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For more information regarding the content of this material, please contact the Charter Schools Division by phone at 916-322-6029 or by e-mail at charters@cde.ca.gov.

Tuolumne County Superintendent of Schools
Findings and Petitioner's Response

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Cathy A. Parker
County Superintendent of Schools



February 4, 2020

Heidi Lupo
Pinecrest Expedition Academy
PO Box 1218
Pinecrest, CA 95364

Via First Class Mail & E-mail to: hmlskisup@icloud.com

RE: Pinecrest Expedition Academy Charter Appeal

Dear Ms. Lupo:

This letter serves as confirmation of the action taken by the Tuolumne County Board of Education (County Board) on the charter petition for the Pinecrest Expedition Academy (PEA) appeal.

At its regular meeting held on Monday, February 3, 2020, the County Board took action to pass Resolution #2020-01 to deny the petition of Pinecrest Expedition Academy received on appeal from Twain Harte School District based on the findings set forth in the resolution.

Attached please find a copy of the signed Resolution #2020-01 and related exhibits.

Should you have any questions, please do not hesitate to contact me directly.

Sincerely,

A handwritten signature in blue ink that reads "Cathy A. Parker".

Cathy A. Parker
County Superintendent

Attachments: Resolution #2020-01, To Deny the Petition of "Pinecrest Expedition Academy"

cc: Stephanie Farland, Director, Charter Schools Division, California Department of Education
Tuolumne County Board of Trustees
Diana Harford, TCSOS Assistant Superintendent, Education Services
Elizabeth Rico, TCSOS Deputy Superintendent, Business Services
Rick Hennes, Superintendent, Twain Harte School District

**TUOLUMNE COUNTY BOARD OF EDUCATION
RESOLUTION NO. 2020-01**

**Resolution Of The Board Of Trustees
To Deny The Petition Of "Pinecrest Expedition Academy"**

WHEREAS, on or about November 20, 2019, the Board of the Twain Harte School District ("District") denied the charter petition ("Petition" or "Charter") for the proposed Pinecrest Expedition Academy to operate as an independent charter school; and

WHEREAS, pursuant to Education Code Section 47605 and California Code of Regulations, Title 5, Section 11967, on or about November 27, 2019, Pinecrest Expedition Academy ("PEA" or "Charter School") submitted the Petition and supporting documents on appeal to the Tuolumne County Board of Education ("County Board"); and

WHEREAS, in accordance with Education Code Section 47605(b) the County Board held a public hearing on the provisions of the Petition on December 9, 2019, at which time the County Board considered the level of support for the Petition by teachers and other employees and parents/guardians; and

WHEREAS, in reviewing the Petition, the County 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; and

WHEREAS, the Tuolumne County Superintendent of Schools Office ("TCSOS") has reviewed and analyzed all information received with respect to the Charter and information related to the operation and potential effects of the proposed Charter School, and made a recommendation to the County Board that the Charter be denied based on that review; and

WHEREAS, the County Board has reviewed the Petition and supporting documentation submitted by Petitioners, the statements presented at the public hearing, and TCSOS' recommendation; and

WHEREAS, the County Board specifically notes that this Resolution No. 2020-01 does not include findings relative to every defect in the Petition submitted, but is limited to some of the significant issues with the Petition, and that the findings set forth herein are sufficient to support the County Boards' denial of the Petition.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Tuolumne County Board of Education, having fully considered and evaluated the Petition for the establishment of Pinecrest Expedition Academy, hereby denies the Petition as not consistent with sound educational practice based upon numerous grounds and factual findings including, but not limited to, the following:

1. The Petition does not contain reasonably comprehensive descriptions of all of the elements prescribed by law. [Education Code § 47605(b)(5).]

2. The Petitioners are demonstrably unlikely to successfully implement the program set forth in the Petition. [Education Code § 47605(b)(2).]

3. The Petition presents an unsound educational program for the pupils to be enrolled in the Charter School. [Education Code § 47605(b)(1).]

BE IT FURTHER RESOLVED AND ORDERED that the County Board of Education hereby determines the foregoing findings are supported by the following specific facts:

I. *The Petition does not contain reasonably comprehensive descriptions of all the elements prescribed by law. [Ed. Code § 47605(b)(5).]*

1. Educational Program. [Ed. Code §§ 47605(b)(5)(A), (B) & (C).] The description of the Charter School's educational program is not reasonably comprehensive based on various reasons including, but not limited to, the following:

a. The Petition does not provide a reasonably comprehensive description of what instruction must look like in two (2) classrooms of 52 students in a "multi-age" grouping with the anticipated gaps of learning based upon the target student population. Although the Petition claims to offer "varied pacing of instruction based on individual student needs," "customized instruction," and "real-time differentiation of instruction, supports, and interventions," the Petition does not sufficiently describe how such differentiated instruction will be achieved particularly in light of the student-to-teacher ratio.

b. The Petition indicates three (3) certificated staff will be employed to teach 52 to 65 students during the first five (5) years of operation. One of those teachers will provide services for Independent Study and Special Education, and the Lead Teacher will simultaneously maintain almost all of the personnel and administrative duties. Such limited personnel resources make it unlikely, absent additional information, that the Charter School can successfully implement a sound educational program for so many students of varying abilities within a multi-grade classroom setting.

c. The Petition includes an Independent Study program (referred to in the Petition as "HSP"). Although the Petition states the Charter School will comply with all laws, the Petition fails to include a master agreement to demonstrate its compliance. Moreover, the Petition states one teacher will provide services for Independent Study and Special Education. The teacher will be required to meet with HSP students once a week while simultaneously balancing special education duties to participate in IEP or 504 meetings, track data and student progress, report such data to the IEP or 504 team and individual parents, and provide individualized instruction to students with special needs. Given the Petition acknowledges that the HSP "is in conflict" with the regular instructional program, it is unlikely the teacher will successfully monitor HSP students of varying levels while implementing a sound educational program for Special Education students and completing his or her normal teaching duties in the classroom.

d. Special Education. Although the Petition discusses its plan for identifying special needs students at enrollment, conducting IEP meetings, etc., the allocation of monies does not appear to be sufficient to support the Charter School's assurances of serving special needs students. The Petition also states the Charter School shall be "solely responsible for selecting,

contracting with, and overseeing all non-public schools and non-public agencies used to serve special education students.” However, the financial documents show the Charter School has allocated only \$44,928 in Special Education Encroachment in its first year of operation, which does not appear to be nearly enough funding to serve special needs students as proposed in the Petition. During PEA’s presentation at the January 13, 2020, County Board meeting, PEA stated all special education services would be provided by the TCSOS SELPA. The TCSOS SELPA does not operate low-to-moderate special education services. It does offer moderate-to-severe services at approximately \$48,000 per seat-based pupil. Designated Instructional Services are billed on a fee-for-service schedule. Therefore, PEA’s proposed special education budget is insufficient to serve students with special needs.

e. The Petition also lacks sufficient information regarding how the Charter School will respond to parental concerns or complaints related to special education services. The Petition simply states the Charter School will adopt policies and its “designated representative” will investigate the complaint, if necessary. The foregoing statement does not constitute a reasonably comprehensive description of information regarding the Charter School’s handling of complaints related to special education services. Moreover, there is currently no reasonably comprehensive description of who will be designated as the staff member responsible for handling such complaints, and the Petition does not provide any procedures including timelines for handling such complaints.

2. Governance Structure. [Ed. Code § 47605(b)(5)(D).] The description of the Charter School’s governance structure is not reasonably comprehensive. The corporate bylaws’ provision for meetings do not comply with the Brown Act location meeting requirements because it indicates the Board of Directors shall meet annually and convene for regular meetings “at such times and places as may from time to time be fixed by the Board of Directors.” The lack of specificity in the frequency of Board of Directors meetings also raises serious concerns whether the Board will be compliant with the Brown Act and able to carry out all of its functions in operating the Charter School. The Board may have challenges complying with legal requirements for developing and adopting its LCAP and approving other timely mandated documents with so few and/or such irregular meetings.

The description does not address legal requirements set forth in the California Nonprofit Integrity Act of 2004 (SB 1262), which requires a nonprofit organization to establish an audit committee. The membership of the audit committee cannot include: the organization’s CEO, treasurer, any employee of the organization, and any person with a material financial interest in any entity doing business with the organization. If the organization has a finance committee, members of the finance committee must constitute less than one-half of the membership of the audit committee, and the chairperson of the finance committee shall not serve on the audit committee. The Petition and the bylaws contained therein do not address the development of an audit committee or this legal requirement.

3. Employee Qualifications. [Ed. Code § 47605(b)(5)(E).] The description of the Charter School’s employee qualifications is not reasonably comprehensive. The Petition does not detail the necessity of specific single-subject versus multiple-subject credentialed staff sufficient to address the TK-8 continuum of classes. The Petition also does not address the appropriate education specialist credential for special education staff (mild/moderate versus moderate/severe).

Additionally, at the time the initial term begins, Education Code section 47605(l) requires *all* teachers to hold the credential required for the teacher's certificated assignment. The law no longer allows flexibility for noncore, noncollege preparatory teachers. In its affirmations, the Petition fails to require all teachers to hold the proper credential and is thereby inconsistent with the new legal requirement.

The Petition does not provide qualification requirements for its classified staff. The Petition states that certificated and non-certificated employees, at minimum, need to “satisfactorily meet the performance specifications required for the position and must possess the qualifications required to perform the essential functions of the position...” The Petition states PEA will seek to hire non-certificated instructional support staff. However, the Petition fails to address what non-instructional staff (e.g., administrative assistants, attendance clerks, custodians, campus monitors, etc.) it expects to employ and what experience and expertise is appropriate to those positions.

4. Health and Safety. [Ed. Code § 47605(b)(5)(F).] The description of the Charter School’s employee Health and Safety policies is not reasonably comprehensive. The Petition notes that a comprehensive safety plan and accompanying policies have yet to be developed, and the policies will not be provided to the District for review until at least 30 days prior to the Charter School’s operation. The delay in the development and review phase of such procedures results in uncertainty as to what encompasses students’ rights and the Charter School’s responsibilities, particularly in regards to the harassment policies and procedures. The Petition indicates the Charter School’s anti-discrimination and harassment policies were attached as Appendix III. However, no such policies were provided for review. Accordingly, the Petition fails to provide student or staff policies for review to ensure compliance with State and Federal requirements. The Petition fails to identify the staff member responsible for handling sexual and/or racial harassment complaints, the procedures and timelines for handling and responding to such complaints, and how staff and students will be notified of these procedures.

5. Balance of Racial and Ethnic, Special Education, and English Learner Pupils. [Ed. Code § 47605(b)(5)(G).] The description of the means by which the Charter School will achieve a balance of racial and ethnic pupils, special education pupils, and English learner pupils, including redesignated fluent English proficient pupils that is reflective of the general population residing within the County is not reasonably comprehensive. The Petition does not provide any information about the District’s racial and ethnic demographics nor does it demonstrate an understanding of the makeup that is reflective of the general population residing within the District. Pursuant to changes implemented by AB 1505, at the time the charter term commences, PEA will be required to describe the means by which it will achieve a balance of special education pupils and English learner pupils, including redesignated fluent English proficient pupils as defined by the evaluation rubrics in Education Code section 52064.5, that is reflective of the general population residing within the territorial jurisdiction of the County Board of Education. Absent such information, there is insufficient evidence that PEA’s recruitment strategies represent systematic and purposeful outreach to all parents that will allow for PEA to have a student population that is reflective of the County.

6. Pupil Suspension, Expulsion, and/or Involuntary Removal Procedures. [Ed. Code § 47605(b)(5)(J).] The description of the procedures by which pupils can be suspended, expelled, or involuntarily removed is not reasonably comprehensive. The Petition also sets forth enumerated

offenses for suspension and expulsion. However, the Petition has not been updated to reflect current law. The Petition indicates students may be suspended for disrupting school activities or willful defiance of supervisors, teachers, administrators, school officials, or other school personnel engaged in the performance of their duties. This is inconsistent with the requirements of Education Code section 48901.1, which sets forth new prohibitions on suspensions in charter schools on the basis of disruption and willful defiance.

7. Public Employee Retirement System Participation. [Ed. Code § 47605(b)(K).] The description of the manner by which staff members will participate in retirement systems is not reasonably comprehensive. The Petition fails to reference the notice requirements of Education Code section 47611(b)(2). Specifically, the Charter School must notify all applicants for positions with the charter school that “accepting employment in the charter school may exclude the applicant from further coverage in the applicant’s current retirement system,” depending on the retirement programs offered by the Charter School.

8. Dispute Resolution Procedure. [Ed. Code § 47605(b)(5)(N).] The Petition does not contain a reasonably comprehensive description of the procedures to be followed by the Charter School and the District to resolve disputes related to the charter. The Petition states disputes will be resolved by informal meetings between the County and Charter School and proposes a schedule for such meetings ending with mediation. However, the Petition does not provide any information regarding its procedures to resolve internal disputes including notice to the County of any internal dispute between the Charter School and students, parents, etc., of matters within the Board’s oversight responsibilities.

9. Administrative Services. [Ed. Code § 47605(g).] The description of the manner in which administrative services are to be provided for the Charter School is not reasonably comprehensive. The Petition states that the Charter School will provide or procure its own administrative services “either through its own staff or through an appropriately qualified third-party contractor.” The Petition also indicates the Lead Teacher, Business Development and Operations Coordinator, and Administrative Assistant will fulfill administrative roles, including reviewing employee retirement systems and maintaining teacher credentialing information and other financial records. However, these individuals are tasked with numerous other duties, including personnel and instructional duties, raising serious concerns as to their ability to also administer/account for the receipt and expenditure of public monies. Although the Petition indicates the PEA may use third-party contractors, it does not provide any information related to its plan to secure such services or what an agreement for such services would entail including the scope of services with that entity. The financial documents also included a budget that did not allocate any money for contract labor, which contradicts PEA’s plan and demonstrates an underreporting of PEA’s expenditures, as discussed below.

10. Operational Budget and Financial Statements. [Ed. Code § 47605(g).] The operational budget and financial statements do not include sufficiently detailed budget expenditures. The Charter School’s budget proposes first year revenues of just over \$600,000 in public monies based on a projected enrollment of 52 students, which is unsupported by any documentation. The budget does not appear to differentiate between restricted and unrestricted funds. Combining both restricted and general funds increases the ending fund balance and improperly records restricted funds as reserves. The budget references additional sources of

unverifiable funding in the amount of \$300,000 (\$250,000 from a CDE Revolving Loan and \$50,000 from unnamed source with no description in budget narrative). As such, the Petition does not present a financially sound budget as it is based entirely on speculative and unverified enrollment projections, supplemented by unconfirmed loans/sources.

With respect to enrollment projections, the Charter School purports the pupil population will increase simply by means of the establishment of the school but this perception is contrary to County-wide enrollment trends and current year County-wide attendance data which demonstrates declining enrollment. Additionally, the Petition provides signatures from families representing only 33 pupils, yet its budget is based on enrollment projections of 52 pupils. Absent additional information, there is no basis to confirm the Charter School will enroll 19 more pupils as projected.

The Charter School's financial documents do not budget adequately for all expenditures contemplated by the Petition. For example, the budget sets aside only \$2,000 for Professional Development, yet the Petition states all teachers will participate in a minimum of 80 hours of training. The budget does not account for expenditures to employ substitute teachers even though the Petition states the Lead Teacher will hire qualified substitute teachers as needed. As discussed above, the budget also does not allocate money for contract labor even though administrative services will likely be contracted out to a third party vendor given the overwhelming number of duties tasked to PEA's limited staff.

The budget's allocations for salaries and benefits are underfunded and unsupported by any documentation to substantiate that the amounts budgeted are consistent with market rates for teachers and other staff in the surrounding area. Accordingly, the amounts budgeted appear low for the number of staff the Petition proposes to hire in its first year of operation. Moreover, the budget narrative states that costs will increase based on a salary schedule. However, the Charter School did not provide a salary schedule or benefit package for review, which further undermines the projections made in the budget.

The budget narrative also indicates PEA will exceed a budget reserve equal to 5% of the total annual operating expenditures or \$50,000, whichever is higher. It has already failed in this respect. The budget allocates only \$28,936.94 in its reserve for economic uncertainties in Year 1 and never reaches \$50,000 by the end of the initial charter term.

11. Potential Civil Liability Effects. [Ed. Code § 47605(g).] The Petition does not adequately address the potential civil liability effects on the District. The Petition states the Charter School will acquire insurance for general liability, and TCSOS will be named an additional insured. However, the Petition fails to identify or provide any information regarding the specific coverage limits and provider of such coverage to confirm this representation.

II. *The Petitioners are demonstrably unlikely to successfully implement the program set forth in the Petition.* [Ed. Code § 47605(b)(2).]

The specific findings of fact set forth in paragraphs 1 through 11, above, are realleged and incorporated herein by reference. Said specific facts evidence that Petitioner is demonstrably unlikely to successfully implement the program set forth in the Petition.

III. *The Petition presents an unsound educational program.* [Ed. Code § 47605(b)(1).]

The specific findings of fact set forth in paragraphs (1)-(11), above, are realleged and incorporated herein by reference. Said specific facts evidence that Petitioner presents an unsound educational program.

BE IT FURTHER RESOLVED AND ORDERED by the County Board of Education that for the forgoing reasons and based on the forgoing findings, the Petition for the establishment of Pinecrest Expedition Academy is hereby denied.

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 shall remain in full force and effect. In this regard, the County Board of Education 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.

PASSED AND ADOPTED this 3rd day of February, 2020 by the Board of Trustees of the Tuolumne County Board of Education by the following vote:

AYES: 6
NOES: 0
ABSENT: 0
ABSTAIN: 1

CERTIFICATION

State of California)
)
County of Tuolumne) ss.

I certify the above is a true copy of a Resolution adopted by the Board of Trustees of the Tuolumne County Board of Education at its regularly scheduled meeting on Monday, February 3, 2020.

Dated: February 3, 2020

BOARD OF TRUSTEES OF THE
TUOLUMNE COUNTY BOARD OF
EDUCATION, COUNTY OF TUOLUMNE,
STATE OF CALIFORNIA

By: 
Cathy A. Parker
Superintendent

Pinecrest Expedition Academy

February 1, 2020

Submitted via Email

Tuolumne County Board of Education
175 Fairview Ln
Sonora, CA 95370

RE: Resolution No. 2019-19

Dear President Rolle and Members of the Board:

We have reviewed the proposed resolution on your February 3, 2020 agenda and would like to provide an adequate and fair response. Given the stringent two- minute time limit, I am submitting the following responses to you in advance of the meeting. My hope is that you will consider the impact of this program and the true value it will bring to Tuolumne County. I certainly welcomed and was disappointed to have not been contacted by TCSOS to answer questions or clarify any items in the petition. As always, I welcome the conversation and any questions you may have.

Below I have outlined our responses, reviewed and endorsed by our legal team:

- Multi grade classroom instruction and specific interventions. If specifics were provided in this petition, it could trigger a material revision each year as changes are needed and staffing is outlined. We want all students to succeed, working with staff to address needs and adequate student to teach ratio are an integral part of the success. Since it would be presumptive to assume the exact age and grade breakdown of the student population it is unrealistic to include this data in the petition. PEA would adhere by Education Code to maintain adequate class size.
- Staffing, the petition outlines a lead teacher, a second class room teacher and two independent study teachers (.55 FTE each) to staff the school. Additional staffing includes a Business and Operations Manager, and an instructional aide/secretary. This may not be the usual approach district schools take to staffing, however, it has worked and continues to work in small, multi grade schools in California. We find the staffing to be more than reasonable given the total number of students proposed. It's common in Tuolumne County to have classes in excess of 23 students, while they may not all be multi-grade, teachers are still constantly dealing with varying abilities and goals for each student. PEA will be no different.
- IS Master Agreement – Including a master agreement in the petition is not a requirement of the Charter Schools Act. The reason is that our office provides a Master Agreement annually to charter schools that reflects all current and any new legal requirements. If we were to provide a

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Master Agreement in the petition, the presumption is that it would trigger a material revision every year.

- The petition proposes two, (.55 FTE) independent study teachers. Given that independent study students will be meeting with their teachers once per week, it is entirely reasonable to think that at least one of these teachers will be able to “balance special education duties”. After all, an overlap of special education duties has happened at other programs in Tuolumne County, such as GREC.
- As stated in the budget, PEA does not include any special education revenues, but adds encroachment expenses in amount of \$44,928 which was calculated based on \$900 per ADA. Therefore, total designated amount for special education services would be:

	Amount	Note
Special Ed (AB 602 and IDEA)	\$29,952 (\$600 per ADA)	This amount was not appeared in Revenue since we expect Special Education Provider (County or District) will intercept this fund for services.
Encroachment	\$44,928 (\$900 per ADA)	This amount was estimated
Total	\$74,880	Designated for Special Education Service

This total amount is equal to 12.37% of total revenue and PEA believes that this is sufficient funds to cover Special Ed service. Although we would have to consult with TCSOS SELPA regarding Special Education coverage and design an MOU, it is our understanding that typically when the SELPA takes all of the charter school's revenue and charges an encroachment fee on top of the charter school special education revenue, the SELPA takes the responsibility of providing all of the services required for special education. If TCSOS SELPA is not able to make this arrangement, PEA will likely join a different SELPA (i.e. El Dorado SELPA as specified in the petition) in which the charter school keeps the Special Education revenue and uses it to provide services related to SPED needs of the school.

- Special Education Complaints – This area is now almost exclusively within the purview of the Uniform Complaint regulations when the school receives a complaint directly. Mandatory annual notices and other notices required either by the IDEA or California law inform parents of all their complaint options outside of the UCP. Again, we do not provide a copy of the UCP forms in a petition because they can – and frequently do – change annually.
- Employee Qualifications
- Governance
 - Board Meeting Locations – The County Staff Report is incorrect. The Brown Act mandates that boards must meet annually to set the “time and place” of its regular meetings. Again, this is an annual requirement and thus not something that can be included in a charter petition.
 - Audit Committee – Neither the Charter Schools Act nor the Corporations Code require that an Audit Committee be identified in a charter petition nor its bylaws. The board has the power to create committees per its bylaws. Hence, it has the power to create an

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Audit Committee. Once again, including this level of detail in the petition would subject the school to a material revision every time the law changed or the committee changed.

- Employee Qualifications – The Staff Report is incorrect about the new legal requirements for noncore teachers. These requirements do not go into effect until July 1, 2025. As of July 1, 2020, all teachers (including noncore) must obtain a Certificate of Clearance only. The CTC will be providing alternative pathways for noncore certification by July 1, 2022. PEA will comply with any and all requirements.
- Health and Safety – Ed. Code now contains specific requirements for the development and annual review of a charter school's safety plan. Once again, we do not include this in the petition because it must be reviewed annually and thus likely will be edited annually. This again could trigger an annual material revision requirement. All the complaints identified in the Staff Report are now governed exclusively not only by Title IX complaint procedures but by the UCP complaint procedures. These are regulatory requirements that can and do change (they just changed this year for the 20-21 school year), again triggering a potential material revision every time the laws change.
- Racial and Ethnic Balance – The requirements of AB 1505 will be triggered when the school renews, not on July 1, 2020.
- Suspension and Expulsion – The new legal requirements regarding willful defiance do not go into effect until July 1, 2020, at which time the school would be obligated to follow those requirements. The petition as currently drafted includes the current legal requirements.
- Retirement Systems – Again, the Staff Report requests a level of detail that could subject the petition to a material revision every time the law changes. The notice requirements of Section 47611 would be addressed administratively by the school.
- Dispute Resolution – There is no requirement that this section describe how the school will resolve internal disputes, only disputes between the school and its authorizer relating to the "provisions of the charter."
- Administrative Services, the multi year projection does allocate for the budgetary needs, including third party contractors if needed. These items are categorized under their object codes, not as contract labor to allow us to assess what our actual needs may be. For instance, object code 5813 for business services \$48000.00, code 5640 repairs \$1800.00, 5810 accounting \$7500.00, 5800 other services \$5000.00 and so on.
- Enrollment projections, as is legally required we have provided more than 50 % of parent signatures of the first-year enrollment. As I have mentioned to you more than once, there is a significant student population looking for options, however, many are afraid of their students being bullied or other wise harassed by the Twain Harte School District (as has happened with one signer of the petition) and choose at this time to keep the identities of their students confidential. Since the proposed resolution was published on 1/29/2020, I have received reasonable interest from and additional 22 students interested in the site-based program and 4

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students interested in independent study (HSP). I understand the hesitation, as that everyone only recognizes the few students up the hill who currently utilize services from the Twain Harte School District, there are many students in the area who certainly qualify as vulnerable and deserve to have a choice in their education. Additionally, other small schools such as Bellview have reached capacity and have denied transfer requests from interested students. PEA would provide another option for these families.

- Operational Budget and Financial Statements: Revenue Back up documents had been provided in petition already and provided again at this time. As we presented in budget, PEA only has \$250,000 revolving loan, which we are ready to submit an application before due date, February 29, 2020. I believe that the County misread the budget amount. The \$50,000 is under "Less: Other Uses" which is presented as the first set of payments back to the CDE, **not as income**. Positions and salary schedule for next 5 years were provided and here attached again. In the bottom section of budget ("F. Fund balance reserve), PEA has a sufficient fund balance to reclassify the restricted reserve up to \$50,000 and make sure PEA will keep minimum reserve requirement in the budget. We have allocated \$2000.00 for professional development, \$5949.56 for travel and \$4474.78 for conferences, all items which work together. Moreover, professional development does not have to be expensive and some professional development classes are available online and in the area for little and no cost. Again, we welcomed conversation and any questions, I certainly wish that they would have asked questions.
- Civil Liability Effects – The Charter Schools Act does not require a petition to set forth any coverage types or amounts. This is always handled in an MOU between the charter and the authorizer.

I know that you are faced with a difficult decision, however, I also know that you all believe strongly in providing the best educational options for all children. I have heard many of you state, more than once, "this will open many doors for you in the future," I believe strongly in that. I believe that PEA offers a great educational option for all students, in an area in desperate need of a school. It is my goal and the goal of the board of PEA to provide a highly academic environment in order to best prepare these children for high school and college. The bylaws included in the petition include the opportunity for TCSOS to appoint an individual to the PEA board, something we welcome and encourage this element. We want to be a strong partner in education in Tuolumne County and believe in transparency and oversight.

Best,

Heidi Lupo
Lead Petitioner