

Advisory Commission on Charter Schools
An Advisory Body to the State Board of Education

California Department of Education
1430 N Street, Room 1101
Sacramento, California

Monday, July 21, 2008

MEMBERS PRESENT

Rae Belisle, Chair
Jesse Barajas
Vicki Barber
Carol Barkley*
Brian Bauer
Paul Cartas

MEMBERS ABSENT

Tom Conry
Beth Hunkapiller
Mark Kushner

*Carol Barkley is the State Superintendent of Public Instruction's designee.

PRINCIPAL STAFF TO THE ADVISORY COMMISSION

Deborah Domitrovich, Consultant, CDE Charter Schools Division
Keith Edmonds, Consultant, CDE Charter Schools Division
Deborah Probst, Consultant, CDE Charter Schools Division
Greg Geeting, Retired Annuitant, CDE Charter Schools Division

Call to Order

Chair Belisle called the meeting to order at 10:31 a.m.

Flag Salute

Chair Belisle invited Mr. Barajas to lead the members, staff, and audience in the Pledge of Allegiance.

Introductions

Chair Belisle invited the members to introduce themselves, followed by the Charter Schools Division staff members who were present.

Approval of Meeting Notes

Chair Belisle asked if there was a motion to approve the notes from the last ACCS meeting held on May 19, 2008.

ACTION: Mr. Bauer moved that the notes of the meeting held on May 19, 2008, be approved as presented. Ms. Barber seconded the motion, and it was approved by a vote of 5-0-1. Chair Belisle did not vote as she was not present at the May 19 meeting.

Reordering of Agenda

Chair Belisle indicated that Item 7 would be heard first (following public comment), but that otherwise she intended to proceed with the agenda as printed.

Public Comment

Chris Owen, representing CalPERS, commented on the reporting of employee and employer contributions to CalPERS by charter schools. There have been problems in the reporting of some contributions. He expressed appreciation to Ms. Barkley and Charter Schools Division staff for providing notices to CalPERS regarding newly approved and numbered charter schools. He displayed the informational materials that new charter schools receive. He indicated that, unfortunately, CalPERS has had responses from only a few of this year's new charter schools. On

behalf of CalPERS, he requested that the agency be informed when the CDE is advised of charter schools ceasing operations.

ITEM 7: Regional Occupational Centers and Programs

Dennis Guido, Secondary, Postsecondary, and Adult Leadership Division, presented information regarding regional occupational centers and programs. He distributed a copy of the Executive Summary of the Accountability Research Study, 2006 Technical Report, prepared by Doug Mitchell of UC Riverside. Mr. Guido described the mission of and differences between ROCs and ROPs, and he provided some basic statistical information. There are 74 ROC/Ps in California serving approximately 450,000 students per year. Every high school is associated with one ROC/P. There are three types of governance for ROC/Ps: (1) county-operated, (2) single-district, and (3) joint powers authorities composed of one representative from each participating LEA. Mr. Guido emphasized that ROC/Ps are locally administered, not administered by the state. Chair Belisle inquired as to which ROC/P the two statewide benefit charter high schools belong. Mr. Guido indicated that they would be part of the ROC/P in the county where they are located.

ROC/Ps are funded in the amount of approximately \$460 million per year statewide and are capped by average daily attendance (ADA). Each ROC/P has a unique revenue limit. The average is about \$3,600 per ADA. Over time, ROC/Ps had come to serve more adults than originally envisioned. Recent reform legislation, AB 2448 (Chapter 572, Statutes of 2006) requires, over five years, that ROC/Ps return to 90 percent high school students. AB 2448 also provides for more oversight by the CDE. ROC/Ps work directly with business and industry in local communities to ensure that curriculum and offerings are relevant to the regional business climate.

Mr. Guido summarized the Accountability Research Study, noting that students who take ROC/P classes are generally more successful. Many improve their high school GPAs and, as a group, ROC/P participants have a higher graduation rate. More enroll in postsecondary education, and they earn higher wages than comparison group peers. Higher proportions secure raises and promotions in their employment. Participants also prefer ROC/P classes to their traditional classes, and they question the value and relevance of many of the non-ROC/P courses they are required to take.

Mr. Guido indicated that if a high school wants to offer ROP courses, then it seeks approval from the local ROC/P. Charter students could go to ROP classes at existing sites, or an ROP could be set up at the charter site. Chair Belisle inquired about the effect of the ADA cap on these two options. Mr. Guido indicated that charter schools do need to "plan ahead" in order to ensure that their students are able to participate in the ROC/P. Chair Belisle asked whether some other site within an ROC/P would have to "give up" ADA if a charter school were to enter the mix. Mr. Guido acknowledged that such an outcome might occur, but he noted that ROC/Ps are constantly changing their offerings and that at any given time "some courses may no longer be needed." He emphasized that ROC/Ps have to be "responsive to labor market need." He reiterated that charter schools need to start early, possibly a year in advance. He also noted that ROP teachers do not have tenure.

Mr. Bauer inquired about credentialing. Mr. Guido indicated that ROC/P teachers generally have career-technical education credentials (issued by the CTC), although a single-subject or designated-subject credential could be satisfactory for some courses. He indicated that a designated-subject credential is typical for someone coming to an ROC/P from industry. A single-subject credential is typically for someone who has been trained in a postsecondary institution. Mr. Bauer inquired about age restrictions for students. Mr. Guido noted that generally the minimum age is 16, but that younger students are permitted under certain circumstances. Mr. Bauer asked if the CDE knows how many charter high schools are accessing ROC/Ps, either hosting classes directly or sending students to ROP classes at other locations. Mr. Guido indicated that the CDE does not have that information at this time, but that acquiring the information "is on our agenda." Mr. Bauer inquired about ROC/P funding. Mr. Guido indicated that ROC/Ps are funded on a "positive attendance" model with 525 hours of instruction equaling one ADA.

Mr. Bauer indicated that Granada Hills High School had an ROP at the time of conversion, and that the school was successful in maintaining the ROP when the conversion occurred. However, he indicated that he knows of a number of charter high schools that have not fared well in their efforts to get approval for an on-site ROP, and have had great difficulty in getting their students accepted into other ROPs. In the LAUSD, almost all high schools have an ROP, but these schools have no incentive to "carve out" some ADA for charter schools. Mr. Guido emphasized that the incentive must be "to ensure that all students are served." He noted that the CDE "has heard about these problems" and has sometimes been successful in helping resolve them. If there is a problem, the CDE would like to try to help. Mr. Bauer inquired as to how Mr. Guido and his colleagues would know about charter schools' problems. Mr. Guido indicated that Ms. Barkley would be the conduit.

Ms. Barber indicated that legislation is really needed to “change the dynamics.” Currently ROC/Ps are “a zero-sum game.” The state needs to increase the cap and/or change to how the cap is allocated. It is very difficult to ask the field to make room for charter schools under the existing cap. Mr. Guido indicated that the CDE would be happy to work on legislation. Ms. Barber also commented on the new CDE monitoring role, noting that the field will be looking for input, not just monitoring. She emphasized the need for the CDE to be focused on “incentives” and not solely on compliance.

Chair Belisle inquired as to whether an ROC/P JPA could be established exclusively for charter high schools. She recalled having researched the issue at one time and having tentatively concluded that creating a charter ROC/P in the form of a JPA might be possible. Mr. Guido indicated that he did not know whether it was possible and would have to consult with the CDE Legal Division. Chair Belisle suggested that creating a charter ROC/P JPA might be a way to address the issue administratively and avoid the need for legislation, which is always problematic.

Ms. Barber commented that creating an ROC/P for charter high schools within the current system (i.e., with no additional funding) would be “adverse to all the existing entities, pitting one group against another.” Mr. Guido indicated that there is “talk of lifting the cap,” and that the CDE is always “happy to work on creative ideas.” Chair Belisle reiterated that the state needs to look at alternatives, particularly for SBE-chartered high schools. She noted that it is difficult to deal with the issue in light of limited revenue, but that the issue needs to be addressed nonetheless. She called upon ACCS members and other knowledgeable individuals to let Ms. Barkley know any creative ideas they might have. She commented that the ACCS will need to “continue the conversation” at future meetings.

Mr. Bauer echoed the thought that there must be some changes to the internal funding model for ROC/Ps so as to reallocate funding within each region. Charter high schools need to have a way into the funding system. Ms. Barkley indicated that CDE staff would “put our heads together internally” and explore the matter further.

Chair Belisle thanked Mr. Guido for appearing and for fielding member questions. She asked if there was any public comment on the item. There was none.

ITEM 1: Location of Next Meeting

Ms. Barkley asked the members and audience to take note that the next ACCS meeting, on Wednesday, August 27, 2008, will be held at the California State Library, 914 Capitol Mall, Room 500, Sacramento .

ITEM 2: SB 740 Redetermination of Funding Rate Eagles Peak Charter School #282

Mr. Edmonds explained that, as the consequence of an audit, Eagles Peak Charter School submitted information for purposes of redetermining the school's 2004-05 funding determination rate. He indicated that CDE staff closely reviewed the information in relationship to the regulations as they were constituted at that time. CDE staff concluded that the school still met the benchmarks for the 100 percent rate for 2004-05, 2005-06, and 2006-07, provided facilities mitigation was considered.

ACTION: Ms. Barber moved that the ACCS recommend to the SBE that it:

Reaffirm approval of a 100 percent rate for the school listed above for three years (2004-05, 2005-06, and 2006-07).

Determine in this case that a rate greater than 70 percent is appropriate within the meaning of *Education Code* Section 47634.2(a)(4), because the recommended level is consistent with the criteria specified in the regulations pertaining to funding determinations as applicable in 2004-05, taking the mitigating factor of facilities costs into account.

Determine that approval for the three-year period, as requested, is advisable based upon review of the information presented in its totality.

Mr. Barajas seconded the motion, and it was approved by unanimous vote of the members present

ITEM 3: SB 740 Determination of Funding Rate: Current and Prospective Options for Youth-San Gabriel Charter School #117 Options for Youth-San Juan Charter School #217 Opportunities for Learning-San Juan Capistrano #463

Mr. Edmonds provided background information and explained the CDE staff recommendation for approval of #117 and #217 at the 85 percent rate for five years (as these schools met the statutory prerequisite for approval for five years), and for #463 at the 85 percent rate for two years. Ms. Barber inquired whether there would be opposition from CDE staff to recommending approval of #463 for four years instead of two. Mr. Edmonds indicated that four-year approval would be acceptable, noting that generally CDE staff makes the most conservative recommendation as to time when the recommended rate is below 100 percent.

Kerry Mazzoni, representing OFY/OFL, provided an update on the organizations' schools. She indicated that OFY/OFL believes the similar schools ranking at the San Juan Capistrano site will be high this year and that the school may qualify for a five-year funding determination. All OFY/OFL schools have NCLB highly qualified teachers. OFY/OFL schools outpace the alternative schools in every area where they are located. Moreover, the schools deal with significantly higher numbers of at-risk students than the surrounding alternative schools. OFY/OFL provides scholarships for teachers to pursue master's degrees. OFY/OFL in-house research shows significantly higher CASHEE passage rates than surrounding alternative schools. On the OFY side, there is significantly more credentialed staff. The 85 percent funding determination rates have provided the resources necessary to make significant improvements. She noted efforts to ensure that students make college visits. Competitive sports are also available. On the OFL side, there are higher CAHSEE passage rates, and the schools have earned a "P" designation from the College Board. There is a major focus on quality teaching. Chair Belisle indicated that she had attended the graduation ceremony at an OFY/OFL school and was quite impressed.

ACTION: Mr. Cartas moved that the ACCS recommend to the SBE that it:

Approve an 85 percent funding rate for OFY-San Gabriel Charter School (#117) and OFY-San Juan Charter School (#217) for five years (2008-09, 2009-10, 2010-11, 2011-12, and 2012-13), including the conditions identified by CDE staff.

Determine in each case that a rate greater than 70 percent is appropriate within the meaning of *Education Code* Section 47634.2(a)(4), because the recommended level is consistent with the criteria specified in the regulations pertaining to funding determinations as contained in *California Code of Regulations*, Title 5, Section 11963 et seq.

Determine that approval for a five-year period, as requested, is consistent with the requirements of *Education Code* Section 47612.5(d)(2), taking into account the information presented in its totality.

Mr. Bauer seconded the motion, and it was approved by unanimous vote of the members present.

ACTION: Ms. Barber moved that the ACCS recommend to the SBE that it:

Approve an 85 percent rate for OFL-San Juan Capistrano (#463) for four years (2008-09, 2009-10, 2010-11, and 2011-12).

Determine in this case that a rate greater than 70 percent is appropriate within the meaning of *Education Code* Section 47634.2(a)(4), because the recommended level is consistent with the criteria specified in the regulations pertaining to funding determinations as contained in *California Code of Regulations*, Title 5, Section 11963 et seq.

Determine that approval for a four-year period, instead of the five-year period requested, is advisable based upon review of the information presented in its totality.

Mr. Bauer seconded the motion, and it was approved by unanimous vote of the members present.

Oakdale Charter High School #103

Mr. Edmonds presented the CDE staff recommendation for approval at the 70 percent rate for two years (2007-08 and 2008-09). The school had placed funds in reserve anticipating an audit exception, but the school was not cited. This skewed the school's revenue figures. The school serves approximately 60 students and, therefore, qualifies under the regulations for special consideration for 100 percent funding. Ms. Barber inquired whether the ACCS could recommend a higher rate. Ms. Barkley noted that CDE staff generally makes a conservative recommendation in unusual cases such as this one.

Mike Riley, principal for alternative education in Oakdale Joint Unified School District, urged the ACCS to recommend funding at the 100 percent rate. Amy Simons, the school's director, indicated that the school had some audit issues, but was able to address them. The school is now serving about 65 students. Without full funding, she indicated that the school would be "in a difficult spot." The school has a very "dedicated staff" and is "looking to move forward." The school recently completed the WASC accreditation process. If funding is reduced to the 70 percent rate, "staff would be adversely affected." Ms. Barber inquired about certain expenditures in the base year. Chair Belisle suggested fashioning a recommendation that included an "automatic fall back" to the 85 percent rate under particular circumstances. However, Mr. Cartas objected, indicating that a reduction should come as an affirmative action at a subsequent time if the circumstances warrant.

ACTION: Ms. Barber moved that the ACCS recommend to the SBE that it:

Approve a 100 percent rate for the school listed above for two years (2007-08 and 2008-09), provided the school receives an audit for 2007-08 and 2008-09 and completes a new funding determination request for 2008-09 based upon 2007-08 expenditures.

Determine in this case that a rate greater than 70 percent is appropriate within the meaning of *Education Code* Section 47634.2(a)(4), because the recommended level is consistent with the criteria specified in the regulations pertaining to funding determinations as contained in *California Code of Regulations*, Title 5, Section 11963 et seq., specifically the criterion requiring serious consideration for approval of full funding for schools with fewer than 100 students in average daily attendance.

Determine that approval for a two-year period, instead of the five-year period requested, is advisable based upon review of the information presented in its totality.

Mr. Bauer seconded the motion, and it was approved by unanimous vote of the members present.

ITEM 4: High Tech High Statewide Benefit Charter: Expansion to K-12

Ms. Domitrovich summarized background information regarding the consideration and approval of High Tech High's Statewide Benefit Charter. She explained the CDE recommendation for approval with conditions of the proposed expansion from 9-12 to K-12. In 2009-10, HTH would open two new elementary, middle, and high schools, if the specified benchmarks for the first two high schools have been met. HTH would place the new schools in the "villages" at Chula Vista and San Marcos. HTH would need to actually achieve the target of 40 percent low socio-economic students by end of the third year of operation. Ms. Domitrovich reviewed other charter issues, including admission preferences, ROP, dispute resolution, and an apparent budget inaccuracy.

Ms. Barber inquired about the diversity issue, specifically the origin of the 40 percent figure. Chair Belisle recalled that the 40 percent figure was regarded as more of a "tipping point" than an actual requirement, which is why the figure was stated as a target, and not as a minimum threshold for the charter's continuation. Ms. Barber asked what the sanctions would be if the figure was not achieved. Chair Belisle indicated that sanctions were unspecified. She indicated that socioeconomic disadvantage for STAR testing purposes was used because it is inclusive of both the education levels students' parents and the students' eligibility for free or reduced-price meals. Ms. Barber inquired whether 10 percent was inclusive of all special preference categories, or whether each preference category received up to 10 percent. Ms. Domitrovich indicated that she thought HTH was agreeable to 10 percent for all special preference categories combined, but the proposal was not specific in that regard. Ms. Barber inquired whether the budget issue related to the elementary schools had been reconciled. It had not.

Mr. Cartas also inquired about what might happen if the 40 percent target for socioeconomically disadvantaged students was not met. Ms. Domitrovich indicated that one potential sanction was prohibiting HTH from opening new schools under the statewide benefit charter. Another potential sanction was creation of a more extensive recruitment plan. Mr. Cartas indicated that he did not like to establish benchmarks without also establishing consequences if the benchmarks are not met. Chair Belisle suggested that the target for socioeconomically disadvantaged students could be turned into an actual benchmark, with failure to reach the benchmark becoming a basis for issuing an "intent to revoke" document, i.e., failure to meet the benchmark could be grounds for revocation. Mr. Bauer indicated that there appeared to be a tie between the schools' diversity and the flexibility HTH receives in regard to the random public drawing.

Jed Wallace, Chief Operating Officer of HTH, addressed member questions. He indicated that 40 percent socioeconomically disadvantaged students had consistently been expressed as a "target," because it is difficult to make "hard and fast commitments." He noted, for example, that it may not be acceptable to use family income level

or place of residence (geographic factor) as a means for weighting the random public drawing. HTH could not really make a firm commitment if it is denied the necessary “tools” to reach the objective. He also recommended that any target be stated as a percentage of students entering in a given year or the school as a whole, whichever is more favorable. If one or the other is the exclusive measure, then a single “bad” year may completely overshadow many “good” years. There was extensive discussion of yield rates from statistical advantages in the random public drawing. Mr. Wallace indicated that HTH’s intent was always to limit all special preferences to a combined total of 10 percent. He described the status of negotiations with Dean Kern (US Department of Education) on the random public drawing preferences.

Mr. Wallace indicated that the language pertaining to ROP should have been struck out of charter, and HTH will be happy to make that correction. He did express appreciation to the ACCS for separately considering what to do about the perplexing issue of ROPs and charter schools. He indicated that the change in focus (away from adults) creates a short-term window for charter schools to come to their ROP partners for consideration. Finally, Mr. Wallace indicated that HTH’s preference would be to have permission to open the elementary and middle schools in 2009-10 regardless of whether the first two high schools meet their minimum API thresholds.

Mr. Cartas inquired about the “marketing” of HTH to lower socioeconomic parents. Mr. Wallace indicated that HTH does considerable “outreach to community.” He noted that HTH “would like to have better access to other public schools.” He also noted that HTH is “doing some radio advertising.” He commented that the North County campus (San Marcos) has been “a problem,” but that as for recruitment of socioeconomically disadvantaged students at the Chula Vista campus, “we’re there.”

Mr. Bauer inquired whether HTH was a “school of choice” for NCLB purposes. Mr. Wallace indicated that it was really impossible to do that because of the necessity to “out-source” admissions. He indicated that HTH had been unable to find a way to “sync up” the random public drawing process with the school of choice option.

Ms. Barber inquired about the budget issue mentioned by Ms. Domitrovich in her report. Mr. Wallace indicated that it appears to be “a minor error” and that he would “work with staff to resolve it.” Ms. Barber inquired about fundraising income. Mr. Wallace acknowledged some nervousness about the PCSGP subgrant given the issues surrounding the public random drawing, but that he felt very confident in the other fundraising income as displayed in the budget, which he believes “is almost certain.”

Mr. Barber stated her understanding that HTH (1) accepted the combined total of 10 percent for all special preference categories, (2) wanted authority to open the two elementary and middle schools in 2009-10 regardless of the APIs of the two high schools, and (3) wished to keep the 40 percent socioeconomically disadvantaged students as a target, not a requirement, for the entering class or the school as a whole, whichever is more favorable. She asked if her understanding was correct and if HTH accepted all other recommendations of CDE staff regarding the proposed expansion to K-12. Mr. Wallace responded in the affirmative.

Chair Belisle asked if there was any public comment on this item. There was none.

Ms. Barber indicated that she was sympathetic to three areas where HTH had asked for flexibility. Mr. Cartas reiterated his discomfort with no clear benchmark and consequences relating to the socioeconomic diversity of students. Chair Belisle suggested expressing the matter as the target being 40 percent, and, if the actual socioeconomic diversity in three years is lower, then HTH’s “due diligence” in recruitment is subject to review by the chartering authority. Mr. Cartas indicated that he would prefer something more solid. Ms. Barber indicated that the limitations HTH faces regarding statistical advantage in the random public drawing makes it difficult to hold the organization completely accountable for failure to meet the target. Extensive discussion ensued. Chair Belisle suggested one option for failure to meet the target might be the holding of a special hearing before the ACCS to review the organization’s recruitment efforts.

ACTION: Ms. Barber moved that the ACCS recommend to the SBE that it approve the proposed expansion of the HTH Statewide Benefit Charter to grades K-12, provided the combined total of all special admission preferences is 10 percent, HTH is permitted to open two elementary and two middle schools in 2009-10 regardless of the APIs of the first two high schools, and the target of 40 percent socioeconomically disadvantaged students is maintained at each school. If the 40 percent target is not met, then the consequence is a hearing before the ACCS to review the organization’s recruitment efforts. The 40 percent target is applied to the entering class or the entire school, whichever is higher, based on the STAR testing data reported at the end of the third year of operation (which is actually the beginning of the fourth year of operation). The target is inclusive of students qualified based upon parent

education level as well as free or reduced-price meal eligibility. In reviewing the matter (should that become necessary), the ACCS will evaluate the organization's demonstration of effort, its plan for improvement, its progress made toward the 40 percent target over the three years of operation, the good faith quality of HTH's effort, and the organization's diligence. Mr. Cartas seconded the motion, and it was approved by unanimous vote of the members present.

Lunch Break

Chair Belisle called for the lunch break at 12:35 p.m. She reconvened the meeting at 1:15 p.m.

ITEM 5: Antelope Valley Desert Montessori Charter School: Appeal of Charter Revocation by the Gorman Joint School District

Ms. Barkley summarized the background information concerning this revocation appeal. The CDE concluded that the May 2007 action of the Gorman Joint School District governing board to revoke the charter of the Antelope Valley Desert Montessori Charter School (AVDMCS) must be considered a nullity because, among other things, it did not result in a final action as required by statute. Moreover, the February 2008 action of the governing board did not follow the statutorily required procedure to establish the existence of substantial evidence supporting the revocation. Consequently, CDE staff recommends that the revocation be reversed. Chair Belisle indicated that she would allot up to 15 minutes for each side to make a presentation.

Jill Barrett, representing AVDMCS, expressed support for the CDE staff recommendation. She noted that this has been "a two-year struggle" between the school and the district. She commented that she was "not sure what happened to our relationship." She also commented that despite the "many negatives" in the school's relationship with the district, there were "many positive things happening at our charter school." She noted that ACCS members already had substantial amounts of written material from the school, but noted that the district had not supplied its information "until the last minute." She reiterated her support of the CDE staff recommendation.

There was no one present representing the Gorman Joint School District or the Los Angeles County Office of Education. There was no public comment.

Mr. Barber indicated that although she would support the CDE staff recommendation because the "procedural issues trump all in this case," she wanted the record to reflect her serious concerns about the school. The school should not interpret reversal in this instance as the absence of any significant issues on which revocation could properly be based.

Chair Belisle digressed from the proceedings temporarily to introduce Donna Neville, the new Chief Counsel of the State Board of Education (SBE). Chair Belisle noted that she had known Ms. Neville for some years and was confident that she would be an outstanding addition to the SBE staff. She expressed appreciation to Ms. Neville for being present at the ACCS meeting.

Chair Belisle indicated that the procedural error was so material in this case that there simply "isn't anything for us to entertain." There is "plenty in record" as to potential issues for revocation, but "nothing is properly before us."

ACTION: Ms. Barber moved that the ACCS recommend to the SBE that it approve the CDE staff recommendation:

Find that the February 2008 action of the Gorman Joint School District governing board to reinstate the revocation made in May 2007 and rescinded in November 2007, was inconsistent with the procedural requirements of *Education Code (EC) Section 47607*, which requires the chartering authority to: notify the charter public school of any violation of *EC Section 47607*; give the school a reasonable opportunity to remedy the violation prior to revocation; issue a notice of intent to revoke; hold a public hearing on the matter of revocation; take action on the revocation; and issue written findings of fact for the revocation that are based on substantial evidence.

Based upon the above finding, reverse the revocation action taken by the Gorman Joint School District governing board in February 2008 and state that the Antelope Valley Desert Montessori Charter School remains under the chartering authority of the Gorman Joint School District for all purposes, including, but not limited to, the duties set forth in *EC sections 47604.32 and 47635*.

Mr. Barajas seconded the motion, and it was approved by unanimous vote of the members present.

ITEM 6: Proposed SB 319 Regulations

Chair Belisle distributed and briefly presented a conceptual proposal that she had developed for SB 319 regulations, apologizing for not making the proposal available sooner. Scott Hannan, Director of the School Fiscal Services Division, summarized the events that led up to request that regulations be developed, and he briefly described how the statute works. He noted that the bill's author, Senator Carole Migden, had requested that regulations be prepared, and the SBE had so directed CDE staff. He indicated that a field advisory group had been gathered, and that their general consensus was not to do regulations, except for a single paragraph related to the availability of documentation on how an affected charter school's general-purpose entitlement is determined (i.e., transparency). The advisory group favored a management advisory or bulletin instead of regulations. Chair Belisle discussed her conceptual framework for regulations in more depth.

There was extensive discussion on how to proceed and how, in practice, a general-purpose entitlement is determined under the provisions of SB 319. Eventually, the ACCS approved Chair Belisle's conceptual framework with some additions from the proposal developed through the field advisory group process (which made moot one of the four items in Chair Belisle's framework). There was general consensus that Mr. Hannan would reconvene a field advisory group (with potentially more participants) and develop draft regulations based on the conceptual framework.

ACTION: Mr. Cartas moved that the ACCS recommend to the SBE that it approve commencement of the rulemaking process for SB 319 regulations based on a draft consistent with a three-point conceptual framework:

Incorporate in the regulations the Legislature's intent that charters be provided operational funding equal to the funding that would otherwise be available to a similar school, and provide some illustrative examples of how the SB 319 general-purpose entitlement would be calculated.

Provide for disclosure before the charter is approved of the means by which the initially certified general-purpose entitlement was determined, including source data, calculations, formulas, and methodologies, and state that the actual recertified entitlement is to reflect the same means for determination (simply replacing estimated data for actual data) unless changes in the means for determination are by mutual consent. Encourage disclosure of the entitlement in time for consideration at the public hearing on the charter.

Provide that a charter shall not be denied solely based upon the calculation made by the district, which is also the chartering authority that reviewed the charter petition.

Mr. Bauer seconded the motion, and it was approved by unanimous vote of the members present

Adjournment

There being no further business to come before the ACCS, Chair Belisle adjourned the meeting at 2:30 p.m.

The next meeting will be held on Wednesday, August 27, 2008, at the California State Library, 914 Capitol Mall, Room 500, Sacramento.