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RESOLUTION NO. 18/19-3262

**BOARD OF EDUCATION
SANTA ANA UNIFIED SCHOOL DISTRICT
ORANGE COUNTY, CALIFORNIA**

**Denying the Renewal of the Charter School Petition for
Magnolia Science Academy-Santa Ana**

WHEREAS, pursuant to the Charter Schools Act of 1992 at Education Code section 47600 *et seq.*, the Governing Board of the Santa Ana Unified School District ("District") is required to review charter petitions and consider requests for material revisions to charters under its oversight;

WHEREAS, pursuant to Education Code section 47607(a)(2), requests for renewals of a charter petition are governed by the standards and criteria in Education Code section 47605, and shall include, but not be limited to, a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed;

WHEREAS, on appeal from a denial by the District Board and the Orange County Board of Education, the California State Board of Education ("SBE") approved the Charter for the Magnolia Science Academy-Santa Ana ("MSA-Santa Ana" and/or "Charter School"), for a term that expires June 30, 2019;

WHEREAS, Education Code section 47605(k)(3) specifies:

A charter school that is granted its charter through an appeal to the state board and elects to seek renewal of its charter shall, before expiration of the charter, submit its petition for renewal to the governing board of the school district that initially denied the charter. If the governing board of the school district denies the charter school's petition for renewal, the charter school may petition the state board for renewal of its charter.

Therefore, MSA-Santa Ana must initially seek renewal of its SBE-approved Charter from the District Board;

WHEREAS, MSA-Santa Ana is operated by Magnolia Educational & Research Foundation doing business as Magnolia Public Schools ("MPS"), a California nonprofit charter school management organization that operates nine other Magnolia Science Academy charter schools in Southern California;

WHEREAS, on or about August 3, 2018, MSA-Santa Ana delivered to the District office a request for renewal of its Charter for a term of July 1, 2019 through June 30, 2024;

WHEREAS, in accordance with the Charter Schools Act and the MSA-Santa Ana Charter Petition, the renewal Charter was brought to the District Board meeting of August 28, 2018, at

which time it was received by the District Board, thereby commencing the timelines for District Board action thereon;

WHEREAS, a public hearing on the provisions of the Charter was conducted on September 25, 2018, pursuant to Education Code section 47605, at which time the District Board considered the level of support for this renewal request by teachers employed by the District, other employees of the District, and parents;

WHEREAS, in reviewing the Charter Petition for the renewal of MSA-Santa Ana, the District Board has been cognizant of the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged;

WHEREAS, in accordance with Education Code section 47607(a)(3)(A), the District Governing Board has considered increases in pupil academic achievement for all groups of pupils served by MSA-Santa Ana as the most important factor in determining whether to grant MSA-Santa Ana's renewal request;

WHEREAS, the District staff and District Board have specifically reviewed, analyzed, and considered MSA-Santa Ana's achievement data for the California Assessment of Student Performance and Progress ("CAASPP"), including the data posted on the California Department of Education ("CDE") website about MSA-Santa Ana's Smarter Balanced Assessment Consortium ("SBAC") results for 2016 and 2017;

WHEREAS, in accordance with California Code of Regulations, Title 5, section 11966.4, in considering MSA-Santa Ana's renewal Charter the District Governing Board considered the past performance of MSA-Santa Ana's academics, finances, and operations and future plans for improvement in evaluating the likelihood of future success, and whether the petition describes how the Charter School plans to meet any new requirements of law enacted after the Charter was originally granted or last renewed;

WHEREAS, the District staff, working with District legal counsel, has reviewed and analyzed all information received with respect to the request for Charter renewal and information related to the operation and potential effects of a renewed MSA-Santa Ana Charter, and made a recommendation to the District Board that the Charter renewal be denied based on that review;

WHEREAS, the District Board has fully considered the Charter submitted for the renewal of MSA-Santa Ana and the recommendation provided by District staff;

WHEREAS, the District Board specifically notes that this Resolution No. 18/19-3262 does not include findings relative to every defect in the Charter submitted, but is limited to a few of the most significant issues in the Charter. Not only are the findings set forth herein legally sufficient to support the District Board's denial of the Charter renewal, but also it is imperative, should these petitioners ever decide to propose another charter, either to the District or elsewhere, that such petition establish that the petitioners themselves have the knowledge, understanding, and

expertise necessary both to write an educationally, fiscally, and practically sound charter petition and to open and operate a sound charter school, not just respond directly to findings of this Board;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Governing Board of the Santa Ana Unified School District finds the above listed recitals to be true and correct and incorporates them herein by this reference.

BE IT FURTHER RESOLVED AND ORDERED that the Governing Board of the Santa Ana Unified School District, having fully considered and evaluated the Charter Petition for the renewal of MSA-Santa Ana, hereby finds that renewing the MSA-Santa Ana Charter is not consistent with sound educational practice, based upon numerous grounds and factual findings including, but not limited to, the following, which grounds and factual findings outweigh any increases in pupil academic achievement for all groups of pupils served by MSA-Santa Ana, even considering such increases as the most important factor, and hereby denies the Charter Petition pursuant to Education Code section 47605:

1. The Charter School presents an unsound educational program for the pupils to be enrolled in the Charter School. [Education Code section 47605(b)(1)]
2. The Petitioners are demonstrably unlikely to successfully implement the program set forth in the Charter Petition. [Education Code section 47605(b)(2)]
3. The Charter Petition does not contain reasonably comprehensive descriptions of all of the required elements. [Education Code section 47605(b)(5)]

BE IT FURTHER RESOLVED AND ORDERED that the Governing Board of the Santa Ana Unified School District hereby determines the foregoing findings are supported by the following specific facts:

I. THE CHARTER SCHOOL PRESENTS AN UNSOUND EDUCATIONAL PROGRAM FOR THE PUPILS TO BE ENROLLED IN THE CHARTER SCHOOL.
[Education Code section 47605(b)(1); Cal. Code Regs. [CCR], tit. 5, § 11967.5.1.]

- A. Disparities in state achievement data, and lack of detail in the petition as to how student needs are addressed at individual grade levels, indicate the Charter School's educational program is unlikely to be of educational benefit. Specifically, enrollment in MSA-Santa Ana more than tripled when the school added grades TK-5 and grew from 144 to 635 students, all between 2015-16 and 2016-17. MSA-Santa Ana's 2017 SBAC scores (components of the CAASPP) vary drastically among grade levels, which indicated to District staff that the Charter School is not adequately handling its enrollment increase and wider grade span. For example:
 1. In 2017, 60% of fourth graders fell under "Standard Not Met" for English Language Arts/Literacy ("ELA"). On the other hand, only 11.63% of eighth graders fell under "Standard Not Met," and 51.16% of eighth graders met standards for ELA. In the sub-scores for "Reading," "Writing" and "Research/Inquiry," the scores continued to range dramatically: 50% of fourth graders and 50.85% of sixth graders fell "Below Standard" in

reading; 50% of fourth graders and 55.17% of sixth graders fell "Below Standard" in *writing*; whereas only 16.28% of eighth graders fell "Below Standard" in reading, and only 9.3% fell "Below Standard" in writing and research/inquiry.

2. There were similar disparities in achievement in Mathematics during 2017. For example, 42.19% of 6th graders did not meet the Math standard, while only 20.75% of 3rd graders did not meet the Math Standard.
3. Also, over time, achievement has tended to decline. In 2016, only 5% of sixth graders did not meet standards in ELA; then, as seventh graders in 2017, up to 25.30% of these students did not meet standards. Similarly, in 2016, 25% of sixth graders did not meet standards in Mathematics; then, as seventh graders in 2017, up to 39.76% of these students did not meet standards.
4. State achievement scores were also inconsistent within pupil subgroups. For example, in 2017, ELA scores for English learners ("ELs") ranged from 5.26% of third graders that met standards, to 0% of students that met standards in grades four, five, and seven. Also, for Mathematics: 87.50% of seventh grade ELs did not meet the math standard, while only 36.94% of third grade ELs did not meet the math standard.

Apart from this state data, the petition failed to detail how students' needs are being met at the various grade levels. For example, while the petition emphasizes after-school tutoring, there is no substantive description of how tutors are trained and monitored so as to have an impact on low achieving students. According to the petition on page 139, "free tutoring" may be provided "by teachers, volunteers and advanced students"; and on page 172, "tutors will be established for tutoring activities during weekdays and weekends." No employment qualifications are mentioned for these individuals. Insofar as it suggests teachers will perform after-school tutoring, the petition lacks information on certificated salaries or how the Charter School secures extended school day commitments across its faculty. In these respects, the petition did not describe a sound educational program likely to benefit students.

- B. Further, petitioners' failure to include state oversight reviews undermines the quality of their renewal request. Page 26 of the petition references MSA-Santa Ana's "most recent annual Site Visit Report from the CDE Charter Schools Division" that was issued on March 27, 2018, and covered "interviews conducted with school leadership and staff," "classroom observations," and other areas that would be relevant for the District's review. However, petitioners did not include the CDE's oversight report with their renewal materials, and District staff was unable to locate other information about how daily instruction is implemented at MSA-Santa Ana (such as classroom monitoring records, lesson plans, teacher-designed tests, or student portfolios) so as to fully consider the past academic performance of MSA-Santa Ana as opposed to all MPS sites generally. And

although petitioners presumably understand that the SBE (not the District) is their current authorizer and oversight authority, the petition states on page 217, that "MSA-Santa Ana shall work diligently to assist the District in meeting any and all oversight obligations"; then on page 218, "MSA-Santa Ana agrees to and submits to the right of the District to make random visits and inspections in order to carry out its statutorily required oversight." These inconsistencies indicate petitioners have either not updated their petition since it was first submitted (and denied) by the District in 2013, or that they are unfamiliar with the content of their petition.

II. THE PETITIONERS ARE DEMONSTRABLY UNLIKELY TO SUCCESSFULLY IMPLEMENT THE PROGRAM SET FORTH IN THE CHARTER PETITION.
[Education Code section 47605(b)(2); 5 CCR § 11967.5.1(c).]

A. The above-described concerns regarding the unsoundness of the educational program are hereby incorporated herein by this reference.

B. Inconsistency with Past State Audit Findings and Unrealistic Financial Plan

1. MSA-Santa Ana's budget documents do not clearly distinguish finances of the Charter School versus all the MPS sites, nor do these documents describe anticipated expenditures adequately enough to determine if they are reasonable in light of the educational program described in the petition. As addressed in the petition, in 2014, the State Auditor found MPS was unable to demonstrate that some of its expenditures were not for private benefit. The petition states that MPS has reduced the risk of misappropriation by fully implementing the State Auditor's recommendation to "ensure that [MPS] appropriately authorizes all of its expenditures and the academies' expenditures." According to the MPS Financial Policies and Procedures Manual (at G&A121 "School Site Accounting"), each school operated by MPS is to be "a separate and distinct financial and accounting entity," given that "[s]eparate accounting for each of the charter schools is critical in order to monitor budget performance and to determine how to allocate resources."

However, MSA-Santa Ana's financial projections and cash flow statements list very broad expenditures — including 2019-20 estimates for "all services and operations" (\$2,259,707) or "all certificated salaries" (\$3,489,844) — that seem reflective of all MPS sites rather than specific to MSA-Santa Ana. It is also unclear what sources "other local revenues" (\$77,559) comes from, whether this revenue is spread across all MPS sites or is reserved for MSA-Santa Ana. The budget documents only define "other local revenues" as funds from "local donations/contributions" or "private grant commitments," yet neither of these sources are specifically identified.

Further, the State Auditor's report stated: "we do not agree that the Foundation and its academies should be considered one entity under charter school law for the purposes of lending funds between academies."

However, the petition states on page 154: "MSA-Santa Ana is not independent from the rest of the MPS Charter Schools ... The Chief Operations Officer ensures that the Charter School receives effective, operational, academic, and financial support from the Home Office staff on a shared basis with the rest of the MPS Charter Schools." It was also unclear whether key information on the MSA-Santa Ana website is specific to the Charter School as opposed to all MPS sites generally — insofar as links to the "academics" and "financials" of MSA-Santa Ana all redirect a visitor to the general MPS website covering all schools. It is therefore unclear whether, or to what extent MSA-Santa Ana will maintain its own separate accounting practices.

2. Also, as mentioned above, the petition fails to identify certificated teacher salaries, or otherwise support its emphasis of extended school day programs or assurances that the Charter "exceeds required instructional minutes for each grade-span." The petition repeatedly references "after-school hours," "after-school clubs," "after-school tutoring," "Saturday programs," or how "Charter School teachers will visit students at their homes to discuss student progress." An MSA-Santa Ana 2016-17 SARC report states that the average teacher salary in fiscal year 2015-16 was \$53,830; yet, according to the CDE's data, the statewide average salary for a midrange teacher in a small district back in 2015 was just over \$62,000.¹ The petition's lack of alignment between its educational promises and financial information indicates the program is unlikely to be successfully implemented.

Similarly, insofar as the budget broadly itemizes "all services and operations" (\$2,259,707), it is unclear how MSA-Santa Ana budgets for technology services, a major component of its program. The petition says each classroom is equipped with laptops (1:1 student to computer ratio) and computers for teachers, and also that the Charter provides "computer access to all parents." Without estimates of the expenditures necessary to operate these services, it is unclear whether the MSA-Santa Ana budget is viable or consistent with other schools of similar type and location.

- C. In the area of administrative services, the petition fails to describe how MSA-Santa Ana intends to comply with new requirements in Education Code section 47604 upon the start of its renewed term on July 1, 2019. According to pages 33 and 216 of the petition, MPS has selected Delta Managed Solutions, Inc. ("DMS") as its back-office provider for all its schools. This vendor currently provides MSA-Santa Ana with services that include: "budgeting," "budget," "cash management" and "Accounts Payable/Receivable." However, beginning July 1, 2019, section 47604 will prohibit a charter school from receiving services provided by a for-profit corporation that include "[m]anaging the charter school's day-to-day operations as its administrative manager" or "managing the budget or any expenditures of the

¹ CDE, *Statewide Average Salaries and Expenditure Percentages for the School Accountability Report Card: 2015-16* <https://www.cde.ca.gov/fg/fr/sa/cefavg salaries.asp> [last visited on 9/18/18].

charter school that are not authorized by the governing body of the charter school.” (Assembly Bill 406.) According to MPS financial policies (at CSH113 “Financial Reserves”), the “Back-office provider is responsible for day to day monitoring of charter school cash accounts and ensuring their accuracy.” According to PUR104 (“Accounts Payable and Cash Disbursements”), MPS administrators make spending decisions up to specified amounts, and the CEO of MPS can approve payments for budgeted items over \$10,000 or for non-budgeted items up to \$10,000. Based on these policies, DMS is poised to manage the Charter School’s budget, including potential expenditures that are not directly authorized by the MPS governing board. Neither the petition itself nor any information provided by the petitioners addressed this issue, or how the Charter School plans to meet these new legal requirements.

III. THE CHARTER PETITION DOES NOT CONTAIN REASONABLY COMPREHENSIVE DESCRIPTIONS OF ALL OF THE REQUIRED ELEMENTS.
[Education Code section 47605(b)(5); 5 CCR § 11967.5.1]

A. EDUCATIONAL PROGRAM

1. All of the above-described concerns regarding unsoundness of the educational program are incorporated herein by this reference.
2. In addition, the petition’s description of advanced placement (“AP”) science courses are vague, and assurances that these courses will actually be offered are unreliable. MSA-Santa Ana emphasizes a science, technology, engineering, arts and math (“STEAM”) curriculum approach; however, its descriptions of the AP Physics, AP Biology, and AP Chemistry courses offered simply state, “The course is described in the [AP] syllabus.” No syllabi are included with the petition, nor are any available on the MSA-Santa Ana website. Further, District staff noted the petition lists “AP Physics B” in its course descriptions, despite that according to the College Board (the non-profit organization that administers the AP test program), the “AP Physics B exam was last administered in May 2014.” Also, while according to the petition, “all ninth graders tak[e] AP Computer Science” — the parent-student handbook on the MSA-Santa Ana website states that MPS will only offer AP classes “depending on student needs/demands and availability of teachers and resources.” In at least these respects, the petition lacks substantive description of its educational program.

B. GOVERNANCE STRUCTURE

1. The petition indicates that MSA-Santa Ana does not guarantee compliance with transparency laws such as the Brown Act or the Public Records Act. The petition states at page 148: “By the terms of its Charter, MSA-Santa Ana is obligated to comply with the requirements of the Public Records Act,

the Brown Act, Government Code section 1090 *et seq.* and the Political Reform Act to the same extent as if MSA-Santa Ana were a non-charter California public school district, regardless of any arguments regarding the applicability of those laws to California charter schools. *However, should a law, regulation, or applicable court decision clarify which conflicts of interest laws apply to charter schools, the District and Charter School agree to comply with the updated law or decision.* [Emphasis added.] This last statement in the petition appears calculated to reserve to MSA-Santa Ana the authority to interpret a limited application of these transparency laws to the Charter School at a future time.

2. The petition indicates the MPS governance structure does not realistically ensure the involvement of MSA-Santa Ana parents in its operations. For example, MPS plans to have remote meeting locations on a regular basis, inaccessible to MSA-Santa Ana parents and its community constituents accept through teleconference. Pursuant to its bylaws, the principal office of MPS is at 250 East 1st Street, Suite 1500, Los Angeles, CA 90012, and MPS' Board of Directors "may designate that a meeting be held at any place within California ... the Board commits to rotating the locations of its regular physical meetings among the counties where the corporation's charter school sites are located, and to holding at least one of its regular physical meetings in a calendar year in each of those counties." According to page 156 of the Charter, "Meetings will be held in person in a location within the Board's jurisdiction ... As a multi-jurisdictional entity and per filings with the Fair Political Practices Commission ("FPPC"), the Brown Act authorizes MPS to hold its meetings in one of several counties across the state. (Government Code section 54954(b).) To ensure public participation for Orange County stakeholders, MPS provides video and/or phone conferencing access at its school site within the District's boundaries"; translation services are available but only if requested in advance. Even despite video/teleconferencing, having *one physical meeting per calendar year* in the country where MSA-Santa Ana is located reasonably prevents parent involvement in management operations of the Charter School

C. EMPLOYEE QUALIFICATIONS

1. The above-described concerns that petitioners are demonstrably unlikely to successfully implement the program — based on lack of teacher salary or staff information to support assurances in the petition of increased instructional minutes and after-school programs — are incorporated herein by this reference.
2. Neither the MSA-Santa Ana Principal nor the Dean of Academics is required to hold an administrative credential — and it is unclear whether the Chief Executive Officer/Superintendent is required to hold a current credential — despite that these positions involve significant organizational

leadership. According to the petition, the Principal “is the senior authority at the Charter School,” “is responsible for the day-to-day operation of the Charter School,” “is responsible for meeting target goals ... is accountable for meeting applicable state accountability measures,” and monitors all instructional processes — yet an “administrative credential or related Master’s Degree” is only “preferred.” Similarly, responsibilities of the Dean of Academics include: “oversee the development of curriculum, lesson plans and instruction in the classroom”; and the CEO of MPS is responsible for managing *all* 10 MPS charter school sites. The petition raised concern that the lack of sufficient qualifications for these key positions makes it reasonably unlikely they will be able to carry out their duties in a manner that ensures the well-being of students.

3. The petition lacks a substantive description of professional development strategies, particularly when considering that MSA-Santa Ana’s recent increases in enrollment and addition of new grade levels indicates there are a substantial number of new teachers at the school. For example, although the petition mentions “MPS provides new teachers with BTSA, a two-year program that provides teachers with collegial support” — it does not explain if the Charter School is paying for this program or matching employees with a mentor. According to its EL Master Plan, the Charter School offers training “provided by both MPS staff and third-party vendors” — although there are no expenditures for professional development detailed in MSA-Santa Ana’s budget documents.

D. CLOSURE PROCEDURES

1. Education Code section 47605(b)(5)(O) and 5 CCR 11962(a) require the petition to “designat[e] a responsible entity to conduct closure-related procedures” in the event that the Charter School closes.
2. However, no “responsible entity” is named in the petition. Phrased in the future tense, the petition states that “Any decision to close MSA-Santa Ana ... shall be documented by official action of the MSA-Santa Ana Board (‘Closure Action’), and will identify the person or entity responsible for all closure-related activities and actions.” The petition also states that in the event of a determination to close, MSA-Santa Ana will circulate a notice to parents/students within 120 hours and “This notice will also include the name(s) of and contact information for the person(s) to whom reasonable inquiries may be made.”
3. Failure to identify the responsible entity in the actual petition impacts the efficient transfer of pupil records and placement of charter students in

alternate educational programs with minimal loss of instructional time in the event of a closure.

BE IT FURTHER RESOLVED AND ORDERED that the terms of this Resolution are severable. Should it be determined that one or more of the findings and/or the factual determinations supporting the findings is invalid, the remaining findings and/or factual determinations and the denial of the Charter renewal shall remain in full force and effect. In this regard, the District Board specifically finds that each factual determination, in and of itself, is a sufficient basis for the finding it supports, and each such finding, in and of itself, is a sufficient basis for denial.

The foregoing resolution was considered, passed, and adopted by this Board at its regular meeting of October 9, 2018.

[SIGNATURES FOLLOW ON NEXT PAGE]

AYES IN FAVOR OF SAID RESOLUTION:

Amezcu

Rodriguez

Alvarez

Palacio

ABSTAINED:

NOES AGAINST SAID RESOLUTION:

Iglesias

ABSENT:

Dated: October 9, 2018

By:



Valerie Amezcu
President, Governing Board
Santa Ana Unified School District

Attest:



Alfonso Alvarez
Clerk of the Board of Education
Santa Ana Unified School District

I, Alfonso Alvarez, Clerk of the Board of Education of the Santa Ana Unified School District of Orange County, hereby certify that the foregoing is a true and correct copy of Resolution No. 18/19-3262, which was duly adopted by said Board at a regular meeting thereof held on the 9th day of October, 2018, and that it was so adopted by the vote indicated above.



October 8, 2018

Superintendent Dr. Stefanie Phillips
Santa Ana Unified School District
1601 East Chestnut Avenue
Santa Ana, CA 92701

**RE: Magnolia Science Academy – Santa Ana Response to Findings for Denial of
Charter Renewal Petition by Santa Ana Unified School District**

Dear Dr. Stefanie Phillips,

The purpose of this letter is to respond to the Santa Ana Unified School District's ("SAUSD" or the "District") staff report lacks both legal merit and factually accuracy and therefore is an impermissible basis for denial of the charter renewal petition of Magnolia Science Academy-Santa Ana (MSA-Santa Ana). MSA-Santa Ana is operated by Magnolia Educational and Research Foundation ("MERF").

Below, please find the summary of the findings from the District staff report and MSA-Santa Ana's response to each finding.

Sincerely,

A handwritten signature in black ink that reads "Alfredo Rubalcava". The signature is written in a cursive, flowing style.

Alfredo Rubalcava
CEO & Superintendent
Magnolia Public Schools

Magnolia Science Academy- Santa Ana Charter Petition Renewal Responses to the Findings of the Santa Ana Unified School District Staff

I. THE CHARTER SCHOOL PRESENTS AN UNSOUND EDUCATIONAL PROGRAM FOR THE PUPILS TO BE ENROLLED IN THE CHARTER SCHOOL.

[Education Code section 47605(b)(1); Cal. Code Regs. [CCR], tit. 5, § 11967.5.1.]

A. Disparities in state achievement data, and lack of detail in the petition as to how student needs are addressed at individual grade levels, indicate the Charter School's educational program is unlikely to be of educational benefit. Specifically, enrollment in MSA-Santa Ana more than tripled when the school added grades TK-5 and grew from 144 to 635 students, all between 2015-16 and 2016-17. MSA-Santa Ana's 2017 SBAC scores (components of the CAASPP) vary drastically among grade levels, which indicated to District staff that the Charter School is not adequately handling its enrollment increase and wider grade span. For example:

1. In 2017, 60% of fourth graders fell under "Standard Not Met" for English Language Arts/Literacy ("ELA"). On the other hand, only 11.63% of eighth graders fell under "Standard Not Met," and 51.16% of eighth graders met standards for ELA. In the sub-scores for "Reading," "Writing" and "Research/Inquiry," the scores continued to range dramatically: 50% of fourth graders and 50.85% of sixth graders fell "Below Standard" in reading; 50% of fourth graders and 55.17% of sixth graders fell "Below Standard" in writing; whereas only 16.28% of eighth graders fell "Below Standard" in reading, and only 9.3% fell "Below Standard" in writing and research/inquiry.
2. There were similar disparities in achievement in Mathematics during 2017. For example, 42.19% of 6th graders did not meet the Math standard, while only 20.75% of 3rd graders did not meet the Math Standard.
3. Also, over time, achievement has tended to decline. In 2016, only 5% of sixth graders did not meet standards in ELA; then, as seventh graders in 2017, up to 25.30% of these students did not meet standards. Similarly, in 2016, 25% of sixth graders did not meet standards in Mathematics; then, as seventh graders in 2017, up to 39.76% of these students did not meet standards.
4. State achievement scores were also inconsistent within pupil subgroups. For example, in 2017, ELA scores for English learners ("ELs") ranged from 5.26% of third graders that met standards, to 0% of students that met standards in grades four, five, and seven. Also, for Mathematics: 87.50%

of seventh grade ELs did not meet the math standard, while only 36.94% of third grade ELs did not meet the math standard.

MSA-Santa Ana's Response:

MSA-Santa Ana has been proudly and successfully serving Orange County and the surrounding communities with high quality and high achieving programs focusing on Science, Technology, Engineering, Arts and Math (STEAM). With a 100% graduation rate and over 95% UC acceptance rates, our students continue performing higher than many of the comparable schools and Santa Ana Unified School District (SAUSD) in the Smarter Balanced Assessments (SBAC).

To fulfill its charter and promises to its students and parents, with help from the California Charter School Facilities Program Proposition 1D program, MSA-Santa Ana constructed a new facility and moved to its new location at 2840 W 1st Street in the City of Santa Ana in Orange County in the 2016-17 school year. Our current campus includes a two-story facility totaling 48,353 square feet with 33 classrooms and state of the art science and computer labs, library and learning centers, a gym with cafeteria, shade structures and a playground on a lot of 2.68 acres.

In its new location, MSA-Santa Ana added the new elementary grade span, TK-5, to its program. The relocation and a significant expansion from 144 students to 639 in grades TK-12 resulted in the school attracting more students with higher needs. As a result of this relocation and significant expansion, MSA-Santa Ana's student demographics considerably changed. In 2015-16, more than 500 new students enrolled at our school.

As seen in the table below, MSA-Santa Ana served a total of 144 students in grades 6-12 with 13% as English Learner and 60% as Free and Reduced Lunch eligible students during the 2015-16 school year. Our enrollment increased to 639 students in grades TK-12 with 35% as English Learner and 79.5% as Free and Reduced Lunch eligible students in 2016-17.

School Year	2014-15	2015-16	2016-17
School Location	Costa Mesa	Costa Mesa	Santa Ana
Enrollment	160	144	639
Hispanic	49%	55%	83%
White	36%	32%	12%
Asian	8%	6%	2%
Two or More Races	6%	5%	2%
Free and Reduced Lunch	49%	60%	80%

School Year	2014-15	2015-16	2016-17
School Location	Costa Mesa	Costa Mesa	Santa Ana
Students with Disabilities	14%	14%	15%
English Learners	9%	13%	35%
Homeless	1%	1%	17%

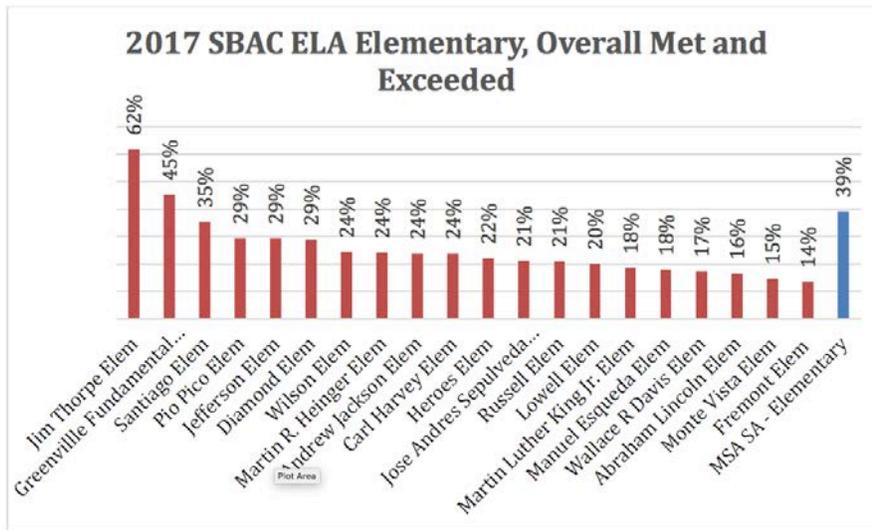
MSA-Santa Ana has historically performed higher than SAUSD averages in the English Language Arts (ELA) section of the SBAC. Even with a significant change in its demographics, MSA-Santa Ana students showed 47.14% proficiency while meeting and exceeding the standards in the ELA section of the SBAC tests in 2017.

SBAC ELA Results	2015	2016	2017
MSA-SA	53%	73%	47.14%
SAUSD	25%	28%	27.80%

Historically, MSA-Santa Ana students outperform their peers in SAUSD in the Math section of the SBAC tests.

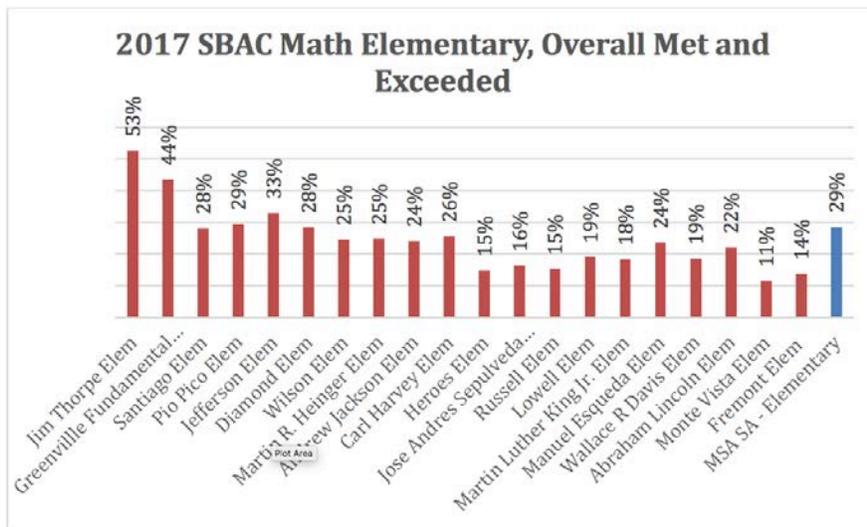
SBAC Math Results	2015	2016	2017
MSA-SA	38%	46%	32.50%
SAUSD	21%	23%	22.41%

On the 2017 SBAC in ELA, MSA-Santa Ana's elementary school grade students outperformed 18 of the 20 Comp Schools' proficiency rates, and more than doubled the rate of five of the Comps with 39% Met/Exceeded standards.



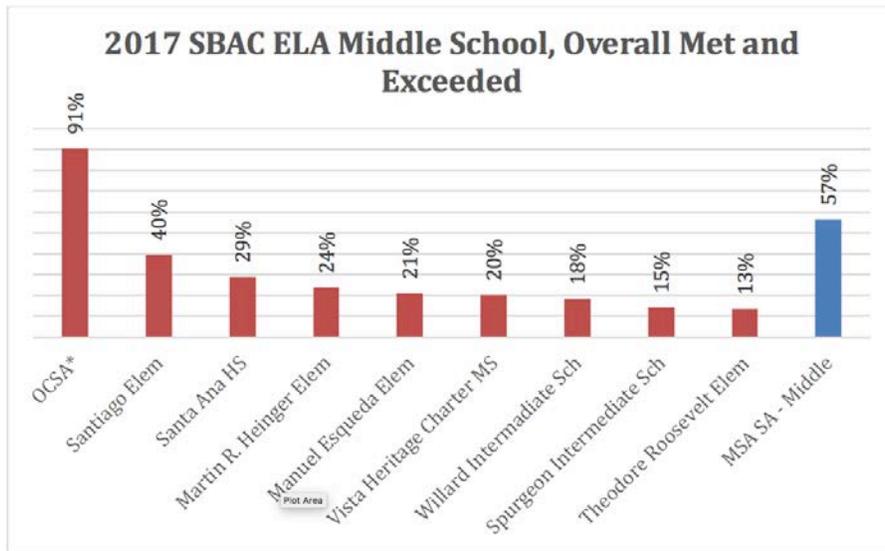
(<http://dq.cde.ca.gov/dataquest/>)

In Math, with 29% of our elementary students Met/Exceeded standards, MSA-Santa Ana outperformed 16 of 20 Comp Schools, in some cases by a large margin.

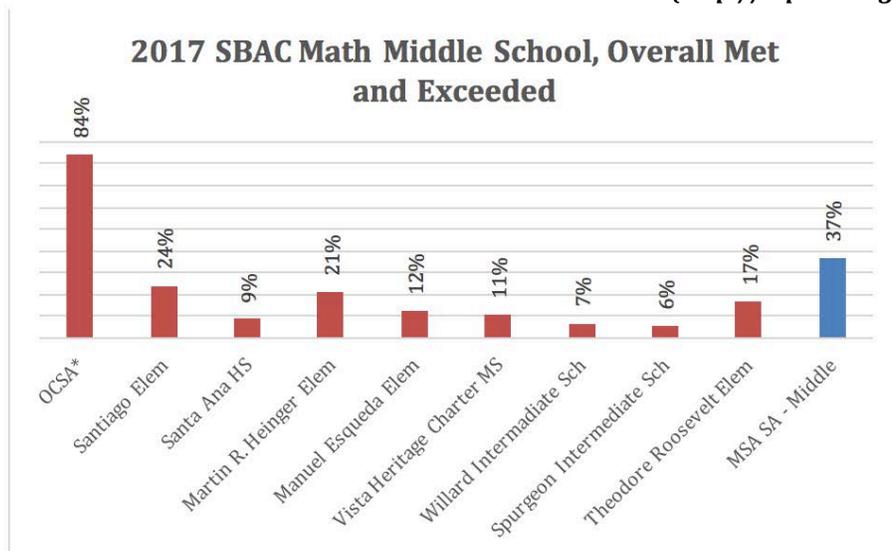


(<http://dq.cde.ca.gov/dataquest/>)

At the middle-grade levels, our students' performance is even higher, with 57% of MSA-Santa Ana's grades 6-8 students Met/Exceeded in ELA and 37% in Math; these rates are both higher than eight out of nine Comp middle schools.

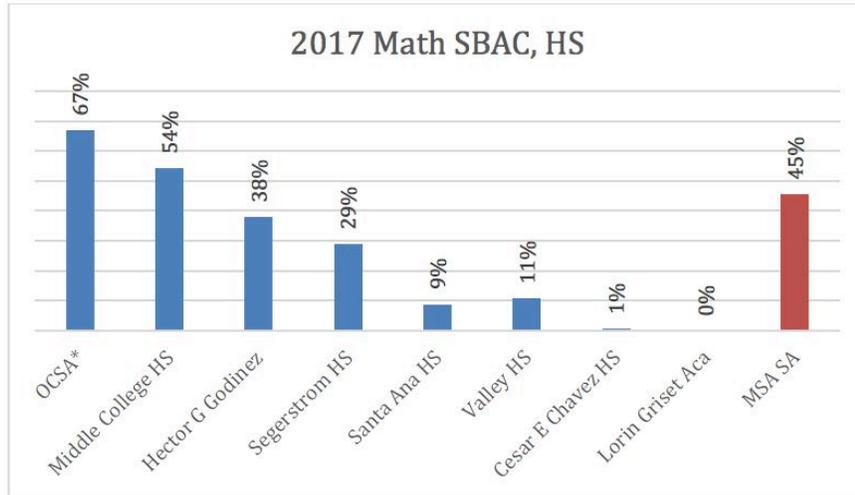


(<http://dq.cde.ca.gov/dataquest/>)



(<http://dq.cde.ca.gov/dataquest/>)

With a very small class of 11th graders in 2017 – just 11 students – we do not have published SBAC data in ELA for 2017 as only 10 students had complete test results and thus the data is not published. In Math, our 11th graders were 45% Met/Exceeded – above all of the Comp Schools except the two with academically selective admissions.



(<http://dq.cde.ca.gov/dataquest/>)

While MSA-Santa Ana has a particularly large EL population (33.6%), MSA-Santa Ana focuses heavily on reclassification of English Learners, including support for Long-Term English Learners (LTELs). In 2016-17, even though most of our ELs were in their first year at our school, MSA-Santa Ana reclassified 50% of ELs, higher or equivalent to all of the comparison schools. In the subsequent school year MSA-Santa Ana reclassified 28.10% of our ELs, again, well above typical reclassification rates at most of the Comparable Schools.

Even with these high reclassification rates, our EL populations outperform SAUSD students both in the ELA and Math sections of the SBAC assessments.

ELA	2017
MSA-SA	3.16%
SAUSD	2.21%

MATH	2017
MSA-SA	5.82%
SAUSD	4.65%

Apart from this state data, the petition failed to detail how students' needs are being met at the various grade levels. For example, while the petition emphasizes after-school tutoring, there is no substantive description of how tutors are trained and monitored so as to have an impact on low achieving students. According to the petition on page 139, "free tutoring" may be provided "by teachers, volunteers and advanced students"; and on page 172, "tutors will be established for tutoring activities during weekdays and weekends." No employment qualifications are mentioned for these individuals. Insofar as it suggests teachers will perform after-school tutoring, the petition lacks information on certificated salaries or how the Charter School secures extended school day commitments across its faculty. In these

respects, the petition did not describe a sound educational program likely to benefit students.

MSA-Santa Ana's Response:

MSA-Santa Ana fully complies with California Labor laws and regulations. As stated in the MPS employee handbook (referenced in Element 5 of the petition), full-time teaching staff may be required to supplement regular curricular activities through after-school programs, including tutoring and clubs. Each full-time teaching staff is expected to offer at least two after-school programs per week as part of their employment with MPS. MSA-Santa Ana creates a schedule at the beginning of the school year which outlines tutoring and clubs to be offered to ensure students in each grade level have access to after-school tutoring. Teacher salaries include two after-school programs per week; MSA-Santa Ana offers a stipend if an additional program is offered by a teacher as described in our board-approved MPS Pay Raise Scale for Teachers.

In Element 5 of the petition, teacher qualifications are explicitly explained. Professional development and support are key when it comes to our staff's effectiveness. Our staff continuously receives in-school, MPS-wide, and local (County and State) professional development trainings based on their needs and interests aligned with school programs and goals (refer to Element 1 and 5 of the petition).

- B. Further, petitioners' failure to include state oversight reviews undermines the quality of their renewal request. Page 26 of the petition references MSA-Santa Ana's "most recent annual Site Visit Report from the CDE Charter Schools Division" that was issued on March 27, 2018, and covered "interviews conducted with school leadership and staff," "classroom observations," and other areas that would be relevant for the District's review. However, petitioners did not include the CDE's oversight report with their renewal materials, and District staff was unable to locate other information about how daily instruction is implemented at MSA-Santa Ana (such as classroom monitoring records, lesson plans, teacher-designed tests, or student portfolios) so as to fully consider the past academic performance of MSA-Santa Ana as opposed to all MPS sites generally. And although petitioners presumably understand that the SBE (not the District) is their current authorizer and oversight authority, the petition states on page 217, that "MSA-Santa Ana shall work diligently to assist the District in meeting any and all oversight obligations"; then on page 218, "MSA-Santa Ana agrees to and submits to the right of the District to make random visits and inspections in order to carry out its statutorily required oversight." These inconsistencies indicate petitioners have either not updated their petition since it was first submitted (and denied) by the District in 2013, or that they are unfamiliar with the content of their petition.

MSA-Santa Ana's Response:

The most recent (March 27, 2018) annual Site Visit Report from the CDE Charter Schools Division has been shared with the SAUSD staff in its entirety. Had there been further clarifications or info requests, MSA-Santa Ana staff would have provided the additional information regarding this visit. As stated fully in the report, "MSA-[Santa Ana] is in

compliance with the MSA-[Santa Ana] charter petition, and the Memorandum of Understanding between the California State Board of Education and MSA-[Santa Ana]”. For the record, we are providing a copy of the report once again.

The District’s finding lacks legal merit and makes plain its closed and uncommunicative charter review process. There is no legal requirement to include oversight visit reports with a charter renewal petition and to indicate otherwise is unfair and disingenuous. Had District staff simply sent a 1-line email asking for copies of the reports, MSA-Santa Ana would have provided them in minutes. Further, a judgment about whether the quality of a charter has been undermined is not the legal standard. This finding is an impermissible basis for denial of the charter renewal petition.

As always, we are more than happy to provide any information that the District would like to see, and are confident that the California Department of Education would also provide any information to the District regarding their oversight role, including any reports.

Regarding the references to the District as our proposed authorizer in this petition, the renewal petition is submitted to Santa Ana Unified School District as the original denying authorizer, per SBE guidance, and thus contains a reference to the District as our authorizer.

II. THE PETITIONERS ARE DEMONSTRABLY UNLIKELY TO SUCCESSFULLY IMPLEMENT THE PROGRAM SET FORTH IN THE CHARTER PETITION.

[Education Code section 47605(b)(2); 5 CCR § 11967.5.1(c).]

- A. The above-described concerns regarding the unsoundness of the educational program are hereby incorporated herein by this reference.
- B. Inconsistency with Past State Audit Findings and Unrealistic Financial Plan
 - 1. MSA-Santa Ana’s budget documents do not clearly distinguish finances of the Charter School versus all the MPS sites, nor do these documents describe anticipated expenditures adequately enough to determine if they are reasonable in light of the educational program described in the petition. As addressed in the petition, in 2014, the State Auditor found MPS was unable to demonstrate that some of its expenditures were not for private benefit. The petition states that MPS has reduced the risk of misappropriation by fully implementing the State Auditor’s recommendation to “ensure that [MPS] appropriately authorizes all of its expenditures and the academies’ expenditures.” According to the MPS Financial Policies and Procedures Manuel (at G&A121 “School Site Accounting”), each school operated by MPS is to be “a separate and distinct financial and accounting entity,” given that “[s]eparate accounting for each

of the charter schools is critical in order to monitor budget performance and to determine how to allocate resources.”

However, MSA-Santa Ana’s financial projections and cash flow statements list very broad expenditures — including 2019-20 estimates for “all services and operations” (\$2,259,707) or “all certificated salaries” (\$3,489,844) — that seem reflective of all MPS sites rather than specific to MSA-Santa Ana. It is also unclear what sources “other local revenues” (\$77,559) comes from, whether this revenue is spread across all MPS sites or is reserved for MSA-Santa Ana. The budget documents only define “other local revenues” as funds from “local donations/contributions” or “private grant commitments,” yet neither of these sources are specifically identified.

Further, the State Auditor’s report stated: “we do not agree that the Foundation and its academies should be considered one entity under charter school law for the purposes of lending funds between academies.” However, the petition states on page 154: “MSA-Santa Ana is not independent from the rest of the MPS Charter Schools ... The Chief Operations Officer ensures that the Charter School receives effective operational, academic, and financial support from the Home Office staff on a shared basis with the rest of the MPS Charter Schools.” It was also unclear whether key information on the MSA-Santa Ana website is specific to the Charter School as opposed to all MPS sites generally — insofar as links to the “academics” and “financials” of MSA-Santa Ana all redirect a visitor to the general MPS website covering all schools. It is therefore unclear whether, or to what extent MSA-Santa Ana will maintain its own separate accounting practices.

MSA-Santa Ana’s Response:

Each MPS school is indeed a separate and distinct financial and accounting entity, and the accounting for each of the charter schools is completely separate, in full compliance with the State Auditor’s guidance and the MPS Financial Policies and Procedures Manual. See “CA State Audit Requirements” referenced in Element 1 of the petition.

There is no language in the financial projections indicating in any way that costs are for the MPS organization as a whole, nor that costs are comingled in any way. Titles on each page clearly state “Magnolia Science Academy – Santa Ana”. The line item descriptions on the main “Multi-Year Projection Summary” for “Services and Operations” and “Certificated Salaries” do not include the word “all”. The addition of the word “All” to the line item descriptions in the later Cash Flow simply means that it includes all such costs for MSA-Santa Ana. As the line items on the Cash Flow are for the same dollar amounts as on the Multi-Year Projection Summary, it is not clear why these same dollar amounts would now be interpreted as reflecting total MPS-wide costs (which are several multiples of MSA-Santa Ana costs) vs. MSA-Santa Ana specific costs as on the first page.

“Other Local Revenues” are detailed on the Funding Calculations pages (Pages 4-9 of the Financial Projections). On each page, these are clearly broken down into five separate

components: Local Donations/Contributions = \$31,740; Private Grant Commitments = \$11,806; Local Food Revenues = \$19,232; Interest Earnings = \$4,736; and Other Local Revenues = \$10,045, totaling \$77,559. As with all other pages, the page headings clearly show “Magnolia Science Academy – Santa Ana”, and reflect only revenues of MSA-Santa Ana. Budget amounts are based on prior year actuals for each area. We are unclear as to why only two of the five categories in this detail are mentioned in this finding, while the other three were included in the same area of the financial projection but were evidently overlooked in the District review process.

As stated above, MSA-Santa Ana and all other MPS campuses maintain separate accounting records and do not comingle funds. The MPS home office provides support for all MSA campuses that are charged to each campus on a pro-rata formula, which includes financial supporting services. This practice is similar to how multi-district Special Education Local Plan Areas provide shared support to the various SELPA members. In such SELPA situations, the SELPA is clearly a separate entity and is not considered to be part of the SELPA members simply because it is providing shared services to the members to increase efficiency and save on administrative costs.

In regards to the website access of information, all of MSA-Santa Ana’s financials are included in the MPS website for consistency throughout all school sites. However, the financials are not combined, each school site has their own set of financial records which can be found under the Financials section of the website. Each school is categorized within the Financials portion of the website and are reflected separately as they do not share the same budget and/or financial reporting. The Academics page explains the shared practice and foundation of our educational program and therefore applies to all schools.

2. Also, as mentioned above, the petition fails to identify certificated teacher salaries, or otherwise support its emphasis of extended school day programs or assurances that the Charter “exceeds required instructional minutes for each grade-span.” The petition repeatedly references “after-school hours,” “after-school clubs,” “after-school tutoring,” “Saturday programs,” or how “Charter School teachers will visit students at their homes to discuss student progress.” An MSA-Santa Ana 2016-17 SARC report states that the average teacher salary in fiscal year 2015-16 was \$53,830; yet, according to the CDE’s data, the statewide average salary for a midrange teacher in a small district back in 2015 was just over \$62,000.¹ The petition’s lack of alignment between its educational promises and financial information indicates the program is unlikely to be successfully implemented.

Similarly, insofar as the budget broadly itemizes “all services and operations” (\$2,259,707), it is unclear how MSA-Santa Ana budgets for technology services, a major components of its program. The petition says each classroom is equipped with laptops (1:1 student to computer ratio) and computers for teachers, and also that the Charter provides “computer access

¹ CDE, *Statewide Average Salaries and Expenditure Percentages for the School Accountability Report Card: 2015–16* <https://www.cde.ca.gov/fg/fr/sa/cefavg salaries.asp> [last visited on 9/18/18].

to all parents.” Without estimates of the expenditures necessary to operate these services, it is unclear whether the MSA-Santa Ana budget is viable or consistent with other schools of similar type and location.

MSA-Santa Ana’s Response:

We have not received any requests for clarification or additional information from District staff regarding any aspects of our technology program, but as with all other areas of our petition, we are more than happy to provide any level of supporting information requested during the District’s review process. Regarding the specific concern mentioned above, of the \$2,259,707 in Services and Operations, technology services represent \$73,161 in the 2018-19 budget year or approximately 3.2% which covers IT services and connectivity. While we agree that laptops and computer equipment are an important component of our program, these are capitalized equipment costs, not technology services.

- C. In the area of administrative services, the petition fails to describe how MSA-Santa Ana intends to comply with new requirements in Education Code section 47604 upon the start of its renewed term on July 1, 2019. According to pages 33 and 216 of the petition, MPS has selected Delta Managed Solutions, Inc. (“DMS”) as its back-office provider for all its schools. This vendor currently provides MSA-Santa Ana with services that include: “budgeting,” “budget,” “cash management” and “Accounts Payable/Receivable.” However, beginning July 1, 2019, section 47604 will prohibit a charter school from receiving services provided by a for-profit corporation that include “[m]anaging the charter school’s day-to-day operations as its administrative manager” or “managing the budget or any expenditures of the charter school that are not authorized by the governing body of the charter school.” (Assembly Bill 406.) According to MPS financial policies (at CSH113 “Financial Reserves”), the “Back-office provider is responsible for day to day monitoring of charter school cash accounts and ensuring their accuracy.” According to PUR104 (“Accounts Payable and Cash Disbursements”), MPS administrators make spending decisions up to specified amounts, and the CEO of MPS can approve payments for budgeted items over \$10,000 or for non-budgeted items up to \$10,000. Based on these policies, DMS is poised to manage the Charter School’s budget, including potential expenditures that are not directly authorized by the MPS governing board. Neither the petition itself nor any information provided by the petitioners addressed this issue, or how the Charter School plans to meet these new legal requirements.

MSA-Santa Ana’s Response:

We are aware of AB 406 and its provisions, but this is not applicable to MSA-Santa Ana and does not reflect the scope of services provided by DMS. DMS is a contracted service provider and does not have any form of management control, including budget and cash management control. “Monitoring of cash accounts and ensuring their accuracy” is an advisory role, not a managing or controlling role.

We agree with the quoted language above regarding the role of MPS administrators and CEO regarding budget and expenditure approvals, but it is unclear how this relates to DMS, or how

the District has concluded that DMS is thus “poised to manage” the MSA-Santa Ana budget or expenditures.

To be clear, DMS does not “manage our day-to-day operations as our administrative manager”, does not “manage the budget or any expenditures of the charter school that are not authorized by the governing body of the charter school”, and acts solely in an advisory capacity. DMS does not have approval authority on any expenditures, nor do they have signatory authority on any bank accounts.

MSA-Santa Ana submitted its charter renewal petition to the District on August 3, 2018. AB 406 was signed into law on September 7, 2018. It is distressing that District staff are recommending that the District Board deny this charter petition based on legislation that was not enacted at the time the charter was submitted, and will not take effect for another nine months. MSA-Santa Ana’s petitioners are not clairvoyant. District staff has willfully disregarded the legislative mandate that charter schools “are and should become an integral part of California’s educational system and that the establishment of charter schools should be encouraged.” (Education Code Section 47605(b).) This finding does the opposite of the legislative intent. Further, it lacks both legal merit and factual accuracy, and therefore is an impermissible basis for denial of the charter renewal petition.

Importantly, in their apparent rush to recommend denial of the MSA-Santa Ana renewal charter District staff must not have carefully read the operating trigger of the to-be revised Education Code Section 47604. When it becomes effective on July 1, 2019, the provision regarding operating as or by a for-profit entity only applies to new charters, renewal charters, and material revisions submitted on or after that date. By its own terms, the new Education Code Section 47604 does not apply to MSA-Santa Ana. Notwithstanding, MSA-Santa Ana is in compliance with Education Code Section 47604.

Finally, District staff’s characterization of the services provided by DMS is inaccurate and has been taken out of context.

III. THE CHARTER PETITION DOES NOT CONTAIN REASONABLY COMPREHENSIVE DESCRIPTIONS OF ALL OF THE REQUIRED ELEMENTS.

[Education Code section 47605(b)(5); 5 CCR § 11967.5.1]

A. EDUCATIONAL PROGRAM

1. All of the above-described concerns regarding unsoundness of the educational program are incorporated herein by this reference.
2. In addition, the petition’s description of advanced placement (“AP”) science courses are vague, and assurances that these courses will actually be offered are unreliable. MSA-Santa Ana emphasizes a science, technology, engineering, arts and math (“STEAM”) curriculum approach; however, its descriptions of the AP Physics, AP Biology, and AP Chemistry courses offered simply state, “The course is described in the [AP] syllabus.” No

syllabi are included with the petition, nor are any available on the MSA-Santa Ana website. Further, District staff noted the petition lists “AP Physics B” in its course descriptions, despite that according to the College Board (the non-profit organization that administers the AP test program), the “AP Physics B exam was last administered in May 2014.” Also, while according to the petition, “all ninth graders tak[e] AP Computer Science” — the parent-student handbook on the MSA-Santa Ana website states that MPS will only offer AP classes “depending on student needs/demands and availability of teachers and resources.” In at least these respects, the petition lacks substantive description of its educational program.

MSA-Santa Ana’s Response:

As mentioned in Element 1 of the petition, AP courses are offered as laboratory science electives in addition to the core science courses. Being a small high school, course offerings vary from year to year depending on student needs and interests. Currently, MSA-Santa Ana offers the following courses: AP Statistics, AP Computer Science Principles, AP World History, AP US History, AP English Language and Composition. Also, additional AP courses are available through our online course providers. Our AP Computer Science Principles is offered to a mixed grade level of students. All AP courses and teachers go through CollegeBoard AP Central’s audit process which requires submission and approval of all AP course syllabi. The approved AP courses syllabi are then shared with the students and parents at the beginning of each school year.

B. GOVERNANCE STRUCTURE

1. The petition indicates that MSA-Santa Ana does not guarantee compliance with transparency laws such as the Brown Act or the Public Records Act. The petition states at page 148: “By the terms of its Charter, MSA-Santa Ana is obligated to comply with the requirements of the Public Records Act, the Brown Act, Government Code section 1090 *et seq.* and the Political Reform Act to the same extent as if MSA-Santa Ana were a non-charter California public school district, regardless of any arguments regarding the applicability of those laws to California charter schools. *However, should a law, regulation, or applicable court decision clarify which conflicts of interest laws apply to charter schools, the District and Charter School agree to comply with the updated law or decision.*” [Emphasis added.] This last statement in the petition appears calculated to reserve to MSA-Santa Ana the authority to interpret a limited application of these transparency laws to the Charter School at a future time.

MSA-Santa Ana’s Response:

District staff’s misinterpretation of charter language is not a lawful reason for denial. MSA-Santa Ana built into its charter the recognition that, for years, there have been legislative and executive discussions about making certain public transparency laws applicable to charter schools. Again, MSA-Santa Ana is not clairvoyant and cannot reasonably be expected to predict which laws may become applicable and how they will be applied. The statement simply

acknowledges the fluid nature of this area. District staff made a finding for denial that MSA-Santa Ana did not predict that a bill would become law one month after the charter petition was submitted, but here makes a finding for denial that MSA-Santa Ana should not be recognizing that the law may change in the future. District staff cannot have it both ways. This finding lacks merit because it is inaccurate and inconsistently applied.

2. The petition indicates the MPS governance structure does not realistically ensure the involvement of MSA-Santa Ana parents in its operations. For example, MPS plans to have remote meeting locations on a regular basis, inaccessible to MSA-Santa Ana parents and its community constituents accept through teleconference. Pursuant to its bylaws, the principal office of MPS is at 250 East 1st Street, Suite 1500, Los Angeles, CA 90012, and MPS' Board of Directors "may designate that a meeting be held at any place within California ... the Board commits to rotating the locations of its regular physical meetings among the counties where the corporation's charter school sites are located, and to holding at least one of its regular physical meetings in a calendar year in each of those counties." According to page 156 of the Charter, "Meetings will be held in person in a location within the Board's jurisdiction ... As a multi-jurisdictional entity and per filings with the Fair Political Practices Commission ("FPPC"), the Brown Act authorizes MPS to hold its meetings in one of several counties across the state. (Government Code section 54954(b).) To ensure public participation for Orange County stakeholders, MPS provides video and/or phone conferencing access at its school site within the District's boundaries"; translation services are available but only if requested in advance. Even despite video/teleconferencing, having *one physical meeting per calendar year* in the country where MSA-Santa Ana is located reasonably prevents parent involvement in management operations of the Charter School

MSA-Santa Ana's Response:

Parents are involved in the governance of MSA-Santa Ana in a myriad of ways. In addition to parent representatives on the Board of Directors, parents are active participants in developing local school policies and leading efforts to engage the support of the community, making recommendations about issues related to the Charter School, and reviewing parental and community concerns. The following are the primary mechanisms through which stakeholders at the school site impact decision-making: School Site Council, English Learner Advisory Committee, and Parent Task Force. Further, pursuant to MPS' Bylaws, MPS is required to have one parent representative and one director that resides in each county in which MPS operates a school.

In regards to having access to board meetings, District staff appear not to understand how a telephone conference works and did not attend an MPS Board meeting by teleconference from Santa Ana as part of its due diligence. MPS places a very high value on the participation of

the stakeholders of each of the charter schools it operates in its Board meetings. Board agendas are posted at all school sites and MPS website in advance as regulated by the Brown Act, giving parents and all stakeholders time to plan accordingly. Remote access is given for all meetings and any member of the public can call in from any location using the direct line. The Board Secretary works directly with school site staff to ensure the meeting room is ADA compliant and technology is working effectively. The Board Secretary keeps track of attendance and coordinates participation of Board Members, staff, parents and students. Last year in December 2017, MPS held a board meeting at MSA- Santa Ana, where at least two parents attended in person and provided public comments on items pertaining to their school. At the same meeting, multiple students were recognized and given awards and they had the opportunity to direct their feedback on the school to the Board. In September 2018, another in person meeting was held at the MSA-Santa Ana, six out of nine Board Members participated in person from the school site.

The District's speculation here does not amount to a lawful finding for denial in accordance with Education Code Section 47605(b).

C. EMPLOYEE QUALIFICATIONS

1. The above-described concerns that petitioners are demonstrably unlikely to successfully implement the program — based on lack of teacher salary or staff information to support assurances in the petition of increased instructional minutes and after-school programs — are incorporated herein by this reference.
2. Neither the MSA-Santa Ana Principal nor the Dean of Academics is required to hold an administrative credential — and it is unclear whether the Chief Executive Officer/Superintendent is required to hold a current credential — despite that these positions involve significant organizational leadership. According to the petition, the Principal “is the senior authority at the Charter School,” “is responsible for the day-to-day operation of the Charter School,” “is responsible for meeting target goals ... is accountable for meeting applicable state accountability measures,” and monitors all instructional processes — yet an “administrative credential or related Master’s Degree” is only “preferred.” Similarly, responsibilities of the Dean of Academics include: “oversee the development of curriculum, lesson plans and instruction in the classroom”; and the CEO of MPS is responsible for managing *all* 10 MPS charter school sites. The petition raised concern that the lack of sufficient qualifications for these key positions makes it reasonably unlikely they will be able to carry out their duties in a manner that ensures the well-being of students.

MSA-Santa Ana's Response:

As District staff surely must know, administrators in charter schools are not legally required to hold credentials. (Education Code Section 47605(l).) The applicable legal requirement for

this charter Element is that it provides a reasonably comprehensive description of the qualifications for key categories of employees. The MSA-Santa Ana charter does that (see Element 5 of petition). District staff's disagreement with the content and unsupported speculation does not render it not reasonably comprehensive. This finding lacks legal merit.

MSA-Santa Ana has delivered strong results for its students that have been guided by its administrative team. Simply holding an administrative credential does not guarantee efficacy as a charter school leader.

3. The petition lacks a substantive description of professional development strategies, particularly when considering that MSA-Santa Ana's recent increases in enrollment and addition of new grade levels indicates there are a substantial number of new teachers at the school. For example, although the petition mentions "MPS provides new teachers with BTSA, a two-year program that provides teachers with collegial support" — it does not explain if the Charter School is paying for this program or matching employees with a mentor. According to its EL Master Plan, the Charter School offers training "provided by both MPS staff and third-party vendors" — although there are no expenditures for professional development detailed in MSA-Santa Ana's budget documents.

MSA-Santa Ana's Response:

Professional development and continuous learning are necessary to maintain the quality of the MSA-Santa Ana staff and their ability to contribute effectively to the mission and goals of the organization. All new teachers are supported with coaching and mentorship programs in addition to their paid BTSA programs (see Element 1 of petition, Section titled "Beginning Teacher Support and Assessment Program").

MPS has a tuition reimbursement policy which provides employees with professional development opportunities to increase the effectiveness of their performance in their present positions and to obtain skills, knowledge, and abilities which may improve their opportunities for advancement within the organization.

Our tuition reimbursement policy supports new teachers with BTSA to clear their credentials. In fiscal year 2017-18, a total amount of \$45,236.00 has been reimbursed to our 11 staff members for credential purposes expenses including the BTSA program.

D. CLOSURE PROCEDURES

1. Education Code section 47605(b)(5)(O) and 5 CCR 11962(a) require the petition to “designat[e] a responsible entity to conduct closure-related procedures” in the event that the Charter School closes.
2. However, no “responsible entity” is named in the petition. Phrased in the future tense, the petition states that “Any decision to close MSA-Santa Ana ... shall be documented by official action of the MSA-Santa Ana Board (‘Closure Action’), and will identify the person or entity responsible for all closure-related activities and actions.” The petition also states that in the event of a determination to close, MSA-Santa Ana will circulate a notice to parents/students within 120 hours and “This notice will also include the name(s) of and contact information for the person(s) to whom reasonable inquiries may be made.”
3. Failure to identify the responsible entity in the actual petition impacts the efficient transfer of pupil records and placement of charter students in alternate educational programs with minimal loss of instructional time in the event of a closure.

MSA-Santa Ana’s Response:

This finding misstates the applicable legal requirement, and, accordingly, is an impermissible basis for denial of the charter renewal petition. The legal requirement to designate the particular closure entity is triggered at the time when the closure action occurs, and not in the charter document. MSA-Santa Ana will follow this requirement should it close.