

California Department of Education

Executive Office

SBE-003 (REV. 11/2017)

eab-csd-nov19item02

# California State Board of Education November 2019 Agenda Item #08

## Subject

Baypoint Preparatory Academy-San Diego: Consider a Material Revision of the Charter to Change Admission Preferences

## Type of Action

Action, Information, Public Hearing

## Summary of the Issue

Baypoint Preparatory Academy-San Diego (BPA-SD), a State Board of Education (SBE)-authorized charter school, is seeking a material revision of its charter to revise admission preferences to maintain eligibility under the Charter School Facility Grant Program (CSFGP).

On July 29, 2019, the California Department of Education (CDE) received a submission for a material revision to revise Element 8–Admission Requirements to comply with the California School Finance Authority (CSFA) funding requirement under the CSFGP and pursuant to *Education Code* (*EC*) Section 47614.5(c)(2). In order for BPA-SD to gain eligibility under the terms of the grant, revised proposed admission preferences need to be approved by the SBE at a public hearing.

## Recommendation

The CDE proposes to recommend that the SBE hold a public hearing to approve the request for the material revision of the BPA-SD petition to amend Element 8–Admission Requirements for the remainder of the 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), and 47605(b)(6), and *California Code of Regulations*, Title 5 Section 11967.5.1.

The CDE finds that the BPA-SD petition is consistent with sound educational practice and the petitioners are demonstrably likely to successfully implement the intended program.

If approved by the SBE, as a condition for approval, the BPA-SD petitioners will be required to revise the petition to include the necessary language for Element 8–Admission Requirements in two ways: to include the request in the material revision for free or reduced-price meals and for the transitional kindergarten (TK) program. If space is not available for pupils in the TK program, then applicants will be entered into a lottery based on the preferences used for kindergarten (K) through grade eight, rather than be granted to pupils in order of application date.

## Advisory Commission on Charter Schools Recommendation

The Advisory Commission on Charter Schools (ACCS) considered the request for a material revision of the BPA-SD charter petition at its October 8, 2019, meeting. The ACCS moved CDE staff recommendation to approve the request for a material revision of the BPA-SD charter petition. The motion passed unanimously.

The notice for the October 8, 2019, ACCS meeting is located on the SBE ACCS web page at <https://www.cde.ca.gov/be/cc/cs/accsnotice100819.asp>.

## Brief History of Key Issues

Currently BPA-SD’s free or reduced-priced meals percentage is approximately 48 percent. Therefore, BPA-SD does not meet the 55 percent free or reduced-priced meals threshold at the charter school site to be eligible for the CSFGP, pursuant to *EC* Section 47614.5(c)(2). BPA-SD is requesting a material revision to amend Element 8–Admission Requirements by including a preference for pupils who are currently enrolled in or who reside in the elementary school attendance area of the public elementary school in which BPA-SD is located. BPA-SD’s permanent facility is physically located in the attendance area of San Marcos Elementary School in which approximately 85 percent of the pupil enrollment is eligible for free or reduced-price meals.

Pursuant to *EC* Section 47614.5(c)(2), in order for a charter school to be eligible for the CSFGP, the CSFA must determine, upon receipt of an application, eligibility, based on the geographic location of the charter school site, pupil eligibility for free or reduced-price meals, and a preference in admissions, as appropriate. A charter school site is eligible for funding if the school site meets either of the following conditions:

* The charter school site is physically located in the attendance area of a public elementary school in which 55 percent or more of the pupil enrollment is eligible for free or reduced-price meals and the charter school site gives a preference in admissions to pupils who are currently enrolled in that public elementary school and to pupils who reside in the elementary school attendance area where the charter school site is located.
* Fifty-five percent or more of the pupil enrollment at the charter school site is eligible for free or reduced-priced meals.

## Educational Program

BPA-SD served 200 pupils in TK through grade six in 2018–19 and plans to grow to serve 525 pupils in TK through grade eight in 2022–23 (Attachment 3, p. 19). This enrollment projection is consistent with the original petition that was previously approved by the SBE. The petition states that the mission at BPA-SD is to educate pupils in TK through grade eight through a rigorous college preparatory curriculum in a flexible, student-centered learning environment with the goal to actively partner with pupils, parents, and the community to support pupils’ academic success and personal goals. The BPA-SD petition additionally states that school-wide learner outcomes will produce the following (Attachment 3, p. 18):

* Academic achievers
* Effective communicators
* Critical thinkers
* Technology users
* Career-focused pupils

## Ability to Successfully Implement the Program

The CDE finds that the BPA-SD 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 BPA-SD multi-year projected budget includes the following projected pupil enrollment (Attachment 4):

* 225 K through grade seven in 2019–20
* 325 K through grade eight in 2020–21
* 425 K through grade eight in 2021–22
* 525 K through grade eight in 2022–23

BPA-SD has maintained a good financial standing under SBE authorization since its inception in July 2018. BPA-SD’s fiscal year (FY) 2019–20 preliminary budget report indicates that BPA-SD is projecting a positive ending fund balance of $296,340 and reserves of 14.45 percent, which is above the recommended 5 percent in reserves outlined in the Memorandum of Understanding (MOU) between BPA-SD and the SBE.

The CDE concludes that if the BPA-SD projected budget includes CSFGP funds of $87,596; $245,171; and $354,136 for FYs 2019–22, respectively, then BPA-SD’s projected budget will reflect positive ending fund balances of $276,580; $522,070; and $1,178,730 with reserves of 13.4, 15.7, and 28.4 percent for FYs 2019–20 through 2021–22, respectively.

## Past History Under State Board of Education Authorization

**Fiscal Summary**

In the August 2019 Fiscal Memorandum to the SBE, BPA-SD is considered to be in good financial condition. A charter school in good financial condition has demonstrated an ability to operate with a balanced budget; maintain stable enrollment and attendance ratios; manage cash liquidity; maintain a low debt level; maintain a positive fund balance; and meet the recommended reserve level specified in the MOU.

### Summary of Annual Site Visit

On March 12, 2019, BPA-SD was issued a letter concerning the annual site visit conducted on February 7–8, 2019.

The CDE determined that BPA-SD is in compliance with the BPA-SD charter petition, and the MOU between the SBE and BPA-SD with the exception of one teacher who did not possess an English Learner authorization. The teacher no longer works for BPA-SD.

### Facilities

Currently BPA-SD is located at a temporary facility, the Boys and Girls Club, within the San Marcos Unified School District. BPA-SD has plans to move to their permanent facility, which will be located at 520 East Carmel Street, San Marcos, on or before January 15, 2020. The facility is still undergoing technical improvements.

## Charter Elements

The CDE finds that the petition provides a reasonably comprehensive description of the 15 required elements.

### Admissions Requirements

The BPA-SD petition presents a reasonably comprehensive description of admission requirements. The petition states that BPA-SD will be an open enrollment, tuition-free public school with no specific requirements for admission. The petition states that lottery exemption includes all pupils currently attending BPA-SD and that all general applicants will be entered into a lottery drawing based on the following preferences (Attachment 3, p. 103):

1. Siblings of pupils currently attending BPA-SD.
2. Pupils who are currently enrolled in or who reside in the elementary school attendance area of the public elementary school(s) in which BPA-SD is located (for purposes of the CSFGP).
3. Pupils who reside in the San Marcos Unified School District.
4. Pupils who are wards of BPA-SD employees, limited to 10 percent of BPA-SD’s total enrollment.

Additionally, the petition states that TK pupils turning five years old between   
September 2 through December 2 will be given priority during enrollment. Depending on enrollment numbers, pupils will be enrolled into a TK class on the pupil’s fifth birthday and if a space is not available for each of the pupils, then enrollment will be granted to pupils in order of application date (Attachment 3, p. 103). This does not conform with *EC* Section 47605(d)(2).

The SBE has the discretion to approve the preferences stated in the BPA-SD petition at a public hearing.

## California Department of Education Staff Review

In considering the BPA-SD petition, CDE staff reviewed the following:

* BPA-SD petition (Attachment 3 of Agenda Item 02 on the October 8, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/accsnotice100819.asp>).
* Educational and demographic data of schools where pupils would otherwise be required to attend (Attachment 2 of Agenda Item 02 on the October 8, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/accsnotice100819.asp>).
* BPA-SD budget and financial projections (Attachment 4 of Agenda Item 02 on the October 8, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/accsnotice100819.asp>).
* Cover Letter Regarding BPA-SD Material Revision (Attachment 5 of Agenda Item 02 on the October 8, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/accsnotice100819.asp>).
* MOU Dated June 2018, Between the SBE and BPA-SD (Attachment 6 of Agenda Item 02 on the October 8, 2019, Meeting Notice on the SBE ACCS web page located at <https://www.cde.ca.gov/be/cc/cs/accsnotice100819.asp>).

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

Currently 37 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
* Twenty-nine 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.

## Attachments

* **Attachment 1:** California Department of Education Charter School Petition Review Form: Baypoint Preparatory Academy-San Diego (42 Pages)
* **Attachment 2:** California State Board of Education Standard Conditions on Opening and Operation (4 Pages)