

MEETING NOTES

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, January 21, 2003

MEMBERS PRESENT

Mark Kushner, Chair
Steve Barr
Tom Conry
Linda Frost
Beth Hunkapiller
Marta Reyes
Jan Sterling*
Johnathan Williams

MEMBER ABSENT

Caprice Young

* Jan Sterling is the State Superintendent of Public Instruction's designee.

PRINCIPAL STAFF TO THE ADVISORY COMMISSION

Eileen Cubanski, Administrator, CDE Charter Schools Office
Greg Geeting, Assistant Executive Director, State Board of Education

Call to Order. Mr. Kushner called the meeting to order at 10:30 a.m. Mr. Geeting noted that he had received an indication from Ms. Young's chief of staff that regretfully she planned to resign from the Advisory Commission because, with the addition of a part-time job at UCLA to her already hectic schedule, she was simply unable to participate meaningfully in the Advisory Commission's work. However, Mr. Geeting reported that he had not received formal notification as yet.

Flag Salute. Mr. Kushner asked Mr. Geeting to lead the members, staff, and audience in the Pledge of Allegiance.

Tentative Agenda. Mr. Kushner announced that the tentative agenda for the day's meeting would be as follows: (1) determination of funding requests; (2) consideration of the petition for State Board chartering from the KIPP Summit Academy; (3) special education and charter schools; (4) consideration of facilities costs in reviewing determination of funding requests; and (5) other matters.

Introductions. The members of the Advisory Commission introduced themselves along with staff. Mr. Kushner noted that typically he had invited audience members to

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

introduce themselves. However, in view of the somewhat late start to the meeting, he invited audience members who had not previously attended a meeting of the Commission to introduce themselves to the members during a break or at the lunch recess.

2002-03 (and beyond) determination of funding requests. Mr. Kushner invited Ms. Cubanski to present the CDE staff comments and recommendations on each of the determination of funding requests to be considered this day.

Charter #	Charter School Name	Recommended Level	Recommended Years
#26	Twin Ridges Home Study	100%	One year only 2002-03

Ms. Cubanski reported that the staff review found no problem with approval for one year at the 100 percent level, which coincided with the school's request.

- **RECOMMENDATION APPROVED:** Mr. Barr moved that the Advisory Commission recommend to the State Board that the determination of funding request for Twin Ridges Home Study (#26) be approved at the 100 percent level for 2002-03 only. The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the school met the minimum criteria specified in regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Ms. Reyes seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Ms. Hunkapiller and Mr. Williams were not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#477	Connecting Waters Charter School	100%	One year only 2002-03

Ms. Cubanski reported that the staff review found no problem with approval for one year at the 100 percent level, which coincided with the school's request. She noted that this is a start-up school, so the data presented are projections for the year in progress.

- **RECOMMENDATION APPROVED:** Mr. Barr moved that the Advisory Commission recommend to the State Board that the determination of funding request for Connecting Waters Charter School (#477) be approved at the 100 percent level for 2002-03 only. The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the school met the minimum criteria specified in

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Ms. Reyes seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Ms. Hunkapiller and Mr. Williams were not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#152	Circle of Independent Learning	100%	One year only 2002-03

Ms. Cubanski reported that the school met the criteria for 2002-03, but not for multiple years. She commented on the somewhat low percentage of expenditures for instruction and related services and the relatively high reserve, but drew the members attention to the school's plan for facility acquisition.

Mary Musgrove spoke on the school's behalf. She noted that the school focuses on personalized learning, and she described the facility acquisition plan. She asked that the mitigating circumstances be taken into account and that the school be granted a multiple-year determination of funding as requested. There was considerable discussion regarding the school's revenues. It was noted that the school is substantially below the threshold for percentage expenditures for instructional costs.

- **RECOMMENDATION APPROVED:** Mr. Conry moved that the Advisory Commission recommend to the State Board that the determination of funding request for Circle of Independent Learning (#152) be approved at the 100 percent level for 2002-03 only. The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the school met the minimum criteria specified in regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Ms. Frost seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Williams was not present when the vote was taken.

MEETING NOTES
Advisory Commission on Charter Schools
 January 21, 2003

Charter #	Charter School Name	Recommended Level	Recommended Years
#270	W.E.B. DuBois Public Charter	100%	One year only 2002-03

Ms. Cubanski reported that the school met the criteria for approval for one year at the 100 percent level, but not for multiple years as was requested. She commented that there are mitigating factors relating to facilities, but that it would be wise to have the school come back in 2003-04, rather than recommend multiple-year approval at this time.

- **RECOMMENDATION APPROVED:** Ms. Frost moved that the Advisory Commission recommend to the State Board that the determination of funding request for W.E.B. DuBois Public Charter (#270) be approved at the 100 percent level for 2002-03 only. The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the school met the minimum criteria specified in regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Ms. Sterling seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Williams was not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#378	Carter G. Woodson Charter Academy	100%	One year only 2002-03

Ms. Cubanski reported that the school met the criteria for approval for one year at the 100 percent level, but not for multiple years as was requested. As with the preceding school, she commented that there are mitigating factors relating to facilities, but that it would be wise to have the school come back in 2003-04, rather than recommend multiple-year approval at this time.

Linda Washington spoke on the school's behalf. She commented on the school's expanding enrollment, and she explained facilities issues in some detail. She noted that the school's administrative expenses are low. The school is in a relatively large facility, but the enrollment is "growing into it." There was considerable discussion.

- **RECOMMENDATION APPROVED:** Ms. Frost moved that the Advisory Commission recommend to the State Board that the determination of funding request for Carter G. Woodson Charter Academy (#378) be approved at the 100

MEETING NOTES
Advisory Commission on Charter Schools
 January 21, 2003

percent level for 2002-03 only. The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the school met the minimum criteria specified in regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Ms. Reyes seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Williams was not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#421	Olive Grove Home Study Charter	100%	Three years 2002-03, 2003-04, and 2004-05

Ms. Cubanski reported that the school met the criteria for approval for multiple years at the 100 percent level. She noted that, because multiple-year determinations of funding are a new phenomenon, staff recommended a three-year maximum. In this case, the school had requested a four-year determination of funding at the 100 percent level. There was some discussion. Mr. Kushner commented that the members generally appeared comfortable with the three-year maximum recommended by staff.

- **RECOMMENDATION APPROVED:** Ms. Hunkapiller moved that the Advisory Commission recommend to the State Board that the determination of funding request for Olive Grove Home Study Charter (#421) be approved at the 100 percent level for three years: 2002-03, 2003-04, and 2004-05. The reasons justifying a level higher than 80 percent in 2002-03 and higher than 70 percent in 2003-04 and thereafter are that (1) the school met the minimum criteria specified in regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Ms. Reyes seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Williams was not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#424	Wonder to Wisdom	100%	One year only 2002-03

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

Ms. Cubanski reported that the school met the criteria for approval for one year at the 100 percent level, but not for multiple years as was requested. She commented that the school's excess revenues are very high, but that it is a very small school which tends to skew the figures. It would be wise to have the school come back in 2003-04, rather than recommend multiple-year approval at this time.

- **RECOMMENDATION APPROVED:** Ms. Hunkapiller moved that the Advisory Commission recommend to the State Board that the determination of funding request for Wonder to Wisdom (#424) be approved at the 100 percent level for 2002-03 only. The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the school met the minimum criteria specified in regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Mr. Kushner seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Williams was not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#492	Pathways Charter School	100%	One year only 2002-03

Ms. Cubanski reported that the school met the criteria for approval for one year at the 100 percent level, but not for multiple years as was requested. She commented that it is a start-up school and, therefore, it would be wise to have the school come back in 2003-04, rather than recommend multiple-year approval at this time.

- **RECOMMENDATION APPROVED:** Ms. Hunkapiller moved that the Advisory Commission recommend to the State Board that the determination of funding request for Pathways Charter School (#492) be approved at the 100 percent level for 2002-03 only. The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the school met the minimum criteria specified in regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Mr. Conry seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Williams was not present when the vote was taken.

MEETING NOTES
Advisory Commission on Charter Schools
 January 21, 2003

Charter #	Charter School Name	Recommended Level	Recommended Years
#395	Eleanor Roosevelt Community Learning Center	100%	One year only 2002-03

Ms. Cubanski reported that staff were initially inclined to recommend the 70 percent level for this school. However, additional information was submitted, and staff are now of the view that 100 percent for one year is justified. The school experienced start-up difficulties, but it is premature to shut it down. The school has made a good case for one more year to “get on its feet.” Among the start-up issues were fixed operating costs that are currently a large portion of the school’s budget due to the small size of the school and cash flow problems.

Klara East and Sarah Sample spoke on the school’s behalf. This is a very small school with 2.25 FTE faculty last year and 4.0 FTE faculty this year. There is a part-time administrator and the teachers are part-time. Salaries and benefits were relatively low at the beginning, but they will come into line this year. There was considerable discussion.

- **RECOMMENDATION APPROVED:** Ms. Hunkapiller moved that the Advisory Commission recommend to the State Board that the determination of funding request for Eleanor Roosevelt Community Learning Center (#395) be approved at the 100 percent level for 2002-03 only. The reasons justifying a level higher than 80 percent in 2002-03 are that (1) the school met the minimum criteria specified in regulation for the 100 percent level and (2) the school presented sufficient evidence (taking the totality of the request into account along with any other credible information that may have been available) that the 100 percent funding level is necessary for the school to maintain nonclassroom-based instruction that is conducted for the instructional benefit of the student and is substantially dedicated to that function. Ms. Reyes seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Williams was not present when the vote was taken.

KIPP Summit Academy. Mr. Kushner temporarily suspended consideration of determination of funding requests in order that the Advisory Commission could review the petition to establish the KIPP (Knowledge Is Power Program) Summit Academy as a State Board chartered school. Deborah Connelly (School Fiscal Services Division) presented the staff analysis of the petition. She commented that it was an exceptionally well done petition in relation to other petitions staff had reviewed. Nonetheless, she indicated that there are a few areas of concern, including special education, a parent handbook provision that appears to penalize students for their parents’ failure to meet certain expectations, several governance issues, several budgetary matters, and the lack of “close down” provisions. Ms. Connelly presented staff suggestions for various conditions should the Advisory Commission desire to recommend approval of the

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

petition to the State Board. Mr. Conry asked for clarification on the dates being proposed for meeting the various conditions. Ms. Connelly noted that the conditions were similar to conditions that had been attached to other State Board petition approvals but that, due to the lateness of the school year, the customary dates did not make sense for some of the conditions; alternative dates were proposed. Mr. Conry inquired as to why Ms. Connelly was not proposing to include condition #4 pertaining to the presentation of a more complete educational plan. She indicated that in this case the general educational plan presented in the petition is very thorough and doesn't need elaboration; the area of special education is a matter of concern, but it is addressed in a separate condition.

The petition was denied by the Board of Education of the San Lorenzo Unified School District. District Superintendent Arnie Glassberg joined the meeting by telephone. Mr. Kushner invited him to discuss the reasons for denial. Mr. Kushner noted that the superintendent's report in the local board agenda appeared to conclude unequivocally that there was no legal reason to deny the petition. Mr. Glassberg commented that he had presented his analysis to the local governing board but had not made a recommendation to approve or to deny the petition. He pointed out that it is the local governing board members who must be convinced that the requirements of law are satisfied. He indicated that, in this case, the local board felt that the petitioners were (in the words of statute) "demonstrably unlikely to successfully implement the program set forth in the petition," due to the qualifications of the individual identified to be the school's principal. He does not have an administrative credential in California and has little experience as a teacher.

Mr. Barr pointed out that an administrative credential is not required of a charter school principal. Mr. Glassberg acknowledged that point, but indicated that it was one of the points that led the local board to conclude that the charter could not be successfully implemented. Mr. Kushner reiterated that the local board's action did not appear to square with the material presented in the agenda item. Mr. Glassberg commented that the local board obviously saw things differently. He went on to point out that an action may not appear reasonable when disjointed from the context of the overall discussion, even though within that context the action did appear reasonable and justified. Mr. Barr asked if the district had had other charter petitions submitted to it; Mr. Glassberg indicated that it had not received other petitions.

Mr. Kushner invited the representatives of KIPP Summit Academy to make their presentation. Jason Singer, Beth Sutkus, and Mike Feinberg addressed the Advisory Commission. They summarized the general organizational plan, pointing out that the objective would be to replicate the "success" of KIPP schools elsewhere in the nation, not to replicate a specific set of procedures. They emphasized the five pillars of KIPP schools: high expectations, choice and commitment, more instructional time for students, power to lead, and focus on results. Mr. Singer's qualifications to lead the school were discussed in some detail. The school will, at build-out, cover grades five through eight.

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

Ms. Sutkus addressed various business-related issues, including insurance, grants, line of credit, and the oversight fee. Barbara Morton, representing Total Education Solutions, discussed that organization's status vis-à-vis certification to be a non-public agency provider of programs and services for special education students. There was discussion of how the school would approach SELPA participation; whether as a local education agency within a SELPA or, via memorandum of understanding, as a school of the San Lorenzo district. Ms. Sutkus emphasized that an essential part of the KIPP philosophy is to provide students with extra instructional time, and this is a key strategy for improving the achievement of English learners and special education students.

Mr. Kushner invited comments from members. Ms. Frost inquired about the special education manager position. Ms. Reyes commented that Mr. Singer's qualifications seemed exceptional in her view. She also inquired about governance issues, in particular the issue of who holds the charter. Ms. Connelly indicated that the CDE legal staff felt there was a strong possibility of problems arising with KIPP California holding the charter and KIPP Summit Academy having a governing board separate from KIPP California. She indicated that it was the recommendation of the CDE legal staff that the school itself be the chartered entity.

Jack Kantor, representing KIPP California, indicated that the two-entity structure was a departure from what had typically been done, but that it reflected a better governance model. He indicated that oversight by parent organizations is notoriously problematic. By having the parent organization be the charter holder, there will be more assurance that the vision being outlined will actually be delivered. KIPP California is the safeguard to ensure that the promises are kept. Mr. Kushner indicated that this governance issue was obviously one on which there might be some disagreement, so he proposed that it be dealt with separately when the Advisory Commission got to the point of making recommendations to the State Board.

Mr. Barr indicated that he felt the district's reason for denying the charter was not compelling, and he expressed sorrow that this much time and energy had to go into the process of the chartering. The time and attention should have gone into serving kids.

Ms. Hunkapiller indicated that she appreciated the effort to establish new models, but that making the new model work was now going to involve "building bridges." In particular, she noted that addressing the special education issue was going to be a major task. She asked Mr. Glassberg if he felt the district would have the latitude to help KIPP Summit Academy in the area of special education if the State Board chose to charter it. Mr. Glassberg indicated that he felt he had a very positive relationship with the KIPP representatives and that, if the school is chartered, he would want to fashion a supportive, constructive relation between the school and the district.

Mr. Kushner indicated that he was disturbed that the local board appeared to have denied the KIPP Summit Academy petition for a very insubstantial reason and, as a result,

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

“pushed them up to us.” That is not how the law is supposed to work. This is an outstanding, extremely detailed charter. While the CDE staff analysis raises some legitimate points (e.g., the parent handbook), they are for the most part ones that can be easily accommodated. The governance model is an important issue, but not one that should derail the charter.

Mr. Singer indicated that the parent handbook matter was a “good call” on the part of CDE staff. The handbook was not phrased in the best way to convey out intent and could be read as holding students responsible for the acts of their parents (guardians). We will modify the language.

Ms. Sterling inquired as to whether the local governing board might be encouraged to reconsider its rejection of the KIPP petition. Mr. Glassberg indicated that he couldn’t say conclusively how the local board would react to a request for reconsideration, but the decision was much more complex than it appears in reading the agenda materials and the meeting minutes. Ms. Sterling inquired as to whether the district might be willing to do the oversight of the school if it is chartered by the State Board. Mr. Glassberg indicated that he did not believe the local board would be receptive to the district being the oversight agent, as to do so would be pretty much the same thing as having chartered the school.

Mr. Conry inquired about the KIPP organization (15 schools nationally, one of which is located in California and is operated as a non-charter school of the Oakland Unified School District). He also inquired about the KIPP California organization as distinct from KIPP Summit Academy. Finally, he inquired about Mr. Singer’s ties to the San Lorenzo community. He concluded by saying that he felt this was a very strong petition, one he could support (although he did feel it would be wise to have the charter held by KIPP Summit Academy rather than KIPP California).

Mr. Williams indicated that he welcomed KIPP to the ranks of California’s charter school operators. He has seen KIPP’s work in other states and been very impressed. With respect to the administrative credential issue, while a credential program certainly provides access to a rich body of information and ideas, there are alternative routes to developing the ability and expertise to administer a school. Mr. Singer appears exceptionally capable and should be an excellent leader for KIPP Summit Academy.

Jennifer Faulkner (Special Education Division) commented that the staff review of the KIPP petition raised a number of concerns regarding programs and services for special education students. She wanted to be sure that the members understood that considerable work remained to prepare a package that would (as set forth in the proposed condition) be acceptable to the Director of Special Education for purposes of recommending sign-off by the Executive Director of the State Board of Education.

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

Mr. Geeting noted that a number of the proposed conditions (for understandable reasons) would have deadline dates relatively close to the school's proposed start-up. He emphasized that the Executive Director of the State Board would be placed in the difficult position of having to refuse authorization to begin operations if one or more of the deadlines is missed, but that the Executive Director has refused authorization in the case of another school. The important point, he cautioned, is for the school to be very cautious in promises it may make to staff, parents (guardians), and students. Even with every good intention now, we may come to a place in June (or even in September) where the difficult decision is made to refuse authorization to open.

- **RECOMMENDATION APPROVED:** Mr. Williams moved that the Advisory Commission recommend to the State Board grant the charter for KIPP Summit Academy with all of the conditions proposed by CDE staff, except the condition pertaining to the entity that would hold the charter (which will be addressed in a separate motion). Ms. Frost seconded the motion. The motion was approved by unanimous vote of the members present.
- **RECOMMENDATION APPROVED:** Mr. Barr moved that the Advisory Commission recommend to the State Board that it approve the holding of the charter for KIPP Summit Academy by KIPP California, as proposed in the petition. Mr. Williams seconded the motion. The motion was approved by a vote of 5-2. Mr. Conry and Ms. Sterling voted against the motion. Ms. Frost was not present when the vote was taken.
- **RECOMMENDATION APPROVED:** As clarification of the first motion, Ms. Hunkapiller moved that the Advisory Commission recommend to the State Board that, in furtherance of the "final charter" condition pertaining to the KIPP Summit Academy petition, the final charter be required to include a description of the procedures to be used if the school closes once operation has commenced (as that provision is recommended for inclusion in the charter by CDE staff). Mr. Williams seconded the motion. The motion was approved by unanimous vote of the members present. Ms. Frost was not present when the vote was taken.

Lunch Break. 1:11 – 2:14 p.m.

Letter regarding KIPP petition; letter to all local school boards and superintendents. Mr. Kushner indicated that he had given further thought to the KIPP petition during the lunch break and that he felt the matter warranted a letter being sent to the members of the Board of Education of the San Lorenzo Unified School District expressing concern that this charter appeared to have been rejected for reasons that were not substantive. He also suggested that the situation might underscore the need to send a letter being sent to all local school boards and superintendents emphasizing districts' responsibilities to respond to charter petitions reasonably, i.e., reject petitions only when substantial reasons exist. Ms. Sterling asked if he was envisioning letters from the Advisory Commission or from

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

the State Board. Mr. Kushner indicated that he would be willing in each case to leave that up to the judgment of staff in consultation with the State Superintendent and the State Board president.

- **RECOMMENDATION APPROVED:** Mr. Kushner moved that the Advisory Commission request that CDE staff develop a letter to the Board of Education of the San Lorenzo Unified School District expressing concern that the KIPP petition did not appear to have been rejected for substantive reasons. Mr. Williams seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Conry, Ms. Frost, and Ms. Hunkapiller were not present when the vote was taken.

- **RECOMMENDATION APPROVED:** Mr. Barr moved that the Advisory Commission request that CDE staff develop a draft letter to all local school boards and superintendents regarding districts' responsibilities for reviewing petitions to establish charter schools, then, in consultation with the State Superintendent and the State Board president, determine the desirability of issuing such a letter and from which body or individuals such a letter should come. Mr. Williams seconded the motion. The motion was approved by unanimous vote of 5-0-2. Ms. Frost and Ms. Hunkapiller did not vote on the motion. In addition to the absent member, Mr. Conry was not present when the vote was taken.

Determination of funding requests (continued). Prior to taking up the more controversial 2002-03 (and beyond) determination of funding requests, Ms. Reyes suggested that the members give consideration to a mitigating factor that was not known at the time the regulations were developed: the likelihood that per-student funding generally would be lower than anticipated. Mr. Barr indicated that the pending reduction in per-student funding was an argument in his mind for the Advisory Commission and the State Board to be even stricter in reviewing determination of funding requests, not less strict. Mr. Kushner indicated that the regulations were reasonably open in terms of what mitigating factors might be; we only need to apply the regulations in a consistent and thoughtful way. Ms. Reyes concurred.

Charter #	Charter School Name	Recommended Level	Recommended Years
#44	West Park Charter Academy	70%	One year only 2002-03

Ms. Cubanski indicated that the school was substantially below the threshold criteria on both tests and has a 32 percent reserve. Vickie Nishida spoke on the school's behalf. She explained unusual circumstances in relation to its operation, administrative changes, and anomalies relating to staff expenses. It is a solid, computer-based program that provides resource centers for students. There was extensive discussion regarding the

MEETING NOTES
Advisory Commission on Charter Schools
 January 21, 2003

schools revenues, expenditures, and reserve. Mr. Kushner suggested that the school could consider filing for a second determination of funding request, but a more compelling case would have to be made.

- **RECOMMENDATION APPROVED:** Ms. Sterling moved that the Advisory Commission recommend to the State Board that the determination of funding request for West Park Charter Academy (#44) be approved at the 70 percent level for 2002-03 only. The reasons justifying a level lower than 80 percent in 2002-03 are that (1) the school is below the minimum criteria specified in regulation for the 80 percent level and (2) no mitigating factor(s) reasonably overcome the failure to meet the minimum criteria. Ms. Frost seconded the motion. The motion was approved by a vote of 6-1. Ms. Reyes voted against the motion. In addition to the absent member, Mr. Conry was not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#165	Camptonville Academy	80%	One year only 2002-03

Ms. Cubanski indicated that the school met the criteria for funding at the 80 percent level, but not the 100 percent level. There are issues relating to staff costs, contracts, and the reserve. It would be advantageous for the school to come back next year and endeavor to demonstrate qualification for a higher funding level.

Jan Jablecki spoke on the school's behalf. She indicated that the school had a difficult time terminating a management contract, but that issue was now behind them. She indicated that about 30 percent of the teachers are not employees which skews the figures. There was substantial discussion. Mr. Kushner indicated that he was not compelled by the arguments to vote for more than 80 percent. Ms. Jablecki indicated that she felt the school was being punished for working hard to get out of a bad management contract.

- **RECOMMENDATION APPROVED:** Mr. Williams moved that the Advisory Commission recommend to the State Board that the determination of funding request for Camptonville Academy (#165) be approved at the 80 percent level for 2002-03 only. Mr. Barr seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Conry was not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#267	Julian Charter School	80%	One year only

MEETING NOTES
Advisory Commission on Charter Schools
 January 21, 2003

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Ms. Cubanski indicated that the school met the criteria for the 80 percent level, but no higher. A major issue is contracts; the school is working to resolve that issue.

Jennifer Cauzza spoke on the school's behalf. She explained major one-time costs experienced by the school. She asked in view of the school's unusual circumstances for a compromise funding level of 90 percent. The school would be in good shape with that level. There was considerable discussion. It was suggested that the school accept the 80 percent level for the time being and submit a second determination of funding request for 2002-03 and present its best case for a higher funding level (in keeping with the discussion). Ms. Reyes indicated that she felt the school had demonstrated unusual circumstances warranting a compromise recommendation.

- **RECOMMENDATION APPROVED:** Ms. Sterling moved that the Advisory Commission recommend to the State Board that the determination of funding request for Julian Charter School (#267) be approved at the 80 percent level for 2002-03 only. Mr. Williams seconded the motion. The motion was approved by a vote of 6-1. Ms. Reyes voted against the motion. In addition to the absent member, Mr. Conry was not present when the vote was taken.

Charter #	Charter School Name	Recommended Level	Recommended Years
#282	Eagles Peak Charter School	80%	One year only 2002-03

Ms. Cubanski indicated that the school met the criteria for the 80 percent level, but no higher. Contract expenditures is a major issue. There are no strong mitigating factors.

Kathleen Hermsmeyer spoke on the school's behalf. She explained that much of the contract expenditures were for educational services. It was suggested that the school withdraw the request and present stronger data, or accept the 80 percent level for the time being and submit a second determination of funding request for 2002-03. Ms. Hermsmeyer elected not to withdraw the request.

- **RECOMMENDATION APPROVED:** Ms. Sterling moved that the Advisory Commission recommend to the State Board that the determination of funding request for Eagles Peak Charter School (#282) be approved at the 80 percent level for 2002-03 only. Mr. Williams seconded the motion. The motion was approved by unanimous vote of the members present. In addition to the absent member, Mr. Conry was not present when the vote was taken.

MEETING NOTES
Advisory Commission on Charter Schools
 January 21, 2003

Charter #	Charter School Name	Recommended Level	Recommended Years
#370	Wheatland Charter Academy	70%	One year only 2002-03

Ms. Cubanski indicated that the school qualified only for the 70 percent level based on information that had been reviewed to date, but that additional information had been presented today. She indicated that the reserve presented a substantial issue, but indicated that the school would still be at the 70 percent level even if the reserve is ignored.

Johanna Bartholomew and Angela Gouker spoke on the school's behalf. They indicated that the school's administrator is very conservative and actually wanted to give back a loan, which skewed the reserve figure. The school has gone up and down in enrollment. There has been a need to increase teachers and aides. There is also a facilities issue. Mr. Kushner expressed sympathy for the representatives' position in that they were not completely familiar with the school's situation and had been asked at the last minute to substitute for the administrator. He indicated that clearly the members had significant reservations about this request. He recommended that the Advisory Commission proceed by approving the request for one year at the 70 percent level, as recommended by CDE staff, with the understanding that the school can submit a second determination of funding request for 2002-03. When that second request is heard, the school's administrator will hopefully be able to be present and provide compelling arguments for a higher funding level.

- **RECOMMENDATION APPROVED:** Mr. Williams moved that the Advisory Commission recommend to the State Board that the determination of funding request for Wheatland Charter Academy (#370) be approved at the 70 percent level for 2002-03 only. The reasons justifying a level lower than 80 percent in 2002-03 are that (1) the school is below the minimum criteria specified in regulation for the 80 percent level and (2) no mitigating factor(s) reasonably overcome the failure to meet the minimum criteria. Ms. Frost seconded the motion. The motion was approved by a vote of 6-0-1. Ms. Reyes did not vote on the motion. In addition to the absent member, Mr. Conry was not present when the vote was taken.

Delta Charter High School. Dennis Boyer and Mary Vink, representing Delta Charter High School, presented a request seeking assurance as to how certain facilities costs would be viewed in relation to future-year determination of funding requests. There was some discussion. Mr. Kushner indicated that certainly staff could review the materials presented, but that he did not feel the Advisory Commission was in a position to make a decision at this time. Mr. Boyer and Ms. Vink indicated that assurance of funding at the 100 percent level for multiple years was essential to proceeding with acquisition of an additional facility. Mr. Kushner commented that he would like to find a way to address

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

their concerns, but that there were clearly insufficient votes to proceed with the proposal at this time. He indicated that the matter would be considered further at the next Advisory Commission meeting.

Special Education and Charter Schools. Don Shalvey, president of Aspire Public Schools, addressed the Advisory Commission regarding his perspectives on special education issues related to charter schools. Mr. Shalvey, who was recently appointed by the State Board of Education to the Advisory Commission on Special Education, addressed his comments to three areas: (1) taxonomy of issues; (2) data needs; and (3) courses of action. He discussed issues of delivery of services (as distinct from governance issues), fiscal issues, and the matter of opportunity, access, and autonomy. He pointed out the paradox of charter schools with respect to special education: they are viewed from the perspective of their impact on programs and services. Are they a net benefit (generating more funds than the costs of the special education students likely to attend them)? The same individuals who make that evaluation often make life-or-death decisions about the viability of a charter. Access to SELPAs is not easy. The entry of even a single charter school may shift the balance of power in a SELPA governance structure.

In terms of data collection, Mr. Shalvey urged the Advisory Commission to seek more information regarding the following: How many existing charters are LEA members of SELPAs? What distinguishes them from the charter schools who are schools of a district for special education purposes? What issues are there around denial of admission to a SELPA? Is there a place for a “court of appeal”?

Mr. Shalvey outlined a proposal, for which he would pursue foundation funding, to collect data on the existing SELPA relationships, as well as to explore a model under which a SELPA would accept a group of charter schools from a geographically different area as a single member. He indicated that valuable information could be gained from such a venture. Several members asked if Mr. Shalvey was seeking a motion to endorse his proposal. He recommended that the Advisory Commission wait until he reduces the proposal to writing and they have had the opportunity to review and discuss it. Then, if the members felt comfortable with endorsing the proposal, he would be delighted to have their support.

Mr. Kushner indicated that it seemed clear that there was general consensus both to explore a joint meeting (or cross-communication) with the Advisory Commission on Special Education and to move forward with the data collection effort outlined by Mr. Shalvey. We have a common interest in identifying more effective ways to implement special education program and services in charter schools and ensure that all students are served.

Ms. Cubanski indicated that it should be a relatively easy matter to determine which charter schools are LEA members of SELPAs. Ms. Faulkner commented that the Special

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

Education Division plans in the immediate future to do an electronic survey of SELPAs and (to the extent possible) charter schools to gather just the types of information outlined by Mr. Shalvey.

Tom Scovill, representing SELPA administrators, noted that many assertions had been made regarding the fairness of review that charter schools' applications for SELPA membership receive. SELPA administrators want to help collect data and evaluate those assertions. He commented on the current state fiscal structure for support of special education programs and services, in particular the inequity of sending a scarce special education dollar that is intended to cover all disabilities to a charter LEA that does not generally enroll students with high cost disabilities. He mentioned "weighted voting" in some SELPAs based upon member agencies' relative size of student population. He pointed out the particular challenges of distance learning in which students may be enrolled in a school in one SELPA but reside in the geographic territory of another SELPA. By being local entities, SELPAs are able to adapt and respond to the needs of a region. Their local character needs to be maintained; it's their strength.

Mr. Kushner inquired how much encroachment there was in the SELPA Mr. Scoville administers. He indicated that encroachment is approximately 30 percent (i.e., of 100 percent of an LEA's special education expenditures, 30 percent comes from general education revenues).

David Patterson, representing the California Network of Educational Charters, noted that it is obviously possible to work through the challenges of special education and charter schools in creative ways. He noted that the State Board had asked Special Education Director Alice Parker to report back with ideas for amending state regulations (or other actions) to respond to some of the problems that have been identified in relation to charter schools. He urged the Advisory Commission members to be sure that they were fully informed about (and their ideas fully reflected in) Ms. Parker's report to the State Board.

Jayne Gaskell (Prosser Creek Charter School) noted that the "risk factor" was a major reason only a few charter schools have gone the way of being LEA members of SELPAs. The financial ramifications of a single incident of failure to provide appropriate special education programs and services can close a school. She also pointed out that many SELPAs do not operate with sufficient reserves which should be an issue of concern to all their members. She noted that Prosser Creek Charter School is now considering applying for LEA membership next year.

Ms. Frost mentioned that changes in mental health funding in the Governor's budget proposals could result in a shift in the costs of certain mental health services to schools to the extent these services are required by students' IEPs. Litigation is being considered with regard to this proposed change.

MEETING NOTES
Advisory Commission on Charter Schools
January 21, 2003

Consideration of facilities costs in relation to determination of funding requests. Lisa Corr (Spector, Middleton, Young and Minney) briefly summarized a proposal she had developed (in conjunction with charter school operators and proponents) regarding the consideration of facilities costs in relation to determination of funding requests. Mr. Patterson commented that this is a very important issue and the Advisory Commission should move forward quickly to adopt this proposal or some variation of it.

Charter School Grant Program review process. Ms. Cubanski indicated that there was no new information to report at this time. Staff are looking for good ideas to strengthen and improve the review process.

Charter school financial reporting. Ms. Sterling indicated that the CDE had decided to postpone implementation of the charter school financial reporting aspects of AB 1994 until 2003-04, rather than endeavor to have Emergency Regulations approved to implement the new reporting requirements in 2002-03.

Future meeting dates. There was general consensus that the meeting dates proposed by staff for 2003-04 could be considered a “tentative” calendar. These will be the meeting dates unless some unanticipated need to change one or more of the dates arises.

Future appointees. Mr. Williams requested that those being considered for appointment to the Advisory Commission receive clear communication regarding meeting dates and expectations for participation.

Adjournment. Mr. Williams adjourned the meeting at 4:23 p.m.