

California Department of Education
Executive Office
SBE-003 (REV. 11/2017)
oab-csd-mar22item02

# California State Board of EducationMarch 2022 AgendaItem #11

## Subject

Eagle Collegiate Academy: Hold a Public Hearing and Consider Revocation of the Charter, pursuant to California *Education Code* Section 47607(h).

## Type of Action

Action, Information, Public Hearing

## Summary of the Issue

The California Department of Education (CDE) provides substantial evidence that Eagle Collegiate Academy (ECA), a California State Board of Education (SBE)-authorized charter school, engaged in fiscal mismanagement, committed material violations of the ECA charter, and committed violations of law, pursuant to California *Education Code* (*EC*)Section 47607(f).

Pursuant to *EC* Section 47607(g), the authority that granted the charter petition shall notify the charter school of any violation and provide the school a reasonable opportunity to remedy the violation. On January 12, 2022, the SBE issued a Notice of Violation to ECA and provided the school a reasonable opportunity to remedy the violation, pursuant to *EC* Section 47607(g). ECA was required to provide a written response and supporting evidence that addressed all violations outlined in the notice by January 26, 2022. On January 26, 2022, the CDE received a response to the Notice of Violation from ECA, pursuant to *EC* Section 47607(g). The CDE conducted an analysis of the ECA response and found that ECA has failed to adequately refute, remedy, or propose to remedy the violations described in the Notice of Violation.

## Recommendation

On March 9, 2022, the SBE will consider issuing a Notice of Intent to Revoke and Notice of Facts in support of revocation of the ECA charter. If the SBE issues the Notice of Intent to Revoke with Notice of Facts on March 9, 2022, the CDE recommends that the SBE hold a public hearing on March 10, 2022, to consider the final decision to revoke the ECA charter.

If the SBE finds sufficient grounds for revocation, the CDE recommends that the SBE adopt the Final Decision to Revoke (Attachment 1), and that the SBE provide notice to the ECA Board that revocation becomes effective on Wednesday, March 30, 2022.

If the SBE takes action to revoke the ECA charter, the CDE recommends that the SBE direct ECA to immediately begin the closure procedures set forth in the ECA charter.

## History of Key Issues

*EC* Section 47607(f) states that a charter may be revoked by the authority that granted the charter if the authority finds, through a showing of substantial evidence, that the charter school did any of the following:

1. Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.
2. Failed to meet or pursue any of the pupil outcomes identified in the charter.
3. Failed to meet generally accepted accounting principles, or engaged in fiscal mismanagement.
4. Violated any provision of the law.

There is substantial evidence that ECA has engaged in fiscal mismanagement, committed material violations of the ECA charter, and committed violations of law, pursuant to *EC* Section 47607(f). On January 12, 2022, the SBE issued a Notice of Violation to ECA and provided the school a reasonable opportunity to remedy all violations, pursuant to *EC* Section 47607(g).

On January 26, 2022, ECA provided a response to the Notice of Violation that was issued to them on January 12, 2022. The CDE conducted an analysis of the ECA response and found that ECA has failed to adequately refute, remedy, or propose to remedy the violations described in the Notice of Violation.

On February 15, 2022, ECA was provided with the opportunity to present evidence that it had remedied all violations outlined in the Notice of Violation to the Advisory Commission on Charter Schools (ACCS). At that meeting, the ACCS moved the CDE staff recommendation that the SBE issue a Notice of Intent to Revoke with Notice of Facts to ECA, pursuant to *EC* Section 47607(h). The motion passed unanimously.

## Fiscal Analysis

There is no state cost related to the revocation of the ECA charter. If the SBE were to revoke the ECA charter, some shifting of state expenditures would occur from ECA to other local educational agencies (due to the transfer of students); however, state expenditures would be essentially unchanged.

As the current oversight entity for ECA, the CDE receives approximately 1 percent of the revenue of the charter school for the CDE’s oversight activities. As such, there would be a minor loss of revenue to the CDE should the SBE revoke the ECA charter; however, the revenue loss would be offset by the reduction in costs of the CDE’s oversight activities.

## Attachments

* **Attachment 1:** Draft California State Board of Education Letter Regarding its Final Decision to Revoke the Eagle Collegiate Academy Charter (2 Pages)
* **Attachment 2:** Notice of Facts in Support of the Revocation of the Eagle Collegiate Academy Charter (2 Pages)