

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

ssb-csd-jan19item01

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

## Subject

Petition for the Establishment of a Charter School Under the Oversight of the State Board of Education: Consideration of Watsonville Prep School, which was denied by the Pajaro Valley Unified School District and the Santa Cruz County Office of Education.

## Type of Action

Action, Information, Public Hearing

## Summary of the Issue(s)

Watsonville Prep School (WPS) is seeking authorization from the State Board of Education (SBE) to establish a new school serving 180 pupils in kindergarten (K) through grade two beginning in 2019–2020 and grow to serve 420 pupils in K through grade six in 2023–24.

On March 28, 2018, the petitioner submitted the WPS petition to Pajaro Valley Unified School District (PVUSD). On May 23, 2018, PVUSD voted to deny the WPS petition by a vote of five to zero. On June 19, 2018, the petitioner submitted the WPS petition to the Santa Cruz County Board of Education (SCCBOE). On August 16, 2018, SCCBOE voted to deny the WPS petition by a vote of four to three.

The WPS petitioner submitted a petition to the SBE on September 28, 2018.

The meeting notice for the December 13, 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/accsnotice121318.asp>.

## Recommendation

The California Department of Education (CDE) recommends that the SBE hold a public hearing to approve the request to establish WPS, a K through grade eight 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 WPS petition is consistent with sound educational practice and that the petitioner is demonstrably likely to implement the program set forth in the petition.

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

* The WPS Board will provide the CDE with a revised multi-year budget including updated financial projections and complete narrative and assumptions.

Additionally, the CDE finds that the WPS petition does provide reasonably comprehensive descriptions of most of the required elements. If approved by the SBE, and as a condition of approval, WPS 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) and annual independent financial audits.

## Advisory Commission on Charter Schools Recommendation

The ACCS considered the WPS petition for establishment at its December 13, 2018, meeting. The ACCS moved CDE staff recommendation to approve the WPS petition. The motion passed unanimously.

## Brief History of Key Issues

On March 28, 2018, the petitioner submitted the WPS petition to PVUSD. On May 23, 2018, PVUSD voted to deny the WPS petition by a vote of five to zero. On June 19, 2018, the petitioner submitted the WPS petition to the SCCBOE. On August 16, 2018, SCCBOE voted to deny the WPS petition by a vote of four to three.

WPS will serve as a direct-funded charter school operated by Navigator Schools, a California non-profit public benefit corporation, pursuant to California law. Currently, Navigator Schools operates two college prep K through grade eight schools: Hollister Prep (HP) and Gilroy Prep (GP). WPS will replicate the identical educational model implemented at both HP and GP charter schools.

The WPS petitioner submitted a petition to the SBE on September 28, 2018.

## Educational Program

WPS intends to open in the 2019–2020 school year serving K through grade two and grow a grade per year to serve 420 pupils in grades K through grade six in 2023–24. WPS intends to locate within the city boundaries of Watsonville. The mission and vision of Navigator schools is to equip pupils to be learners and leaders in high school, college and beyond as well as improve communities through education (Attachment 3, p. 12). The petition describes instructional models for both K through grade five and grade six through grade eight (Attachment 3, pp. 28–35). The petition states that WPS does not plan to operate a transitional kindergarten program; however, will do so if required by the charter authorizer (Attachment 3, p. 31). The CDE notes that although the anticipated enrollment plan for 2019–2024 in the WPS petition only includes K through grade six, the petitioner plans on expanding WPS as a K through grade eight school in subsequent years. The Navigator K–8 model, as implemented in HP and GP, is designed to prepare Navigator students for the rigors of high school. WPS will work with pupils continuously from K through grade eight serving pupils in a small, community-based school setting. The following five key educational elements will define a pupil’s K through grade eight experience at WPS (Attachment 3, pp. 23–24):

* A strong culture of excellence
* Data-driven instruction
* Consistent coaching and feedback for all staff
* Robust multiple tiers of support for academics and behavior
* State of the art technology to prepare pupils for the future

### Plan for English Learners

The WPS petition states that the Home Language Survey is administered upon every pupil’s enrollment into WPS. WPS will administer the English Language Proficiency Assessments for California. All pupils who indicate their home language is other than English will be tested within 30 days of initial enrollment and at least annually thereafter until reclassified to fluent English proficient (RFEP). The WPS petition states that Navigator classrooms implement integrated and designated English language development (ELD), and pupils who are English Learners (ELs) participate in both integrated and designated ELD instructional segments until they have met all reclassification criteria and are RFEP. Reclassified pupils are monitored for at least four years to ensure their continued ability to achieve mastery of Common Core State Standards, English language arts (ELA) standards, and to provide additional support, if needed. Additionally, WPS will provide professional development to improve instruction for ELs and all pupils. The WPS petition outlines the evaluation for the program effectiveness for EL pupils at WPS (Attachment 3, pp. 50–54).

The petition states that WPS will meet all applicable legal requirements for ELs as they pertain to annual notification to parents, pupil identification, placement, program options, EL and core content instruction, teacher qualifications and training, RFEP status, monitoring, evaluating program effectiveness, and standardized testing requirements.

### Plan for Special Education

The petition identifies a plan for pupils with disabilities, including identification, assessment referrals, interim and initial placements, implementation of the Individualized Education Program, reporting, and due process (Attachment 3, pp. 56–64).

The petition states that WPS will comply with all applicable state and federal laws in serving pupils with disabilities, including, but not limited to, Section 504 of the Rehabilitation Act, the Americans with Disabilities Act, and the Individuals with Disabilities Education Improvement Act (IDEIA).

## Charter Elements

The CDE finds that the WPS petition does not provide a reasonably comprehensive description of the following required charter elements (Attachment 3, p. 3).

### Admissions Requirements

Although the WPS petition does present a reasonably comprehensive description of admission requirements, the petition provides a preference for residents of PVUSD who reside within the city boundaries of Watsonville. The CDE cannot determine from the WPS petition the reasoning for this preference and whether the preference would result in: (1) limiting enrollment access for pupils with disabilities, academically low-achieving pupils, ELs, neglected or delinquent pupils, homeless pupils, socio-economically disadvantaged pupils, or foster youth; (2) limiting access of pupils based on nationality, race, ethnicity, or sexual orientation; and (3) a violation of federal or state law.

### Measurable Pupil Outcomes

The WPS petition does not present a reasonably comprehensive description of MPOs. The petition does not include a description of each subgroup of pupils. The WPS petition includes a table that outlines the goals, actions, measurable outcomes and method of measurement, and person(s) responsible for each of the eight state priorities (Attachment 3, pp. 66–76). However, the petition does not include measurable outcomes for each of the significant subgroups the petitioner proposes to serve. The WPS petition states that Navigator Schools plans to enroll at a minimum the same percentages as PVUSD schools for pupils with disabilities, ELs, homeless/foster youth, and SED pupils (Attachment 3, p. 14). Additionally, the petition states that WPS will focus recruitment efforts on the EL and SED populations (Attachment 3, p. 100).

## Ability to Successfully Implement the Intended Program

The CDE finds that the WPS petition is consistent with sound educational practice and that the petitioner is demonstrably likely to implement the program set forth in the petition.

### Budget

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

* 180 K through grade two in 2019–2020
* 240 K through grade three in 2020–21
* 300 K through grade four in 2021–22
* 360 K through grade five in 2022–23
* 420 K through grade six in 2023–24

The CDE concludes that the multi-year financial plan is fiscally viable due to positive ending fund balances of $125,523; $175,785; and $341,628 with reserves of 5.7, 5.9, and 9.3 percent for fiscal years (FYs) 2019–2020 through 2021–22, respectively.

WPS has also secured additional financial commitments:

* The WPS petitioner has secured a commitment letter dated March 26, 2018, which confirms Charter School Growth Fund’s grant of $2,100,000 for Navigator Schools and outlines a schedule of grant disbursements (Attachment 9, p. 309). On October 4, 2018, the CDE received confirmation of receipt of a disbursement in the amount of $300,000 in the form of a bank statement. An additional disbursement in the amount of $300,000 is scheduled to be funded in December 2018.
* The WPS petitioner has secured a commitment letter dated March 26, 2018 that states that Silicon Schools Fund is recommending that their Board grant up to $800,000 to support the opening of WPS (Attachment 9, p. 310). On October 29, 2018, the CDE received a grant agreement and confirmation of the $100,000 in the form of a bank statement. An additional $100,000 will be granted to the petitioner from Silicon Schools Fund upon approval by the SBE.
* On October 29, 2018, the CDE received a grant agreement from the Walton Family Foundation with the confirmation of $325,000 in the form of a bank statement.

As a condition of the approval, the CDE is recommending that WPS provide an updated multi-year budget to include these additional grants.

The petitioner did not include budget assumptions and narrative with the budgeted cost for rental facilities through a Proposition (Prop) 39 or lease agreement, but the WPS petition included a budgeted cost for a three percent oversight fee. On October 29, 2018, on a phone call with the CDE, the petitioner clarified that two percent of the three percent oversight fee was delineated for the facility cost through a Prop 39 agreement with the district. WPS anticipates submitting a Prop 39 application to PVUSD, in addition to seeking other viable options.

### History of Operating other Charter Schools

Currently, Navigator Schools operates two college prep K through grade eight schools. GP was initially authorized by the Gilroy Unified School District (GUSD) in 2010 for a two-year term. GP was first renewed in 2012 and, most recently, in 2018 for a five-year term from 2018–2023. HP was initially authorized by the Hollister School District (HSD) in 2013 and was recently renewed for another five-year term from 2018–2023.

The WPS petition states that the academic achievements of both GP and HP are products of a concentrated effort to create an educational model that can be easily replicable and personalized to meet the needs of the community being served (Attachment 3, p. 8).

The following tables reflect the California Assessment of Student Performance and Progress (CAASPP) data from 2016–18 in ELA and mathematics for all pupils and significant subgroups for the two Navigator Schools currently in operation, as well as the districts and counties where the schools are located and intend to locate.

The 2016–18 data shows that GP and HP have consistently outperformed the district, county, and state data results. The CDE notes that the district demographics of PVUSD, the district where WPS will be located, mirror that of GUSD and HSD where over 70 percent of the pupils served are classified as Hispanic/Latino and over 20 percent as ELs.

**Summary Data for California Assessment of Student Performance and Progress Results**

**Key Abbreviations**

COE – County Office of Education

EL – English Learners

ELA – English language arts

GP – Gilroy Prep

GUSD – Gilroy Unified School District

HP– Hollister Prep

HSD – Hollister School District

LEA - Local educational agency

PVUSD – Pajaro Valley Unified School District

SED – Socio-economically disadvantaged

SPED – Special Education

**Navigator Schools CAASPP Results by Year**

| LEA | 2015–16 ELA | 2015–16 Math | 2016–17 ELA | 2016–17 Math | 2017–18 ELA | 2017–18 Math |
| --- | --- | --- | --- | --- | --- | --- |
| GP | 82 | 67 | 83.22 | 75.17 | 84.75 | 70.06 |
| GUSD | 49 | 40 | 47.97 | 40.31 | 47.97 | 40.31 |
| Santa Clara COE | 62 | 55 | 61.9 | 55.48 | 61.9 | 55.48 |

| LEA | 2015–16 ELA | 2015–16 Math | 2016–17 ELA | 2016–17 Math | 2017–18 ELA | 2017–18 Math |
| --- | --- | --- | --- | --- | --- | --- |
| HP | 86 | 76 | 90.56 | 75 | 87.81 | 75.21 |
| HSD | 41 | 29 | 47.71 | 35.13 | 47.71 | 35.13 |
| San Benito COE | 46 | 31 | 51.5 | 36.48 | 51.5 | 36.48 |

| LEA | 2015–16 ELA | 2015–16 Math | 2016–17 ELA | 2016–17 Math | 2017–18 ELA | 2017–18 Math |
| --- | --- | --- | --- | --- | --- | --- |
| PVUSD | 32 | 21 | 30.74 | 21.17 | 32.57 | 22.56 |
| Santa Cruz COE | 45 | 33 | 44.79 | 32.95 | 45.96 | 34.33 |

**Navigator Schools 2017–18 ELA CAASPP Results by Subgroup**

| LEA | All Pupils | Hispanic/Latino | ELs | SPED | SED |
| --- | --- | --- | --- | --- | --- |
| GP | 84.75 | 81.4 | 54.54 | 44.83 | 82.29 |
| GUSD | 47.97 | 39.31 | 9.56 | 14.12 | 33.97 |
| Santa Clara COE | 61.9 | 37.04 | 17.8 | 20.04 | 37.58 |

| LEA | All Pupils | Hispanic/Latino | ELs | SPED | SED |
| --- | --- | --- | --- | --- | --- |
| HP | 87.81 | 87.25 | 80.96 | 60 | 85.81 |
| HSD | 47.71 | 44.35 | 20.43 | 12.06 | 39.01 |
| San Benito COE | 51.5 | 46.82 | 23.22 | 13.29 | 42.05 |

**Navigator Schools 2017–18 MATH CAASPP Results by Subgroup**

| LEA | All Pupils | Hispanic/Latino | ELs | SPED | SED |
| --- | --- | --- | --- | --- | --- |
| GP | 70.06 | 63.22 | 43.94 | 48.28 | 61.46 |
| GUSD | 40.31 | 31.9 | 12.35 | 11.62 | 27.43 |
| Santa Clara COE | 55.48 | 26.53 | 21.27 | 17.9 | 29 |

| LEA | All Pupils | Hispanic/Latino | ELs | SPED | SED |
| --- | --- | --- | --- | --- | --- |
| HP | 75.21 | 74.51 | 66.67 | 40 | 75 |
| HSD | 35.13 | 30.99 | 14.08 | 9.95 | 28.15 |
| San Benito COE | 36.48 | 31.68 | 17.46 | 9.89 | 29.04 |

**Demographics where Navigator Schools are located**

| LEA | All Pupils | Hispanic/Latino | ELs | Foster Youth | Homeless | Migrant Ed | SPED | SED |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| GP | 544 | 341(63%) | 201  (37%) | NA | NA | NA | NA | NA |
| GUSD | 11834 | 8275  (70%) | 2690  (23%) | 76  (0.6%) | 60  (0.5%) | 137  (1%) | 1428  (12%) | 6850  (58%) |
| Santa Clara COE | 272132 | 104429  (38%) | 62147  (23%) | 599  (0.2%) | 2676  (1%) | 1066  (0.4%) | 28004  (10%) | 108180  (40%) |

| LEA | All Pupils | Hispanic/Latino | ELs | Foster Youth | Homeless | Migrant Ed | SPED | SED |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| HP | 713 | 654  (92%) | 320  (45%) | NA | NA | NA | NA | NA |
| HSD | 5856 | 4729  (81%) | 2033  (35%) | 24  (0.4%) | 117  (2%) | 691  (12%) | 691  (12%) | 3743  (64%) |
| San Benito COE | 11253 | 8341  (74%) | 2878  (26%) | 44  (0.4%) | 216  (2%) | 1409  (13%) | 1267  (11%) | 6792  (60%) |

| LEA | All Pupils | Hispanic/Latino | ELs | Foster Youth | Homeless | Migrant Ed | SPED | SED |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| PVUSD | 20279 | 16543  (86%) | 8541  (42%) | 72  (0.4%) | 2783  (14%) | 1283  (6.3%) | 2709  (13%) | 15065  (74%) |
| Santa Cruz | 40393 | 22580  (56%) | 10650  (26%) | 153  (0.4%) | 3174  (8%) | 1440  (4%) | 4990  (12%) | 21866  (54%) |

## CDE Staff Review

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

* WPS Petition (Attachment 3 of the Agenda Item 01 on the December 13, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-dec18item01a3.pdf>).
* Educational and demographic data of schools where pupils would otherwise be required to attend (Attachment 2 of the Agenda Item 01 on the December 13, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-dec18item01a2.xlsx>).
* WPS Budget and Financial Projections (Attachment 4 of the Agenda Item 01 on the December 13, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-dec18item01a4.pdf>).
* Letter Dated September 24, 2018, Description of Changes to the WPS Charter Petition Necessary for Appeal to the SBE (Attachment 5 of the Agenda Item 01 on the December 13, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-dec18item01a5.pdf>).
* PVUSD May 23, 2018, Meeting Minutes, Findings of Fact in Support for Denial, and Petitioner’s Response (Attachment 6 of the Agenda Item 01 on the December 13, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-dec18item01a6.pdf>).
* SCCBOE August 16, 2018, Meeting Minutes, Staff Report, Proposed Findings of Fact, and Petitioner’s Response (Attachment 7 of the Agenda Item 01 on the December 13, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-dec18item01a7.pdf>).
* WPS Articles of Incorporation and Bylaws (Attachment 8 of the Agenda Item 01 on the December 13, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-dec18item01a8.pdf>).
* WPS Appendices and Attachments (Attachment 9 of the Agenda Item 01 on the December 13, 2018, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/documents/accs-dec18item01a9.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 six 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: Watsonville Prep School (44 Pages)
* **Attachment 2:** Watsonville Prep School Data Tables (7 Pages)
* **Attachment 3:** California State Board of Education Standard Conditions on Opening and Operating (4 Pages)