pupils to make practical connections between their lessons and the real world.
* DP–The program will benefit pupils with the breadth and depth of knowledge who demonstrate high physical, intellectual, emotional, and ethical standards.

## Inability to Successfully Implement the Intended Program

### Fiscal Analysis

The ECA projected budget is viable due to the positive ending fund balances of $156,212; $651,378; and $951,945, with reserves of 5, 18.5, and 21.6 percent for fiscal years 2019–2020 through 2021–22, respectively, if the school meets the enrollment projections.

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

* 355 TK/K through grade eight in 2019–2020
* 405 TK/K through grade nine in 2020–21
* 455 TK/K through grade ten in 2021–22
* 505 TK/K through grade eleven in 2022–23
* 555 TK/K through grade twelve in 2023–24

To be fiscally solvent, the budget plan requires the school to meet its enrollment and average daily attendance projections each year.

In response to the LACOE staff report to address concerns of not meeting proposed enrollment, the petitioner included budgets at 100 and 80 percent enrollment. Both budgets presented are contingent on the school meeting enrollment projections and securing a facility that can accommodate all students who intend to enroll.

### Aggressive Enrollment/Program Implications/Facilities

The petitioner does not present a sound plan for its projected enrollment layout. The plan relies on aggressive enrollment and growth to cover expenditures.

The enrollment projections for the school are aggressive with the petitioner proposing to open with 355 students. The petitioner states they have received 400 meaningful intent to enroll forms from parents.

The petitioner proposes to open with 355 students in grades TK/K through grade eight in the first year of operation and add grades nine through twelve, one grade per year, over the next four years of the charter term. ECA proposes growing from 355 to 555, 63 percent over the five years, while also implementing an IB continuum at the same time. The concerns about aggressive enrollment are compounded by the size of the school district in which the petitioner is proposing to be located. The petitioner is looking to lease a facility within the boundaries of AADUSD. The district is a small school district serving approximately 1,080 pupils and is comprised of one elementary school, a junior high school, and a high school. The average enrollment by grade level of each of these schools ranges from 50–100 pupils. The majority of the enrollment at the district is from nonclassroom-based charter schools.

The petitioner is currently in negotiations to lease a property at 13136 Sierra Highway within the boundaries of AASUSD. At the April 2019 ACCS meeting, the petitioner stated that in its current state, the property has the capacity of four classrooms. In order to accommodate 355 pupils, ECA will need to add, at a minimum, an additional 13 portables by August 2019. Although ECA has budgeted $275,000 in tenant improvement and modular costs for July 2019 and an additional $275,000 for July 2021, ECA has not taken into consideration the cost of the additional portables needed for the first year of operation, the unforeseen expansion and renovation costs, and the time it may take to obtain applicable permits, including a Certificate of Occupancy
(E occupancy) as needed to satisfy the requirements outlined in the SBE Standard Conditions on Opening and Operation (Attachment 3).

According to the petition, the school will be an IB candidate by the schools’ opening in August 2019. With the complexities of implementing an IB program for grades TK/K through grade eight in the first year, the CDE is concerned about the ability to recruit staff, create a high quality instructional program, and initiate the administrative processes and facilities needed for all of those grade levels at once, while meeting the requirements for the IB program. The level of professional development for an IB teacher is extensive and structured in order for the school to remain consistent with the IB education model across all grade levels.

## Charter Elements

The CDE finds that the ECA petition does not present a reasonably comprehensive description of Element 5–Employee Qualifications.

### Employee Qualifications

The ECA petition does not identify those positions that ECA regards as key in each category and specify the additional qualifications expected of individuals assigned to those positions.

Although this section discusses professional development, it does not speak to the significant amount of professional development required for teachers to implement an IB program.

With the complexities of implementing an IB program for transitional kindergarten through grade eight in the first year, this element is of particular importance in implementing the educational program and having the essential staff identified. The professional development of an IB teacher is extensive and needs to be implemented in a manner which allows the school to remain consistent with the IB education model across all grade levels. Additionally, the IB professional development model consists of the following:

* Training in IB program implementation and curriculum
* Administering IB assessments
* Examining pupil work and adjusting instruction
* Engaging in strategies for vertical continuum from PYP, MYP, and DP

## CDE Staff Review

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

* ECA Petition (Attachment 3 of the Agenda Item 04 on the April 10, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-apr19item04a3.pdf>).
* Educational and demographic data of schools where pupils would otherwise be required to attend (Attachment 2 of the Agenda Item 04 on the April 10, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-apr19item04a2.xlsx>).
* ECA Budget and Financial Projections (Attachment 4 of the Agenda Item 04 on the April 10, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-apr19item04a4.pdf>).
* Letter Dated January 28, 2019, Description of Changes to ECA Charter Petition Necessary for Appeal to the SBE (Attachment 5 of the Agenda Item 04 on the April 10, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-apr19item04a5.pdf>).
* AADUSD November 8, 2018, Meeting Minutes; Resolution No. 18–19.05 to Deny the ECA Charter Petition; Staff Report; and Petitioner’s Response (Attachment 6 of the Agenda Item 04 on the April 10, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-apr19item04a6.pdf>).
* LABOE Confirmation Letter Dated December 21, 2018; December 18, 2018, Meeting Minutes; Staff Report; and Petitioner’s Response (Attachment 7 of the Agenda Item 04 on the April 10, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-apr19item04a7.pdf>).
* ECA Articles of Incorporation and Bylaws (Attachment 8 of the Agenda Item 04 on the April 10, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-apr19item04a8.pdf>).
* ECA Appendices and Attachments (Attachment 9 of the Agenda Item 04 on the April 10, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-apr19item04a9.pdf>).

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

Currently, 41 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
* 33 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: Eagle Collegiate Academy (41 Pages)
* **Attachment 2:** Eagle Collegiate Academy Data Tables (7 Pages)
* **Attachment 3:** California State Board of Education Standard Conditions on Opening and Operation (4 Pages)